

**PLEASANT VALLEY RECREATION & PARK DISTRICT
CITY OF CAMARILLO, CITY HALL COUNCIL CHAMBERS
601 CARMEN DR., CAMARILLO, CALIFORNIA**

**BOARD OF DIRECTORS
REGULAR MEETING AGENDA
March 1, 2017**

6:00 P.M.

REGULAR MEETING

NEXT RESOLUTION #571

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL**
- 4. AMENDMENTS TO THE AGENDA** - This is the time and place to change the order of the agenda, delete, or add any agenda item(s) and to remove any consent agenda items for discussion.
- 5. PRESENTATIONS**
 - A. District Highlights
 - B. Cosmos Track Club
 - C. Young Company
- 6. PUBLIC COMMENT** - In accordance with Government Code Section 54954.3, the Board reserves this time to hear from the public. If you would like to speak about an item on the agenda, we would prefer you complete a Speaker Card, give it to the Clerk of the Board, and wait until it comes up. If you would like to make comments about other areas not on this agenda, in accordance with California law, we will listen, note them, and bring them back up at a later date for discussion. Speakers will be allowed three minutes to address the Board.
- 7. CONSENT AGENDA** – Matters listed under the Consent Agenda are considered routine and shall be acted upon without discussion and by one motion. If discussion is desired the item will be removed from the Consent Agenda for discussion and voted on as a separate item. If no discussion is desired, then the suggested action is for the Chair to request that a motion be made to approve the Consent Agenda.
 - A. Minutes for Regular Meeting of February 1, 2017 and Special Meetings of January 27 and February 1, 2017**
Approval receives and files minutes.
 - B. Warrants, Accounts Payable & Payroll**
Approval of District's disbursements dated on or before February 16, 2017.
 - C. Financial Report**
Monthly unaudited financial reports are presented to the Board for information. Approval receives and files the financial reports for January 31, 2017.

D. Consideration for Setting Dates for Budget Workshops

Approval sets budget workshop dates.

E. Consideration and Approval of Rejection of Bids for the Replacement Vehicle

Approval allows for the rejection of bids received for a new 2017 Ford F-150 XL Truck.

8. NEW ITEMS-DISCUSSION/ACTION

A. Consideration and Approval of the FY 2015-2016 Annual Financial Report as Prepared by Moss, Levy & Hartzheim LLP, CPAs

The annual financial report from Moss, Levy & Hartzheim LLP, CPAs for FY 2015-2016 is presented for approval.

Suggested Actions: A MOTION to Approve the Annual Financial Report for FY 2015 – 2016 as prepared by Moss, Levy & Hartzheim, LLP, CPAs.

B. Consideration and Adoption of Resolution No. 570, Refunding of Series 2008 Certificates of Participation (COPS)

Adoption of Resolution No. 570 allows for the refunding of the Series 2008 COPS.

Suggested Actions: A MOTION to Adopt Resolution No. 570, approving lease financing with CSDA Finance Corporation, authorizing execution of related documents, and approving execution, delivery and sale of not to exceed \$14,460,000 principal amount of refunding Series 2008 certificates of participation.

C. Consideration and Approval of Three Year Rental Agreement Between the District and Journey the Church for the Use of District Property

Approval renews an updated three-year rental Agreement between the District and Journey the Church (Renter).

Suggested Actions: A MOTION to Approve the updated three-year rental Agreement between the District and Journey the Church (Renter).

D. Consideration and Approval of Bid Award for Parking Lot Resurfacing at Camarillo Grove Park to J & H Engineering

Approval of bid award allows for the paving of the Camarillo Grove parking lot to begin.

Suggested Actions: A MOTION to Approve and award the bid for parking lot resurfacing at Camarillo Grove Park to J & H Engineering in the amount of \$174,175.00.

E. Branding – Park Signs

Approval allows for replacement of needed park signs along with landscaping.

Suggested Actions: A MOTION to Approve the list of replacement park signs and allow staff to begin landscaping.

9. INFORMATIONAL ITEMS, which do not require action, will be reported by members of the Board and staff:

- A. Chairman Dixon
- B. Ventura County Special District Association/California Special District Association
- C. Santa Monica Mountains Conservancy
- D. Standing Committees – Liaison, Finance and Personnel
- E. Foundation for Pleasant Valley Recreation and Parks
- F. General Manager’s Report

10. ORAL COMMUNICATIONS- Informal items from Board Members or staff not requiring action.

11. ADJOURNMENT

Notes: The Board of Directors reserves the right to modify the order in which agenda items are heard. Written materials related to these agenda items are available for public inspection in the Office of the Clerk of the Board located at 1605 E. Burnley Street, Camarillo during regular business hours beginning the Friday preceding the Wednesday Board meeting.

Announcement: Public Comment: Members of the public may address the Board on any agenda item before or during consideration of the item. [Government Code section 54954.3] Should you need special assistance (i.e. a disability-related modification or accommodations) to participate in the Board meeting or other District activities (including receipt of an agenda in an appropriate alternative format), as outlined in the Americans With Disabilities Act, or require further information, please contact the General Manager at 482-1996, extension 114. Please notify the General Manager 48 hours in advance to provide sufficient time to make a disability-related modification or reasonable accommodation.



**PLEASANT VALLEY RECREATION AND PARK DISTRICT
CO-SPONSORED GROUP
ANNUAL UPDATE**

PLEASANT VALLEY RECREATION AND PARK DISTRICT
www.pvrpd.org • 805-482-1996

Group: Camarillo Cosmos Youth Track Club

Date: 2/9/2017

**One representative from your organization must attend the following PVRPD Board Meeting on:
Wednesday, March 1 at 6pm in Camarillo City Hall**

OFFICERS	NAME	ADDRESS	DAY PHONE	CELL PHONE
President	<u>Jay Locher</u>	<u>3687 Paloma Drive, Ventura, CA 93003</u>	<u>658-7874</u>	<u>850-9254</u>
Vice President	<u>Leigh Stivers</u>	<u>6930 Quitc Court, Camarillo, CA</u>		<u>443-6384</u>
Treasurer	<u>Connie Sloan</u>	<u>1971 Croydon Avenue, Camarillo, CA 93010</u>	<u>484-2045</u>	
Secretary	<u>Rachel Barlow</u>	<u>473 Avenida Valencia, Camarillo, CA</u>		

Number of participants last year: 315
 Projected number of participants upcoming year: 285

- Changes Organization has made from previous year: 1) New logo/rebrandir 2) New uniforms
3) Adoption of a code of conduct for all club members 4) Recruiting a new administrative staff to assist board
5) Equipment updates - starter's pistol, starting blocks, timing camera upgrade
6) New supplies for coaches - cart, sports bag, first aid kit, binder, batons, and age group labels
7) Recruiting of high school coaches to assist with specialty event trainir 8) Developed mission and core values

Comments for the PVRPD Board of Directors: Thanks for your continued support.
 Formal PowerPoint presentation will provide full details about club values, membership, and activities.

Primary Facility (ies) Used? ACHS track and fields
 What Time are Board Meetings Held? Third Tuesday of each month, 7 to 8 p.m.
 Where are Board Meetings Held? 1150 Avenida Acaso, Camarillo, CA 93012
 When are new Board Members Elected? Last meeting of season (June)
 When are new Board Members Installed? First meeting of new season (August)

Pleasant Valley Recreation and Park District Liaison: Lanny Binney, Recreation Supervisor

Please attach a copy of your By-Laws to this form. Rule book and by-laws are in common with VCYTC

Please Complete and Return the Annual Update and Financial Statement by February 10, 2017 to:
 Lanny Binney
 1605 E. Burnley Street, Camarillo, CA 93010
 Phone: 482-1996 x 17
 Fax: 805-482-3468

Form Completed by (prin Jay Locher Date 2/9/2017
 Sign: James R. Locher IV

**PLEASANT VALLEY RECREATION AND PARK DISTRICT
COMMUNITY SERVICE GROUP - ANNUAL REVIEW
FINANCIAL STATEMENT**

NAME OF ORGANIZATION **Camarillo Cosmos Track Club**

Last Year's Financial Statement
Period: **10/1/2015-9/30/2016**

Proposed Budget
Period: **10/1/2016-9/30/2017**

CHECKING

Beginning Balance:	\$ 27,886.00
Revenue:	
Registration	\$ 37,455.00
Uniforms	\$ 8,210.00
Spirit Wear	\$ 3,533.00
Volunteer Deposits Cashed	\$ 6,600.00
Vol. Corporate Matching	\$ -
Picnic Food Sales	\$ 1,900.00
Fundraisers	\$ 1,435.60
Sponsored Scholarships	\$ -
Miscellaneous Income	\$ -

Total Revenue \$ 59,133.60

Expenses:	
Registration Refunds	\$ 1,750.00
Uniform Refunds	\$ 175.00
Spirit Wear Refunds	\$ -
Uniforms Cost	\$ 7,023.24
Spirit Wear Cost	\$ 2,745.81
Conference Dues	\$ 6,360.00
Dual Conference Meet	\$ 910.00
Facility Rentals	\$ 1,440.00
Insurance	\$ -
Donations to high school	\$ -
Meet Timers	\$ -
Paid H.S. Home Meet Staff	\$ -
Equipment	\$ 7,797.09
IT Equipment	\$ 49.67
Supplies	\$ 810.22
Background Checks	\$ 725.00
Photo Day	\$ 1,478.68
Advertising	\$ 550.00
Printing/Materials	\$ 526.82
IT Services	\$ 497.99
Monthly Bank Card Fees	\$ 1,624.59
T-Shirts for All Athletes	\$ 1,659.53
Awards	\$ 826.46
Picnic Expense	\$ 5,363.29
Coach/Board Expense	\$ 1,228.03
Returned Item	\$ -
Miscellaneous	\$ 872.00
Total Expense:	\$ 44,413.42
Ending Balance:	\$ 42,606.18

CHECKING

Beginning Balance:	\$ 42,606.18
Revenue:	
Registration:	\$ 35,950.00
Tournaments:	\$ 10,000.00
Fundraisers:	\$ 4,000.00
Snack Bar:	\$ -
Interest:	\$ -
Dues:	\$ 1,600.00
Miscellaneous Income:	\$ 1,000.00

Total Revenue \$ 52,550.00

Expenses:	
Registration Refunds	\$ 2,000.00
Uniform Refunds	\$ -
Spirit Wear Refunds	\$ -
Uniforms Cost	\$ 10,000.00
Spirit Wear Cost	\$ 3,000.00
Conference Dues	\$ 5,700.00
Dual Conference Meet	\$ 750.00
Facility Rentals	\$ 5,000.00
Insurance	\$ 500.00
Donations to high school	\$ 1,000.00
Meet Timers	\$ -
Paid H.S. Home Meet Staff	\$ -
Equipment	\$ 5,000.00
IT Equipment	\$ 2,000.00
Supplies	\$ 1,000.00
Background Checks	\$ 1,000.00
Photo Day	\$ 1,500.00
Advertising	\$ 1,150.00
Printing/Materials	\$ 750.00
IT Services	\$ 2,000.00
Monthly Bank Card Fees	\$ 1,500.00
T-Shirts for All Athletes	\$ 1,750.00
Awards	\$ 4,000.00
Picnic Expense	\$ 5,500.00
Coach/Board Expense	\$ 1,000.00
Returned Item	\$ 300.00
Miscellaneous	\$ 750.00
Total Expense:	\$ 57,150.00
Ending Balance:	\$ 38,006.18

List Savings/CDs/Investments here:

Savings Account	\$
CD Account ___ month	\$
CD Account ___ month	\$
Investment Account	\$
Other Account	\$
Total Other Accounts	\$
Checking + Other	\$ 42,606.18

List Savings/CDs/Investments here:

Savings Account	\$
CD Account ___ month	\$
CD Account ___ month	\$
Investment Account	\$
Other Account	\$
Total Other Accounts	\$
Checking + Other	\$ 38,006.18



Executive Summary

Gary Young
Young & Company
Young.ca@mac.com
(805) 710-0118

Table of Contents

Executive Summary.....	3
The Concept- Pacific Coast Sports Center.....	4
The Team: PCSC.....	5-6
Target Audience.....	7-8
Sales & Marketing Plan.....	9-11
Construction Milestones.....	12
Sales & Marketing Milestones.....	13
Weekly Attendees by Month Chart.....	14

Executive Summary

The Pacific Coast Sports Center is a multi-use facility that will allow Ventura to host regional sports and entertainment events that benefit residents and enhance quality of life.

The facility's domes are air-supported structure that has no internal posts. As a result, the interior is an entirely open, free span space. Combined, the two buildings have 256,000 square feet of floor space. This space will be used to accommodate 32 volleyball courts, 25 basketball courts, up to 16 futsal courts, and many more configurations.

The Pacific Coast Sports Center has a top-tier management team that has deep experience in their relative fields. Together, they are signed on to this project to provide support and guidance through the launch and establishment of long-term business operations.

Once constructed, the Pacific Coast Sports Center will be a regional attraction serving a broad range of sport and event interests. Located within this demographic service area there are no other facilities that offer more than 5 courts. Our targeted demographic service area is bordered on the north by Paso Robles and on the south by Sherman Oaks. The eastern borders would include Santa Clarita / Newhall and the greater Bakersfield area.

Over the first few years of operation, PCSC will aggressively market and promote the facility with both an aggressive marketing plan to build brand awareness and a direct sales team to build and leverage relationships with key decision makers. To reach the right audiences, PCSC's marketing efforts will be segmented by event type into two major categories- sports and other events.

Our assumption is the construction process will commence at the approval of the site agreement between the City and PCSC. Final design approval, construction and finishing work is conservatively estimated to take a total of 15 months. Sales and marketing teams will begin upon site approval.

Our financial assumptions that drive the top-line pro forma are derived from four categories (basketball, futsal, volleyball and other events) and their corresponding estimated ramp up process. The individual tournament fees per team were determined by surveying other sports venues offering the same type of facility we have proposed. Only one other facility, located in Anaheim California, offers the same number of courts and variety of uses.

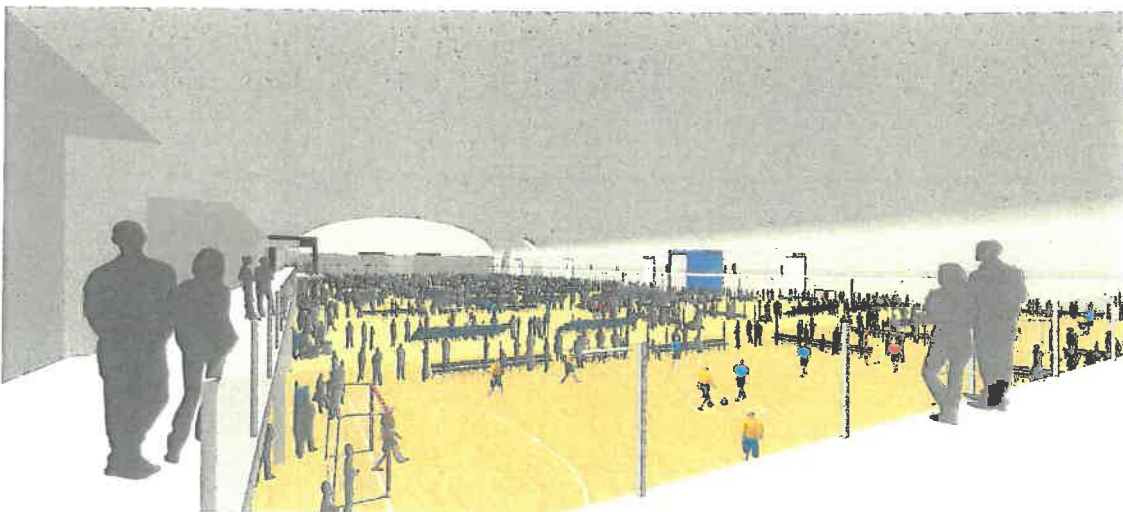
The Concept: Pacific Coast Sports Center

The Pacific Coast Sports Center is a multi-use facility that will allow Ventura to host regional sports and entertainment events that benefit residents and enhance quality of life.

- The dome is an air-supported structure that has no internal posts. As a result, the interior is an entirely open, free span space.
- Combined, the two domed buildings have 256,000 square feet of floor space. This space will be used to accommodate 32 volleyball courts, 25 basketball courts, up to 16 futsal courts, and many more configurations.
- Part of the facility will include an 8,000 square foot state-of-the-art training facility.

A Partnership with the Local Community

- Revenues generated from the PCSC may go to support vital community services.
- Local youth sports, community events, and many others will benefit directly from this facility.
- Local businesses and hotels will see increased tourism dollars from out of town visitors, supporting our local economy.
- No taxpayer dollars will be spent on construction or operation of the facility. This project will be completely supported by revenue from tournaments and events held on site.



The PCSC Team

The Pacific Coast Sports Center has a top-tier management team that has deep experience in their relative fields. Together, they are signed on to this project to provide support and guidance through the launch and establishment of long-term business operations.

Gary Young – Owner/Developer

Gary has experience in residential and commercial real estate development for over 30 years. As the developer and owner, Gary is putting together the overall components of this project. Inspired as a volleyball dad on the Central Coast, Gary looks forward to bringing a regional solution to support our community's growing youth sports programs.

John Fourr – Chief Financial Officer

John Fourr has managed billions of dollars of assets for over 30 years as controller of several different companies. He comes to PCSC as our financial maven who will ensure stability through the startup phases and beyond.

Scott Young- Design Architect

Scott has over 28 years of experience as a licensed architect with an extensive background in real estate and business development. With his well-balanced design and technology skills he will bring forth a unique, state-of-the-art, multi use facility.

Seth Bowman- General Manager

Seth has broad experience implementing operations across different industries- from real estate to construction to live event production. He has a background in project design and management and will oversee the day-to-day operations of PCSC.

Craig Harris- Program Director

Craig has nearly a decade working in local government. Craig will be a valuable asset to PCSC in working on an ongoing basis as a community partner. Craig also has a depth of knowledge and experience from his time in college athletics and will bring his sports background to the management team.

Sascha Pack- Director of Athletics

Sascha currently owns and operates a local athletic training facility. As a strong manager in the athletic space, Sascha will bring contacts, experience and operational capacity to the team as the facility opens.

Chris Collier- Sales & Marketing Consultant

Chris and his firm bring nearly a decade of high-intensity consumer facing marketing and advertising campaigns to the PCSC team. Chris will oversee the efforts to exponentially increase outreach and brand awareness during the ramp up period and beyond.

Target Audience

To reach the right audiences, PCSC's marketing efforts will be segmented by event type into two major categories- sports and other events. In each of the two focus areas, we will break down our targeting into subgroups that will drive facility rental and attendance.

Our immediate geographic market would contain; Ventura, Los Angeles, Santa Barbara, San Luis Obispo, and Kern Counties. The size and appeal of our venue can ultimately lead to nationwide notoriety. Tournaments like the Nike: Tournament of Champions (who has agreed to hold multiple events per year at our location) draw premier teams from all 50 states, as well as, Canada.

The Pacific Coast Sports Center would initially target club level, CIF, AAU, Junior College and NAIA teams in volleyball and basketball for tournaments to be held in our venue. These types of events would predominately be weekend based. This affords the venue the opportunity to be filled mid-week with youth camps, weeklong tournaments to be held during the summer months, trade shows and venues.

Sporting Events

Sports are the primary target for PCSC. Tournaments and other events are often all-day and sometimes multi-day functions, securing the facility rental for the duration. With a broad range of indoor sports in need of regional space for tournaments and local teams looking for additional courts, PCSC is a well-positioned opportunity for a broad range of sporting and athletic events:

- Basketball, volleyball, futsal, training, gymnastics, wrestling, cheer
- As part of the marketing to sporting events, PCSC will engage several types of tournaments:
 - Internal PCSC tournaments- PCSC will hold its own regional tournaments for many different sports categories
 - External tournaments- existing local and regional club leagues are currently searching for additional court space to expand and grow their tournaments that PCSC will be able to provide
 - AAU- The Amateur Athletic Union has no facility on the West Coast and is looking to expand their base operations. PCSC has

been working with AAU to line up tournament opportunities in several sports categories

The Amateur Athletic Union (AAU) is one of the largest non-profit volunteer sports organizations in the United States. A multi-sport organization, the AAU is dedicated exclusively to the promotion and development of amateur sports and physical fitness programs. The AAU events have over 500,000 participants. <http://aasports.org>

- CIF- PCSC has approached CIF about the prospect of hosting regional high-school sporting events and tournaments

Sponsorships

As an additional revenue generator, once PCSC has secured the tournament at the facility, sponsorships will be available at many different levels.

Other Event Days

The Pacific Coast Sports Center's majority of revenue is stemmed from club-level sports tournaments held primarily on the weekend. A facility of this size allows for multiple other uses when not accommodating the sports tournaments. The VCLA (Ventura County Lodging Association) has expressed a great need for a facility that can host mid-week trade shows, conventions, and venues.

- ***Conferences /meetings / trainings-*** PCSC recognizes that corporate events and meetings offer an opportunity to increase facility rental and serve a need that will draw additional visitors to the Central Coast.
- ***Banquets*** – PCSC has an existing working relationship with Brighton Management, who manages a large network of hotels in West Ventura County, and will be able to host large banquets and dining events in conjunction with the Brighton team.
- ***Expos and Chamber Events-*** As part of its offering, PCSC can allow for expo space that gives local and regional businesses the opportunity to network and share ideas, ultimately improving the local business community.
- ***Entertainment venues-*** As an entertainment venue for a variety of low-impact entertainment events, PCSC can configure to accommodate a crowd to service this event type.

Sales & Marketing

Overview

Once constructed, the Pacific Coast Sports Center will be a regional attraction serving a broad range of sport and event interests. Over the first few years of operation, PCSC will aggressively market and promote the facility with both an aggressive marketing plan to build brand awareness and a direct sales team to build and leverage relationships with key decision makers.

Messages & Themes

To highlight the value and benefits of the facility, PCSC's marketing team will develop a variety of messaging themes:

- Central Location
- Easily Accessible
- Parking
- Weather
- Resort-like setting
- Personalized experience
- State of the Art
- Event Days and Sporting Events

Sales & Marketing Strategies

- Create a marketing platform for PCSC that builds awareness of the capabilities and offerings of the facility
- Develop messaging that leverages not only the facility's offerings but unique capabilities, and highlight the features of the City and the region that make PCSC attractive
- Ensure the message gets to the right place with an effective and comprehensive prospect targeting program
- Develop a sales program that leverages person-to-person contacts and works directly with prospects
- Work with existing tourism marketing resources like the Ventura County Lodging Association and the Ventura Visitors & Convention Bureau to cross promote events and the facility

Marketing Platform

PCSC's marketing efforts will take our crafted messages and place them strategically to raise awareness about the facility and its offerings. We will leverage a variety of marketing tools in our platform to ensure the broadest range of coverage.

Advertising

- Digital- a comprehensive digital campaign including paid banners in national (Google) platforms targeting our demographic in the region, as well as local placements in regional news sites and other regionally significant placements.
- Social- paid and promoted social media advertising targeted to sports teams, coaches, leagues, and other target audiences to drive awareness.
- Print- leveraging local publications and tourism publications that focus on sports and event marketing opportunities to drive awareness of the facility and its capabilities.

Public relations

- Local & Regional Press- Work with targeted authors in local publications to increase awareness of the facility and its offerings. Work to place articles about the regions growing tourism
- Tourism publications- Work with targeted authors in nationally important tourism publications to place articles and raise awareness of the facility and get in front of decision makers
- Trade Shows- attend sports marketing and tourism conventions to sell PCSC as a destination facility for out of area and out of regional teams and events
- Blog placements- PCSC will work with targeted content providers to place editorials about experiences and positive experiences of the PCSC to drive SEO and inbound lead traffic, both locally and in the tourism space.
- Social media- Our marketing team is responsible for designing, building and maintaining our social media presence. The social media exposure would immediately heighten our brand recognition, broaden our geographic market, and allow for improvements to our facility through customer insight and feedback.

Sales Program

PCSC will build a sales team and focus on direct client contact. Direct client contact would be obtained through our available database of over 3,000 club level and higher stature team representatives.

- Corporate Staff – in considering sales and marketing team members, PCSC plans to employ several direct sales reps to outreach and make one on one meetings and calls with prospects. Reps will focus on various areas:
 - AAU Rep.- Because of the large opportunity to service AAU on the West Coast, PCSC will employ an AAU rep who will work with the regional and local leagues to bring Amateur sporting events and tournaments to Ventura.
 - Sports- With a focus on local leagues, regional tournaments, and PCSC's own branded tournaments, a rep will specialize in the sports tourism capabilities of the facility.
 - Other events- Working with our strategic partner Brighton Management and other local hotel and CVB entities, a sales rep will work to drive conventions, corporate events and other non-sporting event days at the PCSC.
- Travel & Trade Shows- Attend targeted trade shows and drive person to person contact with key decision makers to influence placement of annual or long-term events at PCSC
- Personal contacts & existing relationships- leverage PCSC's extensive database and further build relationships in the hospitality industry to drive more RSVPs for sports and events

Construction Milestones & Assumptions

Our assumption is the construction process will commence at the approval of the site agreement between the City and PCSC. Final design approval, construction and finishing work is conservatively estimated to take a total of 15 months.

Month 1- Site Approval - Sign contracts for engineering, architect, designer, etc...

Month 2 – City review of design concept

Month 3 – Amending plans to meet City requirements

Month 7 – Pre construction – rough grading

Month 8 – Undergrounds & utilities

Month 9 – Final grading – Infrastructure sign off

Month 10 – Construction starts

Month 11- Order domes

Month 14 - Construction completed – Dome is inflated and ready

Month 15 – Facility opens

Sales & Marketing Milestones & Assumptions

Sales and marketing teams will begin upon site approval. Through the construction process, PCSC staff will develop sales so month 15, at the end of construction, the facility will open with a slate of events.

Our financial assumptions that drive the top-line pro forma are derived from four categories and their corresponding estimated ramp up process.

Volleyball

- We estimate that by month 15, we will start with 1 activity day per month
- By month 18, we will have secured 2 activity days per month
- By month 20: 4 activity days per month, and as a conservative estimate, our financial assumptions assume this remains constant going forward.
- This is based on conversations with AAU, CIF, and local private and recreational leagues

Basketball

- We estimate that by month 15, we will start with 1 activity day per month
- By month 18, we will have secured 2 activity days per month
- By month 20: 4 activity days per month, and as a conservative estimate, our financial assumptions assume this remains constant going forward
- This is based on conversations with AAU, CIF, and local private and recreational leagues

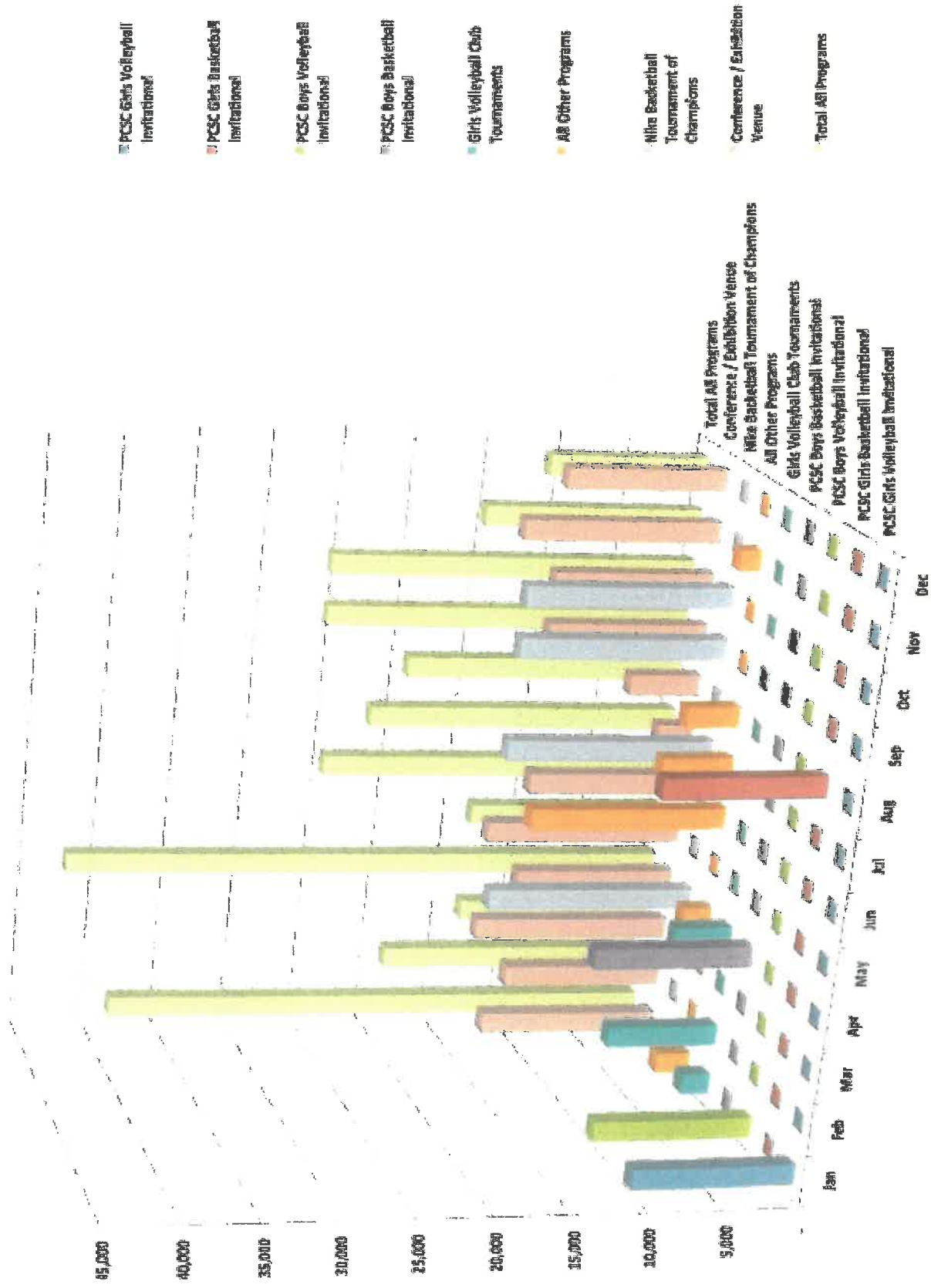
Futsal

- We estimate that starting month 15, we will have 4 activity days per month reserved, that remains constant going forward
- This is based on our preliminary conversations with the local soccer community

Other events

- We estimate that starting month 22, we will have 4 activity days per month reserved, that remains constant going forward
- By month 37, we have conservatively added a 5th activity day per month
- This is based on our conversations with local Visitor & Convention Bureaus and the VCLA and the need for convention space.

Weekday Attendees by Month by Program



**Pleasant Valley Recreation and Park District
Minutes of Special Meeting
January 26, 2017**

1. CALL TO ORDER

Call to Order

The special meeting of the Board of Directors of the Pleasant Valley Recreation and Park District was called to order at 5:04 p.m. by Chairman Dixon.

2. PLEDGE of ALLEGIANCE

3. ROLL CALL

Roll Call

Ayes: Mishler, Magner, Kelley, Malloy, Chairman Dixon

Absent:

Also present: General Manager Mary Otten, Administrative Services Manager Leonore Young, Park Services Manager Bob Cerasuolo, Recreation Services Manager Amy Stewart, Administrative Analyst and Clerk of the Board Mitchell Cameron, Customer Service Lead and Recording Board Secretary Karen Roberts, Recreation Supervisors Jane Raab, Lanny Binney and Macy Anderson.

4. ADOPTION OF AGENDA

Agenda accepted as presented.

5. OPEN COMMUNICATION/PUBLIC FORUM

No comments.

6. NEW ITEMS-DISCUSSION/ACTION

A. Board Goal Setting Workshop

General Manager Mary Otten reviewed the District's FY 16-17 accomplishments with regards to the strategic elements and goals from the District's 2013-2018 Strategic Plan. In conjunction, the following 2016 Board Goals were referenced: 1) District Branding, 2) Capital Improvement Plan, 3) Expansion of the Community Center, 4) Open Space – Phase 2 Study and 5) City Coordination – Developer Fees and General Plan Input.

Discussion included new signage to date, gap analysis of community needs, city involvement, dual purpose pickleball/tennis court, senior/active adult commission and funding for adult programming, presenting updated community service agreements to the Policy Committee, capital funding for Freedom Park baseball field phases, adjacent properties at Camarillo Grove Park, long term plans for the dog parks, water mitigation plans, development of a Finance Operating Procedures Manual, grant focus, full unfunded liability payments in July, redevelopment agency updates, available open space/agricultural land, pension costs, minimum wage effects, and staff training.

7. ORAL COMMUNICATIONS

None.

8. ADJOURNMENT

Chairman Dixon adjourned the meeting at 7:22 p.m.

Respectfully submitted,

Karen Roberts
Recording Secretary

Approval,

Neal Dixon
Chairman

**Pleasant Valley Recreation and Park District
Minutes of Regular Meeting
February 1, 2017**

1. CALL TO ORDER

The regular meeting of the Board of Directors of the Pleasant Valley Recreation and Park District was called to order at 6:00 p.m. by Chairman Dixon.

Call to Order

2. PLEDGE OF ALLEGIANCE

Park Supervisor Matt Parker led the pledge.

3. ROLL CALL

Ayes: Mishler, Magner, Kelley, Malloy, Chairman Dixon

Absent:

ALSO PRESENT: General Manager Mary Otten, Park Services Manager Bob Cerasuolo, Administrative Services Manager Leonore Young, Administrative Analyst and Clerk of the Board Mitchell Cameron, Customer Service Lead and Recording Board Secretary Karen Roberts, Park Supervisor Matt Parker, Recreation Supervisors Macy Anderson and Lanny Binney, Matt Lorimer, Mike Harrison, Bill and Lisa Robertson, and Tiffany Israel.

Roll Call

4. AMENDMENTS TO THE AGENDA

Chairman Dixon called for a motion. A motion was made by Director Malloy and seconded by Director Magner to approve the Agenda as presented.

Voting was as follows:

Ayes: Malloy, Magner, Kelley, Mishler, Chairman Dixon

Noes:

Absent:

Motion: Carried

**Motion to
Approve
Agenda**

Carried

5. PRESENTATIONS

A. District Highlights

Park Supervisor Matt Parker presented the highlights of the January/February District programs and activities. The Senior Center is offering their free Tax Assistance Program beginning February 6th and there will be a Valentine's Dance on February 14th. In the Sports Division, the Pleasant Valley Panthers 10U recently won the junior tennis team sectional championships. CGSA will have opening ceremonies on February 25th and CPBA on March 4th. Recent weather has brought down a few trees and caused mud and debris issues at Camarillo Grove Park and the Las Posas Equestrian Center.

B. AYSO

Recreation Supervisor Lanny Binney introduced Mike Harrison, regional commissioner for Region 68 AYSO which is entering its 42nd year in Camarillo. Over 2200 players ranging from 3.5 to 18 years in age play a minimum of $\frac{3}{4}$ of every game they play. Highlights include the VIP program, scholarships, Challenge program, secondary season, fundraising for breast cancer awareness and organizing food drives for the local food banks. The annual Strawberry Cup brings thousands of people to the area and

\$60,000 to \$80,000 per weekend. AYSO has partnered with CDC (Center for Disease Control) for “Heads Up” concussion training and they have also implemented a “no heading of the ball” rule for ages under 12.

C. Roadrunners RC Auto Racing Club

Recreation Supervisor Lanny Binney introduced Bill and Lisa Robertson, the president and vice president of the Roadrunners RC Auto Racing Club. They have been operating out of Freedom Park for 43 years with about 75 members and 120 non-members who use the on road and off road tracks. Children under the age of 12, girls and women race for free to encourage participation. The organization recently donated \$2500 for Autism Speaks and \$700 for the Ventura County Animal Shelter with their RC Cars for Paws Race. Entry in the annual Christmas Parade is always a highlight. Other than the Freedom Park, the next nearest RC tracks are in Santa Clarita (off road) and Chino (on road).

6. PUBLIC COMMENT

Chairman Dixon accepted one speaker card from Administrative Analyst and Clerk of the Board Mitchell Cameron. Matt Lorimer stated that even though the senior center was recently painted and counters were replaced in the restrooms, there is more needed. Seniors need a new restroom for handicapped, better lighting and more room because the building is crowded. Mr. Lorimer stated that the City should be assisting the senior center like neighboring cities do.

7. CONSENT AGENDA

- A. Minutes for Regular Board Meeting January 4, 2017 and Special Board Meeting January 12, 2017
- B. Warrants, Accounts Payable & Payroll thru January 25, 2017
- C. Financial Report
- D. Consideration and Adopt Resolution No. 569 Directing SCI to Prepare the FY 2017-2018 Engineer’s Report for the Assessment District

Chairman Dixon called for a motion. A motion was made by Director Malloy and seconded by Director Mishler to approve the Consent Agenda.

Motion to Approve Consent Agenda

Voting was as follows:

Ayes: Malloy, Mishler, Magner, Kelley, Chairman Dixon

Noes:

Absent:

Motion: Carried

Carried

8. NEW ITEMS – DISCUSSION/ACTION

A. Consideration and Approval of Mid-Year Budget Revisions

Administrative Services Manager Leonore Young presented the mid-year revisions for the FY 2016-2017 Budget. Discussion included the ability of the new Springbrook software to correctly identify the 457 pension numbers, need for a 3rd party to prepare GASB 68 reports, need for solid walls in office for Human Resources privacy issues, new playground equipment and the recent receipt of \$10,000 check from CAPRI.

Chairman Dixon called for a motion. A motion was made by Director Magner and seconded by Director Malloy to approve the mid-year budget revisions to the FY 2016-2017 Budget with an adjustment for CAPRI.

Motion to Approve Mid Year Budget Revisions

Voting was as follows:

Ayes: Magner, Malloy, Mishler, Kelley, Chairman Dixon

Noes:

Absent:

Motion: Carried

Carried

B. Consideration and Approval of District Wide Fee Schedule for FY 2017-2018

Administrative Analyst Mitchell Cameron presented suggested changes to the current fee schedule. Added were rental fees for the new Mel Vincent Park, a non-sufficient fund fee of \$30, rental fees for the mobile stage and a parking lot fee per hour.

Chairman Dixon called for a motion. A motion was made by Director Malloy and seconded by Director Mishler to approve the proposed FY 2017-2018 Fee Schedule.

Motion to Approve FY 2017-18 Fee Schedule

Voting was as follows:

Ayes: Malloy, Mishler, Magner, Kelley, Chairman Dixon

Noes:

Absent:

Motion: Carried

Carried

C. Approval of Request for Proposals (RFP) for Tree Trimming and Maintenance Services and Authorization for Staff to Solicit Proposals for Tree Trimming and Maintenance Services

Park Supervisor Matt Parker presented an RFP and bid specifications for tree trimming and tree maintenance services for the District. The services requested include the development and implementation of a tree maintenance schedule, maintenance of a tree database and emergency tree maintenance and tree removal. Discussion included current maintenance schedules, tree database, the outsourcing of extensive tree care, liability, park staffing, pricing, and increased maintenance.

Chairman Dixon called for a motion. A motion was made by Director Magner and seconded by Director Malloy to approve the RFP and bid specifications for tree trimming maintenance services.

Motion to Approve Bid Specs for Tree Trimming

Voting was as follows:

Ayes: Magner, Malloy, Mishler, Kelley, Chairman Dixon

Noes:

Absent:

Motion: Carried

Carried

9. INFORMATIONAL ITEMS

- A. Chairman's Report – Chairman Dixon commented that there was a strong display of senior interest at the recent special board meetings and that the District is moving forward and presenting data to the City regarding the current full capacities of the senior center and gymnasium.
- B. Ventura County Special District Association/California Special District Association- Director Magner stated that the annual meeting for VCSDA will be held at Sterling Hills Country Club on February 7th. Ms. Magner has made a couple of trips to Sacramento for CSDA.
- C. Santa Monica Mountains Conservancy – Director Mishler attended the January 23rd meeting.
- D. Standing Committees – Finance – Director Mishler stated the mid-year revisions were covered.
- E. Foundation for Pleasant Valley Recreation and Parks – Director Dixon – No report.
- F. General Manager's Report – General Manager Otten reported that the Mel Vincent Park will have a grand opening on February 18th and that the Camarillo Grove Park trail opening has been moved to June 3rd in conjunction with National Trails Day.

11. ORAL COMMUNICATIONS

None.

12. ADJOURNMENT

Chairman Dixon adjourned the meeting at 7:30 p.m.

Respectfully submitted,

Approval,

**Karen Roberts
Recording Secretary**

**Neal Dixon
Chairman**

**Pleasant Valley Recreation and Park District
Minutes of Special Meeting
February 1, 2017**

1. CALL TO ORDER

The special meeting of the Board of Directors of the Pleasant Valley Recreation and Park District was called to order at 7:36 p.m. by Chairman Dixon.

Call to Order

2. PLEDGE of ALLEGIANCE

3. ROLL CALL

Ayes: Mishler, Magner, Kelley, Malloy, Chairman Dixon

Absent:

ALSO PRESENT: General Manager Mary Otten, Administrative Services Manager Leonore Young, Park Services Manager Bob Cerasuolo, Administrative Analyst and Clerk of the Board Mitchell Cameron, Customer Service Lead and Recording Board Secretary Karen Roberts, Park Supervisor Matt Parker, Recreation Supervisors Macy Anderson and Lanny Binney, and Tiffany Israel.

Roll Call

4. ADMENDMENTS TO THE AGENDA

The Agenda was accepted as presented.

5. PUBLIC COMMENT

No comments.

6. NEW ITEMS-DISCUSSION/ACTION

A. Approve Legal Counsel Agreement with Aleshire & Wynder, LLP

Administrative Services Manager Leonore Young presented an agreement with the law firm of Aleshire & Wynder, LLP (A&W) for Board approval. The full service legal firm was selected from eight proposals which were received by the District in January in a search to replace the legal services of Musick Peeler & Garrett, LLP's Attorney Anthony Trembley who became a City of Camarillo councilmember in December 2016. Ms. Young introduced Tiffany Israel, general counsel with A&W who fielded questions from the Board. Discussion included A&W's special district experience, assignment of a three-attorney team, lack of lawsuits, pricing, division of labor within the company, the great credentials of the attorneys, and the company's wide range of expertise.

Chairman Dixon called for a motion. A motion was made by Director Malloy and seconded by Director Magner to approve the legal firm agreement with Aleshire & Wynder, LLP to provide full service legal counsel for the Pleasant Valley Recreation and Park District.

**Motion to
Approve
Aleshire &
Wynder, LLP
As Legal
Counsel**

Voting was as follows:

Ayes: Malloy, Magner, Mishler, Kelley, Chairman Dixon

Noes:

Absent:

Motion: Carried

Carried

7. ORAL COMMUNICATIONS

Director Magner requested that staff consider a request for proposal (RFP) for the District's liability insurance to compare with what the District currently purchases through CAPRI.

8. ADJOURNMENT

Chairman Dixon adjourned the meeting at 7:56 p.m.

Respectfully submitted,

Approval,

Karen Roberts
Recording Secretary

Neal Dixon
Chairman

**PLEASANT VALLEY RECREATION AND PARK DISTRICT
STAFF REPORT / AGENDA REPORT**

TO: BOARD OF DIRECTORS

FROM: MARY OTTEN, GENERAL MANAGER
By: Leonore Young, Administrative Services Manager

DATE: March 1, 2017

SUBJECT: FINANCE REPORT – JANUARY 2017

RECOMMENDATION

It is recommended the Board review and approve the Financial Statements for January 31, 2017 for Fund 10 and Fund 20.

ANALYSIS OF COMPARATIVE FINANCIAL THROUGH JANUARY 31, 2017

Attached you will find the PVRPD Statements of Revenues and Expenditures for the period of July 1, 2016 through January 31, 2017 with a year-to-date comparison for the period of July 1, 2015 through January 31, 2016. The percentage rate used for the 2016-2017 fiscal year budget is 58% for Period 7 of the fiscal year.

REVENUES

Total revenue for the 7th month ending January 31, 2017 for Fund 10 (General Fund) has an overall increase of \$3,243,368. This increase is due to the following items: 1) Park dedication fee (\$3,123,562) and 2) Tax apportionment (\$149,238). There was a decrease in Public Fees (\$35,994) due to the following reasons: 1) cancellation of swim classes this past fall as the District went out to bid for the Bob Kildee parking lot resurfacing, 2) decrease in softball tournaments, and 3) timing issues on payments of fees.

If the park dedication fees are not factored into the revenue variance from prior year, the general ledger shows a revenue increase of \$109,211 over prior year. This increase is primarily due to the items listed in the prior paragraph.

Total revenue for the 7th month ending January 31, 2017 for Fund 20 (Assessment District) is at 41.38% of budget which is \$589,884. The revenue received was from the Assessment District tax which was received in December. The remaining Assessment District tax will be received again in April 2017.

EXPENDITURES

Personnel Expenditures have increased by \$140,062 for FY 2016-2017 in comparison to personnel expense for the same time period. This increase is primarily due to an increase in full time wages of \$82,943 due to vacant positions being filled in comparison to last year. Another

increase is in the PERS Unfunded Liability of \$16,094 in comparison to prior year due to the annual increase from CalPERS. Retirement has increased \$27,865 which includes PERS, FICA and Medicare. Overall personnel is under budget by 6.8%.

Service and Supply Expenditures have increased \$109,442 in comparison to the same time period as last year. This increase is primarily due to the following items: 1) Reserve Designated Project \$17,500, 2) Reserve Dry Period \$53,083, 3) Grounds Maintenance \$27,197, and 4) Insurance Liability increased by \$29,150. The specific Reserve line items are new expense line items and the increase over last year in Grounds Maintenance is up due to renovation work at Freedom Park, hydretain purchase and maintenance on trees, unrelated to capital. The insurance liability line item is up due to timing of payments in comparison to prior year along with an increase in the premium. The District has also experienced a decrease in legal services of \$15,712 in comparison to prior year. Even though the Service and Supplies section is higher than prior year, overall the District is still under budget by 11%.

Capital projects are currently underway and some have been completed for FY 2016-2017. The District is at 31% of its total capital budget. The General Manager has instructed the managers to have their capital projects complete or near completion by the end of April 2017.

Fund 20 is at 55% in Personnel and 53% in Service and Supplies. The Assessment District is staying within budget in all categories.

FISCAL IMPACT

Overall the District is under the approved budget for Fund 10 by 10.47% and Fund 20 by 4.66%. Staff is constantly reviewing ways to make the District run effectively and efficiently while staying within the approved budget along with negotiating with vendors for better pricing.

RECOMMENDATION

It is recommended the Board review and approve the Financial Statements for January 31, 2017 for Fund 10 and Fund 20.

ATTACHMENTS

- 1) Financial Statement of Revenues and Expenditures as of January 31, 2017 Fund 10
(3 pages)
- 2) Financial Statement of Revenue and Expenditures as of January 31, 2017 Fund 20
(1 page)

**General Ledger
Statement of Revenues and Expenditures
Fund 10 - General Fund
January 2017 58 %**

Description	Account	Period Amount	One Year Prior Actual	Year to Date	Budget	Budget Remaining	% of Budget Used
Revenue							
Tax Apport Cur Year Secured	5110	\$ -	\$ 3,059,641.41	\$ 3,168,418.70	\$ 5,825,276.00	\$ 2,656,857.30	54.39%
Tax Apport Cur Year Unsec	5120	\$ 16,042.20	\$ 124,846.22	\$ 132,002.25	\$ -	\$ 132,002.25	0.00%
Tax Apport Prior Year Sec	5130	\$ 17,529.83	\$ 20,592.37	\$ 61,143.80	\$ -	\$ 61,143.80	0.00%
Tax Apport Prior Year Unsec	5140	\$ 5,904.31	\$ -	\$ 5,904.31	\$ -	\$ 5,904.31	0.00%
Tax Deeded Sales	5150	\$ -	\$ 51.99	\$ -	\$ -	\$ -	0.00%
Tax Apport Protested Tax	5160	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
RDA Property Tax Trust Fund	5205	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Cur Supplemental Pass Thru	5210	\$ -	\$ 13,992.86	\$ 17,287.89	\$ -	\$ 17,287.89	0.00%
Supplemental Redemption	5215	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
HOPTR	5230	\$ 16,130.53	\$ 23,712.64	\$ 23,043.62	\$ -	\$ 23,043.62	0.00%
Supplemental Assessment Roll	5240	\$ 140.58	\$ 192.50	\$ 200.83	\$ -	\$ 200.83	0.00%
Housing Authority Apport	5260	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
ERAF Distribution Apport	5270	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Interest Apport Fund	5310	\$ -	\$ 3,103.08	\$ 20,860.49	\$ 22,364.00	\$ 1,503.51	93.28%
Other Interest Income	5320	\$ -	\$ 545.93	\$ 1,007.86	\$ -	\$ 1,007.86	0.00%
Loan Proceeds	5350	\$ -	\$ 66,130.00	\$ -	\$ -	\$ -	0.00%
Park Dedication Fees	5400	\$ -	\$ -	\$ 3,123,562.00	\$ -	\$ 3,123,562.00	0.00%
Dividends CAPRI Prior Years	5460	\$ -	\$ 11,477.00	\$ 10,594.50	\$ 10,000.00	\$ (594.50)	105.95%
Assessment Revenue	5500	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Carryover Balance	5502	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Facility Cleaning Fee	5505	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Park Patrol Citations	5506	\$ 349.84	\$ 1,878.86	\$ 2,495.16	\$ 3,520.00	\$ 1,024.84	70.89%
Plan Check Fee	5507	\$ -	\$ -	\$ -	\$ 100.00	\$ 100.00	0.00%
Public Fees	5510	\$ 43,229.80	\$ 311,787.35	\$ 291,851.21	\$ 580,319.00	\$ 288,467.79	50.29%
Certificates	5512	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Swim PassAdult Splash (20)	5513	\$ 510.00	\$ 5,884.33	\$ 2,193.00	\$ 7,344.00	\$ 5,151.00	29.86%
Swim PassSenior Splash (10)	5514	\$ 157.50	\$ 1,245.00	\$ 991.00	\$ 1,890.00	\$ 899.00	52.43%
Senior Services Revenue	5515	\$ 65.00	\$ 1,770.00	\$ -	\$ -	\$ -	0.00%
Swim Pass Senior Splash (20)	5516	\$ 773.50	\$ 3,199.00	\$ 3,023.00	\$ 3,570.00	\$ 547.00	84.68%
Swim PassSenior Splash (20)	5517	\$ 45.00	\$ 535.50	\$ 315.00	\$ 2,916.00	\$ 2,601.00	10.80%
Swim PassSenior Fitness (10)	5518	\$ 1,620.00	\$ 7,659.00	\$ 7,812.00	\$ 5,670.00	\$ 2,142.00	137.78%
Swim PassSenior Fitness (20)	5520	\$ 1,450.50	\$ 12,679.95	\$ 11,800.50	\$ 26,529.00	\$ 14,728.50	44.48%
Swim PassAdult Splash (10)	5524	\$ 270.00	\$ 1,809.00	\$ 1,500.50	\$ 5,508.00	\$ 4,007.50	27.24%
Vending Concessions	5525	\$ 135.08	\$ 650.72	\$ 3,390.32	\$ 3,160.00	\$ 230.32	107.29%
Swim PassAdult Fitness (10)	5526	\$ 50.00	\$ 588.00	\$ 250.00	\$ 3,240.00	\$ 2,990.00	7.72%
Swim PassAdult Fitness (20)	5527	\$ 80.00	\$ 2,330.00	\$ 973.00	\$ 5,400.00	\$ 4,427.00	18.02%
Swim Passes Summer Single	5528	\$ 140.00	\$ 180.00	\$ 270.00	\$ 960.00	\$ 690.00	28.13%
Swim Passes Summer Family	5529	\$ 624.00	\$ 523.00	\$ 1,051.00	\$ 1,680.00	\$ 629.00	62.56%
Rental	5530	\$ 39,719.62	\$ 236,651.76	\$ 200,657.01	\$ 270,302.00	\$ 69,644.99	74.23%
Cell Tower Revenue	5535	\$ 8,453.24	\$ 13,224.64	\$ 42,739.09	\$ 66,398.00	\$ 23,658.91	64.37%
Annual Passes	5536	\$ 155.00	\$ -	\$ 917.30	\$ 3,000.00	\$ 2,082.70	30.58%
Parking Fees	5540	\$ 154.06	\$ -	\$ 8,731.00	\$ 17,602.00	\$ 8,871.00	49.60%
Indemnity Revenue	5545	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Dues	5550	\$ 128.00	\$ 1,045.00	\$ 846.00	\$ 2,240.00	\$ 1,394.00	37.77%
Activity Guide Revenue	5555	\$ 3,600.00	\$ 2,000.00	\$ 7,990.00	\$ 6,000.00	\$ 1,990.00	133.17%
Banner Income	5562	\$ -	\$ 1,075.00	\$ -	\$ -	\$ -	0.00%
Gain/(Loss) LAIF Investments	5565	\$ -	\$ 1,589.14	\$ 1,703.98	\$ -	\$ 1,703.98	0.00%
Donations	5570	\$ 8,950.00	\$ 83,929.24	\$ 101,285.00	\$ 79,220.00	\$ 22,065.00	127.85%
Donations for CIP Projects	5571	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Scholarships	5573	\$ 12.75	\$ -	\$ 31.75	\$ -	\$ 31.75	0.00%
Grant Greenfield Fitness Equ	5574	\$ -	\$ 10,015.00	\$ -	\$ -	\$ -	0.00%
Other/Purchase Discount Taken	5575	\$ 3,671.06	\$ 24,368.97	\$ 36,551.50	\$ 45,621.00	\$ 9,069.50	80.12%
Cash Over/Under	5580	\$ -	\$ 18.47	\$ 25.00	\$ -	\$ 25.00	0.00%
Incentive Income	5585	\$ -	\$ 18,995.26	\$ 1,016.64	\$ 1,600.00	\$ 583.36	63.54%
Reimbursement ROPS	5600	\$ -	\$ 146,032.98	\$ 164,882.89	\$ 90,000.00	\$ 74,882.89	183.20%
Conversion Adjustment	5900	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Revenue		\$ 170,091.40	\$ 4,215,951.17	\$ 7,459,319.10	\$ 7,091,429.00	\$ 6,566,556.90	105.19%
YTD Comparison				\$ 3,243,567.93			
Expense							
Full Time Salaries	6100	\$ 164,318.26	\$ 1,102,075.82	\$ 1,185,017.99	\$ 2,186,026.00	\$ 1,001,008.01	54.21%
Overtime Salaries	6101	\$ 271.74	\$ 403.91	\$ 6,858.80	\$ 37,691.00	\$ 30,832.20	18.20%
Car Allowance	6105	\$ 462.70	\$ -	\$ 5,267.48	\$ 9,600.00	\$ 4,332.52	54.87%
Cell Phone Allowance	6108	\$ 1,070.94	\$ -	\$ 7,861.45	\$ 15,765.00	\$ 7,903.55	49.87%
Part Time Salaries	6110	\$ 25,839.97	\$ 346,220.13	\$ 294,582.00	\$ 668,327.00	\$ 373,745.00	44.08%
Retirement	6120	\$ 26,786.43	\$ 165,797.51	\$ 193,662.06	\$ 382,260.00	\$ 188,597.94	50.66%
457 Pension	6121	\$ 135.22	\$ 946.54	\$ 6,771.18	\$ 10,400.00	\$ 3,628.82	65.11%
Employee Insurance	6130	\$ 20,707.45	\$ 187,749.73	\$ 127,090.52	\$ 266,030.00	\$ 138,939.48	47.77%
Workers Compensation	6140	\$ 1,131.78	\$ 68,212.94	\$ 64,607.92	\$ 176,614.00	\$ 112,006.08	36.58%
Unemployment Insurance	6150	\$ 25.44	\$ -	\$ 3,348.33	\$ 9,000.00	\$ 5,651.67	37.20%
Loan Pension Obligation	6160	\$ 19,234.00	\$ 34,331.75	\$ 134,638.00	\$ 230,808.00	\$ 96,170.00	58.33%

General Ledger
Statement of Revenues and Expenditures
Fund 10 General Fund
January 2017 58 %

Description	Account	Period Amount	One Year Prior Actual	Year to Date	Budget	Budget Remaining	% of Budget Used
OPEB Expense	6161	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
PERS Unfunded Liability	6170	\$ 16,805.17	\$ 101,542.00	\$ 117,636.17	\$ 201,662.00	\$ 84,025.83	58.33%
Personnel		\$ 276,789.10	\$ 2,007,280.33	\$ 2,147,341.90	\$ 4,194,183.00	\$ 2,046,841.10	51.20%
YTD Comparison				\$ 140,061.57			
Service and Supplies							
Communications	6200	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Telephone	6210	\$ 878.69	\$ 8,065.16	\$ 7,089.36	\$ 12,732.00	\$ 5,642.64	55.68%
Internet Services	6220	\$ 1,769.98	\$ 3,364.00	\$ 10,645.03	\$ 34,136.00	\$ 23,490.97	31.18%
Pool Chemicals	6310	\$ 1,024.51	\$ 6,893.60	\$ 3,387.43	\$ 15,000.00	\$ 11,612.57	22.58%
Janitorial Supplies	6320	\$ 4,042.82	\$ 19,578.48	\$ 28,470.15	\$ 48,375.00	\$ 19,904.85	58.85%
Kitchen Supplies	6330	\$ -	\$ 252.98	\$ 198.16	\$ 1,650.00	\$ 1,451.84	12.01%
Food Supplies	6340	\$ 160.88	\$ 4,781.69	\$ 2,435.70	\$ 8,636.00	\$ 6,200.30	28.20%
Water Maint & Service	6350	\$ 126.30	\$ 590.78	\$ 687.65	\$ 1,320.00	\$ 632.35	52.09%
Laundry/Wash Service	6360	\$ -	\$ -	\$ -	\$ 860.00	\$ 860.00	0.00%
Janitorial Services	6370	\$ -	\$ -	\$ -	\$ 1,800.00	\$ 1,800.00	0.00%
Medical Supplies	6380	\$ -	\$ 247.54	\$ -	\$ -	\$ -	0.00%
Insurance Liability	6410	\$ 43,960.50	\$ 58,771.44	\$ 87,921.00	\$ 105,790.00	\$ 17,869.00	83.11%
Equipment Maintenance	6500	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Fuel	6510	\$ 2,097.10	\$ 19,162.10	\$ 18,322.66	\$ 48,000.00	\$ 29,677.34	38.17%
Vehicle Maintenance	6520	\$ 196.10	\$ 15,513.36	\$ 14,525.98	\$ 34,200.00	\$ 19,674.02	42.47%
Office Equipment Maintenance	6530	\$ -	\$ -	\$ 11.96	\$ 2,300.00	\$ -	0.00%
Computer Equip Maintenance	6540	\$ -	\$ 266.65	\$ -	\$ 2,795.00	\$ 2,795.00	0.00%
Building Maintenance	6600	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Building Repair	6610	\$ 6,429.63	\$ 37,321.97	\$ 32,496.95	\$ 78,300.00	\$ 45,803.05	41.50%
Bldg Equip Maint/Repair	6620	\$ 2,280.00	\$ 3,187.70	\$ 9,318.42	\$ 27,300.00	\$ 17,981.58	34.13%
Improvements/Maintenance	6630	\$ 2,494.00	\$ 4,483.76	\$ 16,553.93	\$ 22,500.00	\$ 5,946.07	73.57%
Incidental Costs Assess	6709	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Grounds Maintenance	6710	\$ 2,193.97	\$ 21,782.46	\$ 48,978.95	\$ 93,980.00	\$ 45,001.05	52.12%
Parking Lot Repair Assess	6718	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Tree Care Assess	6719	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contracted LS Services	6720	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Playgrnd Replacmnt Assess	6721	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Park Amenities Assess	6722	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Park Signage (Branding)	6725	\$ 1,816.95	\$ -	\$ 1,851.95	\$ -	\$ 1,851.95	0.00%
Contracted Pest Control	6730	\$ -	\$ -	\$ -	\$ 2,000.00	\$ 2,000.00	0.00%
Rubbish & Refuse	6740	\$ 6,720.20	\$ 29,051.77	\$ 27,088.19	\$ 56,800.00	\$ 29,711.81	47.69%
Vandalism/Theft	6750	\$ 101.80	\$ -	\$ 101.80	\$ 5,000.00	\$ 4,898.20	2.04%
Memberships	6810	\$ 65.00	\$ 7,466.25	\$ 6,375.93	\$ 12,799.00	\$ 6,423.07	49.82%
Office Expense	6900	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Office Supplies	6910	\$ 988.58	\$ 11,352.21	\$ 7,813.20	\$ 27,996.00	\$ 20,182.80	27.91%
Postage Expense	6920	\$ 682.62	\$ 12,252.10	\$ 11,317.74	\$ 26,218.00	\$ 14,900.26	43.17%
Advertising Expense	6930	\$ 663.27	\$ 4,415.52	\$ 6,533.92	\$ 15,092.00	\$ 8,558.08	43.29%
Printing Charges	6940	\$ 810.97	\$ 5,610.86	\$ 5,970.71	\$ 20,213.00	\$ 14,242.29	29.54%
Bank & ActiveNet Charges	6950	\$ 3,112.11	\$ 25,717.19	\$ 25,435.38	\$ 50,410.00	\$ 24,974.62	50.46%
Approp Redev/Collection Fees	6960	\$ -	\$ 164,620.61	\$ 162,953.47	\$ 373,394.00	\$ 210,440.53	43.64%
Minor Furn Fixture & Equip	6980	\$ -	\$ 2,810.30	\$ 858.22	\$ 3,646.00	\$ 2,787.78	23.54%
Comp Hardware/Software Exp	6990	\$ 14.99	\$ 247.92	\$ 1,979.29	\$ 8,874.00	\$ 6,894.71	22.30%
Fingerprint Fees (HR)	7010	\$ 85.00	\$ 853.00	\$ 704.00	\$ 2,440.00	\$ 1,736.00	28.85%
Fire & Safety Insp Fees	7020	\$ -	\$ -	\$ 956.05	\$ 4,090.00	\$ 3,133.95	23.38%
Permit & Licensing Fees	7030	\$ 526.00	\$ 2,431.61	\$ 2,251.34	\$ 2,700.00	\$ 448.66	83.38%
State License Fee	7040	\$ -	\$ 220.00	\$ -	\$ -	\$ -	0.00%
Professional Services	7100	\$ -	\$ -	\$ -	\$ 900.00	\$ 900.00	0.00%
Legal Services	7110	\$ -	\$ 27,188.67	\$ 11,476.35	\$ 69,150.00	\$ 57,673.65	16.60%
Typeset and Print Services	7115	\$ 11,965.93	\$ 23,604.59	\$ 23,711.32	\$ 50,204.00	\$ 26,492.68	47.23%
Instructor Services	7120	\$ 9,594.70	\$ 91,145.55	\$ 89,938.17	\$ 140,473.00	\$ 50,534.83	64.03%
PERS Admin Fees	7125	\$ -	\$ 1,186.06	\$ -	\$ 1,975.00	\$ 1,975.00	0.00%
Audit Services	7130	\$ -	\$ 1,310.00	\$ 9,640.00	\$ 16,300.00	\$ 6,660.00	59.14%
Medical & Health Svcs (HR)	7140	\$ 90.00	\$ 1,745.00	\$ 825.00	\$ 5,500.00	\$ 4,675.00	15.00%
Security Services	7150	\$ -	\$ 2,315.52	\$ 2,857.56	\$ 4,740.00	\$ 1,882.44	60.29%
Entertainment Services	7160	\$ -	\$ 1,300.00	\$ -	\$ 2,450.00	\$ 2,450.00	0.00%
Business Services	7180	\$ 2,400.00	\$ 38,645.35	\$ 36,172.83	\$ 86,283.00	\$ 50,110.17	41.92%
Umpire/Referee Services	7190	\$ 30.00	\$ 820.00	\$ 1,180.00	\$ 2,000.00	\$ 820.00	59.00%
Publication/Legal Notices	7200	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Subscriptions	7210	\$ -	\$ 3,121.16	\$ 251.40	\$ 3,604.00	\$ 3,352.60	6.98%
Rents and Leases	7300	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Rents & Leases Equip	7310	\$ 1,348.51	\$ 11,698.44	\$ 10,255.33	\$ 27,400.00	\$ 17,144.67	37.43%
Bldg/Field Leases & Rental	7320	\$ 5.00	\$ 5.00	\$ 25.00	\$ 10,938.00	\$ 10,913.00	0.23%
Event Supplies	7410	\$ 286.37	\$ 976.60	\$ 1,402.64	\$ 2,210.00	\$ 807.36	63.47%
Supplies	7420	\$ 886.20	\$ 1,326.33	\$ 1,316.31	\$ 7,016.00	\$ 5,699.69	18.76%
Bingo Supplies	7430	\$ 703.43	\$ 4,133.54	\$ 3,749.60	\$ 7,800.00	\$ 4,050.40	48.07%
Sporting Goods	7440	\$ -	\$ 2,587.55	\$ 4,065.95	\$ 8,125.00	\$ 4,059.05	50.04%
Arts and Craft Supplies	7450	\$ 224.87	\$ 1,919.46	\$ 1,353.05	\$ 4,700.00	\$ 3,346.95	28.79%

General Ledger
Statement of Revenues and Expenditures
Fund 10 General Fund
January 2017 58 %

Description	Account	Period Amount	One Year Prior Actual	Year to Date	Budget	Budget Remaining	% of Budget Used
Training Supplies	7460	\$ 199.00	\$ -	\$ 199.00	\$ 3,420.00	\$ 3,221.00	5.82%
Camp Supplies	7470	\$ -	\$ 447.51	\$ 659.52	\$ 1,080.00	\$ 420.48	61.07%
Small Tools	7500	\$ 210.46	\$ -	\$ 2,499.27	\$ 15,950.00	\$ 13,450.73	15.67%
Safety Supplies	7510	\$ -	\$ 3,740.40	\$ 2,932.88	\$ 7,484.00	\$ 4,551.12	39.19%
Special Department Expense	7600	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Uniform Allowance	7610	\$ 206.50	\$ 2,159.95	\$ 4,888.06	\$ 12,688.00	\$ 7,799.94	38.53%
Safety Clothing	7620	\$ 98.95	\$ 3,643.82	\$ 1,092.03	\$ 3,150.00	\$ 2,057.97	34.67%
Transportation and Travel	7700	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Conference&Seminar Staff	7710	\$ 310.00	\$ 4,155.21	\$ 2,192.68	\$ 12,790.00	\$ 10,597.32	17.14%
Conference&Seminar Board	7715	\$ -	\$ -	\$ 212.47	\$ 2,840.00	\$ 2,627.53	7.48%
Conference&Seminar Travel Exp	7720	\$ 242.81	\$ 2,675.94	\$ 3,077.74	\$ 9,758.00	\$ 6,680.26	31.54%
Out of Town Travel Board	7725	\$ -	\$ -	\$ 937.75	\$ 6,355.00	\$ 5,417.25	14.76%
Private Vehicle Mileage	7730	\$ 420.06	\$ 1,367.36	\$ 2,002.44	\$ 4,556.00	\$ 2,553.56	43.95%
Transportation Charges	7740	\$ 1,703.50	\$ -	\$ 1,703.50	\$ 1,750.00	\$ 3,453.50	97.34%
Buses/Excursions	7750	\$ 1,584.00	\$ 11,474.72	\$ 3,411.64	\$ 15,966.00	\$ 12,554.36	21.37%
Tuition/Book Reimbursement	7760	\$ -	\$ 161.00	\$ -	\$ -	\$ -	0.00%
Utilities Gas	7810	\$ 2,752.79	\$ 9,933.44	\$ 10,019.08	\$ 26,491.00	\$ 16,471.92	37.82%
Utilities Water	7820	\$ 20,426.53	\$ 382,268.63	\$ 393,626.57	\$ 742,489.00	\$ 348,862.43	53.01%
Utilities Electric	7830	\$ 7,647.66	\$ 115,183.94	\$ 94,048.94	\$ 231,245.00	\$ 137,196.06	40.67%
Reserve Designated Project	7902	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Awards and Certificates	7910	\$ 786.36	\$ 8,198.21	\$ 10,828.82	\$ 18,186.00	\$ 7,357.18	59.54%
Meals for Staff Training	7920	\$ 116.49	\$ 2,422.49	\$ 274.97	\$ 2,710.00	\$ 2,435.03	10.15%
Employee Morale	7930	\$ 45.00	\$ 3,208.98	\$ 179.55	\$ 3,475.00	\$ 3,295.45	5.17%
COP Debt PV Fields	7950	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Reserve Vehicle Fleet	7970	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Reserve Computer Fleet	7971	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Reserve Designated Project	7972	\$ 2,500.00	\$ -	\$ 17,500.00	\$ 30,000.00	\$ 12,500.00	58.33%
Reserve Dry Period	7973	\$ 7,583.33	\$ -	\$ 53,083.33	\$ 91,000.00	\$ 37,916.67	58.33%
Reserve Capital Improvements	7974	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Reserve Repair/Oper/Admin	7975	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Scholarships	8105	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Discounts Military	8110	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Land Improvements	8200	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Structures & Improvements	8300	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service and Supplies		\$ 157,610.42	\$ 1,237,383.43	\$ 1,346,825.27	\$ 2,846,497.00	\$ 1,506,782.63	47.32%
YTD Comparison				\$ 109,441.84			
Capital							
Capital	8400	\$ -	\$ 5,623.54	\$ -	\$ 502,790.00	\$ 502,790.00	0.00%
LWCF Grant	8401	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
NRPA Grant	8402	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
HCF Grant Trails	8403	\$ -	\$ 7,010.42	\$ 58.87	\$ -	\$ 58.87	0.00%
Greenfield Outdoor Fitness Equ	8404	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
HCF Grant Wildlife Programs	8405	\$ 993.52	\$ 381.79	\$ 6,725.02	\$ -	\$ 6,725.02	0.00%
Grnfield Outdoor Fitness Equip	8406	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Springbrook Software	8407	\$ -	\$ 66,130.00	\$ -	\$ -	\$ -	0.00%
Eston Street Tree Removal	8408	\$ -	\$ -	\$ 13,500.00	\$ -	\$ 13,500.00	0.00%
Cann Grove Park	8409	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Playground Equipment	8410	\$ -	\$ -	\$ 189,887.74	\$ 190,000.00	\$ 112.26	99.94%
Equip/Facility Replacement	8420	\$ -	\$ -	\$ -	\$ 45,200.00	\$ 45,200.00	0.00%
Telephone System	8421	\$ -	\$ -	\$ 9,981.26	\$ -	\$ 9,981.26	0.00%
Needs Assessment FY 1617	8422	\$ -	\$ -	\$ 87.38	\$ -	\$ 87.38	0.00%
Bob Kildee Parking Lot FY1617	8423	\$ -	\$ -	\$ 236.44	\$ -	\$ 236.44	0.00%
PV Fields Parking Lot	8424	\$ -	\$ -	\$ 14,361.00	\$ -	\$ 14,361.00	0.00%
Hardwalls GM/HR Offices	8425	\$ -	\$ -	\$ -	\$ 10,000.00	\$ 10,000.00	0.00%
Expense		\$ 993.52	\$ 79,145.75	\$ 234,837.71	\$ 747,990.00	\$ 603,052.23	31.40%
YTD Comparison				\$ 155,691.96			
Total Expenses		\$ 434,399.52	\$ 3,244,663.76	\$ 3,494,167.17	\$ 7,040,680.00	\$ 3,553,623.73	49.63%
YTD Comparison				\$ 249,503.41			

General Ledger
Statement of Revenues and Expenditures
Fund 20 Assessment District
January 2017 58 %

Description	Account	Period Amount	One Year Prior Actual	Year to Date	Budget	Budget Remaining	% of Budget Used
Revenue							
Transfer In	1500	\$ -	\$ -	\$ 355.38	\$ -	\$ 355.38	0.00%
Interest Apport Fund	5310	\$ -	\$ -	\$ 175.34	\$ 1,536.00	\$ 1,360.66	11.42%
Other Interest Income	5320	\$ -	\$ 506.69	\$ -	\$ -	\$ -	0.00%
Dividends CAPRI Prior Years	5460	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Assessment Revenue	5500	\$ 2,018.19	\$ 574,451.89	\$ 589,883.68	\$ 1,046,037.00	\$ 456,153.32	56.39%
Carryover Balance	5502	\$ -	\$ -	\$ -	\$ 379,171.00	\$ 379,171.00	0.00%
Other/Purchase Discount Taken	5575	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Revenue		\$ 2,018.19	\$ 574,958.58	\$ 590,414.40	\$ 1,426,744.00	\$ 836,329.60	41.38%
YTD Comparison				\$ 15,455.82			
Personnel							
Full Time Salaries	6100	\$ 7,167.83	\$ 58,024.85	\$ 51,548.92	\$ 96,247.00	\$ 44,698.08	53.56%
Overtime Salaries	6101	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Car Allowance	6105	\$ 370.24	\$ -	\$ 988.24	\$ 1,200.00	\$ 211.76	82.35%
Cell Phone Allowance	6108	\$ 60.18	\$ -	\$ 547.68	\$ 975.00	\$ 427.32	56.17%
PartTime Salaries	6110	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Retirement	6120	\$ 1,202.07	\$ 7,955.61	\$ 9,454.07	\$ 16,504.00	\$ 7,049.93	57.28%
457 Pension	6121	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Employee Insurance	6130	\$ 1,028.47	\$ 7,312.79	\$ 7,734.47	\$ 13,412.00	\$ 5,677.53	57.67%
Workers Compensation	6140	\$ 707.66	\$ 4,981.44	\$ 4,750.16	\$ 8,085.00	\$ 3,334.84	58.75%
Unemployment Insurance	6150	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Personnel		\$ 10,536.45	\$ 78,274.69	\$ 75,023.54	\$ 136,423.00	\$ 61,399.46	54.99%
YTD Comparison				\$ (3,251.15)			
Supplies and Services							
Incidental Costs Assess	6709	\$ -	\$ 15,348.25	\$ 15,610.13	\$ 27,500.00	\$ 11,889.87	56.76%
Contracted LS Services	6720	\$ 170.00	\$ 133,929.54	\$ 174,725.85	\$ 403,560.00	\$ 228,834.15	43.30%
Bank & ActiveNet Charges	6950	\$ -	\$ -	\$ 104.00	\$ -	\$ 104.00	0.00%
Approp Redev/Collection Fees	6960	\$ -	\$ 1,430.87	\$ -	\$ 2,625.00	\$ 2,625.00	0.00%
Business Services	7180	\$ -	\$ -	\$ 5,000.00	\$ -	\$ 5,000.00	0.00%
COP Debt PV Fields	7950	\$ 62,655.42	\$ 102,180.63	\$ 438,587.92	\$ 751,865.00	\$ 313,277.08	58.33%
Supplies and Services		\$ 62,825.42	\$ 252,889.29	\$ 634,027.90	\$ 1,185,550.00	\$ 561,730.10	53.48%
YTD Comparison				\$ 381,138.61			
TOTAL EXPENSES		\$ 73,361.87	\$ 331,163.98	\$ 709,051.44	\$ 1,321,973.00	\$ 623,129.56	53.64%
YTD Comparison				\$ 377,887.46			

**PLEASANT VALLEY RECREATION AND PARK DISTRICT
STAFF REPORT / AGENDA REPORT**

TO: BOARD OF DIRECTORS

FROM: MARY OTTEN, GENERAL MANAGER
By: Leonore Young, Administrative Services Manager

DATE: March 1, 2017

**SUBJECT: CONSIDERATION FOR SETTING DATES FOR
BUDGET WORKSHOPS**

RECOMMENDATION

It is recommended that the Board consider setting dates for the upcoming budget workshops.

BACKGROUND

During budget season the Board has met in the month of May to discuss the development of the upcoming budget year. The workshops assist staff in the development of the annual budget and in establishing priorities for the upcoming fiscal year. The meeting is led by staff with each department head presenting on a pre-determined evening. The workshops will be held on a Thursday evening beginning at 5:30pm in Room #7 of the Community Center.

The budget workshops are starting a week earlier (April 27th) due to the deadlines of staff reports, the preparation of board packets, and the Memorial Day holiday. By moving the first budget workshop to April 27th this will allow staff to make any necessary changes to their budgets per budget workshop direction. This will also allow adequate time for the review process by the General Manager and all necessary information will be included in the June 7th Board meeting packet.

ANALYSIS

From a staff perspective, the meeting is beneficial. It provides an opportunity to review and discuss the upcoming budget. Should the Board agree, the Clerk of the Board will survey the Board members to determine if all Board Members are available April 27th, May 4th and May 18th, 2017.

FISCAL IMPACT

There is no fiscal impact associated with the meeting.

RECOMMENDATION

It is recommended that the Board consider setting dates for the budget workshops.

**PLEASANT VALLEY RECREATION AND PARK DISTRICT
STAFF REPORT / AGENDA REPORT**

TO: BOARD OF DIRECTORS

FROM: MARY OTTEN, GENERAL MANAGER
By: Bob Cerasuolo, Parks Services Manager

DATE: March 1, 2017

**SUBJECT: CONSIDERATION AND APPROVAL OF REJECTION
OF BIDS FOR THE REPLACEMENT VEHICLE**

RECOMMENDATION

It is recommended that the Board of Directors authorize staff to reject bids received for the purchase of the 2017 Ford F-150 XL Truck.

BACKGROUND

At the January 4, 2017 Board meeting, the Board approved specifications for a replacement vehicle for the 1985 Toyota pick-up. Staff went out to bid with a closure date of February 15, 2017 at 2:00 pm. The bid was advertised on the District website and bid packets were distributed via e-mail to multiple vendors. At the closure date, staff received three “no bids” and two complete bids from Vista Ford of Oxnard and DCH Ford of Thousand Oaks.

ANALYSIS

There were five (5) companies in which the District solicited bids. The District received two (2) bids however, they were not submitted to bid specifications. The specifications were written for a 3.5L TI-VCT V-6 engine for a 2017 Ford SuperCab with an 8 foot bed, however this engine is no longer in production. The two bids that we received were for a 2.7L EcoBoost V-6 engine. The budgeted amount for this vehicle was \$28,000. Staff will reassess the bid specifications and come back to the Board with updated information.

In that the cost of the equipment exceeded \$25,000, the formal bid process was utilized, therefore the Board will need to formally reject the bid by motion.

FISCAL IMPACT

No fiscal impact at this time.

RECOMMENDATION

It is recommended that the Board of Directors authorize staff to reject bids received for the purchase of the replacement vehicle.

**PLEASANT VALLEY RECREATION AND PARK DISTRICT
STAFF REPORT/AGENDA REPORT**

TO: BOARD OF DIRECTORS

FROM: MARY OTTEN, GENERAL MANAGER
By: Leonore Young, Administrative Services Manager

DATE: March 1, 2017

**SUBJECT: CONSIDERATION AND APPROVAL OF THE
FY 2015-2016 ANNUAL FINANCIAL REPORT AS
PREPARED BY MOSS, LEVY & HARTZHEIM LLP,
CPA(S)**

RECOMMENDATION

It is recommended that the Board review and approve the Annual Financial Report for FY 2015 – 2016 as prepared by Moss, Levy & Hartzheim, LLP, CPAs.

BACKGROUND

The Audited Financial Report for the time period ending June 30, 2016 is attached. Moss, Levy, & Hartzheim, LLP, CPAs performed the audit. Adam Guise, CPA and partner served as the lead contact.

Staff has been working on the audit since the audit team first met with staff back in May 2016 and again in September 2016. It is the goal of staff to provide the auditors with complete and accurate records and to display the commitment in maintaining the District's financial records.

ANALYSIS

The opinion of the auditor reflects that the District's financial statements present fairly, in all material respects, the respective financial position for the year ending June 30, 2016 in conformity with accounting principles generally accepted in the United States of America.

The primary economic factors for the District is the property tax revenue; the District received 1.08% more than fiscal year 2014-2015 in property tax apportionment. An item that has put strain on the District's financials is the California Public Employee's Retirement System (CalPERS) unfunded liability. Even though the District Board is able to adopt a balanced budget every year, the CalPERS unfunded liability continues to increase and will continue to do so for the next three years when it will then "smooth" out for 20 years and then during the last five years of the obligation, the payment will decrease.

RECOMMENDATION

It is recommended that the Board review and approve the Annual Financial Report for FY 2015 – 2016 as prepared by Moss, Levy & Hartzheim, LLP, CPAs.

ATTACHMENTS

- 1) Annual Financial Report for FY 2015 – 2016 (52 pages)

**PLEASANT VALLEY
RECREATION AND PARK DISTRICT**

**FINANCIAL STATEMENTS
JUNE 30, 2016**

PLEASANT VALLEY RECREATION AND PARK DISTRICT
TABLE OF CONTENTS
June 30, 2016

FINANCIAL SECTION

Independent Auditors' Report 1
Management's Discussion and Analysis..... 3

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements:
Statement of Net Position 9
Statement of Activities..... 10
Fund Financial Statements:
Balance Sheet – Governmental Funds 11
Reconciliation of the Governmental Funds Balance Sheet to
the Statement of Net Position 12
Statement of Revenues, Expenditures, and Changes in Fund Balances –
Governmental Funds 13
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,
and Changes in Fund Balances to the Statement of Activities 14
Statement of Fiduciary Net Position – Fiduciary Funds 15
Statement of Changes in Fiduciary Net Position – Fiduciary Funds 16
Notes to Basic Financial Statements 17

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – General Fund..... 36
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – Special Revenue Fund..... 37
Schedule of Funding Progress for Postemployment Benefits other than Pensions 38
Schedule of Proportionate Share of Net Pension Liability..... 39
Schedule of Pension Contributions 40

FINANCIAL SECTION



Moss, Levy & Hartzheim LLP

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Board of Directors
Pleasant Valley Recreation and Park District
Camarillo, 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 Pleasant Valley Recreation and Park District (District), as and for the fiscal year ended June 30, 2016, 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 of material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Pleasant Valley Recreation and Park District, as of June 30, 2016, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principles

As discussed in note 1 to the basic financial statements effective July 1, 2015, the Pleasant Valley Recreation and Park District adopted Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 7, the budgetary comparison information on pages 36 and 37, the Schedule of Funding Progress for the Post Employment Benefits Other than Pensions on page 38, the Schedule of Proportionate Share of Net Pension Liability on page 39, and the Schedule of Pension Contributions on page 40, 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 13, 2017, on our consideration of the Pleasant Valley Recreation and Park District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited the District's basic financial statements as of and for the fiscal year ended June 30, 2015, and we expressed unmodified audit opinions on those audited financial statements in our report dated January 23, 2016. In our opinion, the summarized comparative information presented herein as of and for the fiscal year ended June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Moss, Remy & Haugheim LLP

Santa Maria, California
February 13, 2017

PLEASANT VALLEY RECREATION AND PARK DISTRICT
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2016

This discussion and analysis of the Pleasant Valley Recreation and Park District (PVRPD) financial performance provides an overall review of the PVRPD financial activities for the fiscal year ended June 30, 2016. The intent of this narrative is to provide a complete overview of PVRPD's financial performance. Readers should review this in conjunction with the basic financial statements which follow this section.

FINANCIAL HIGHLIGHTS
GOVERNMENTAL FUNDS

- During the fiscal year ending June 30, 2016, PVRPD's net position increased \$234 thousand (0.8%)
- Total revenues decreased \$2.596 million (23.4%) primarily due to Quimby Fees received in the prior year which was partially offset by a \$460 thousand (8.2%) increase in property taxes
- Total expenses increased by \$192 thousand (0.2%) with Salaries and Benefits up by \$90 thousand (2.6%), an increase in Debt Service payments of Principal and Interest expense of \$41 thousand (4.3%) and decrease of Capital Outlay \$144 thousand (42%)

OVERVIEW OF THIS FINANCIAL REPORT

The Government-wide financial statements are presented on an "economic resources" measurement focus and use an accrual basis of accounting. Accordingly, all of the PVRPD's assets and liabilities, including capital assets and long-term liabilities are included in the accompanying Statement of Net Position. The Statement of Net Position includes all of the District's investments in resources (Assets) and the obligations to creditors (Liabilities). The Statement of Activities presents changes in net position measuring the success over the past fiscal year and is used to determine credit worthiness.

Government-wide Financial Statements

Statement of Activities and Statement of Net Position

The Government-wide financial statements are designed to provide readers with a broad overview of the District's finances. The Statement of Net Position and the Statement of Activities answer the question if the District is improving or deteriorating. These statements include all assets and liabilities using the accrual basis of accounting. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. These two statements report the District's net position and changes in them. The difference between assets and liabilities, or net assets can measure the District's financial health.

Governmental Funds Financial Statements

Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances

Fund financial statements are designed to report information about groupings or related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting, like other state and local governments, to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on the short-term inflow and outflow of spendable resources, as well as on balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2016

Notes to Basic Financial Statements

The notes provide additional information that is essential to fully understanding the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the District's budgetary status and funding progress of its retirement plan.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. District assets are above liabilities by \$28.4 million as of June 30, 2016.

	2016	2015
Assets:		
Current assets	\$ 7,406,670	\$ 6,486,440
Capital assets	39,248,626	40,151,995
Total assets	46,655,296	46,638,435
 Deferred outflows of Resources		
Pensions	666,443	302,910
Total deferred outflows of resources	666,443	302,910
 Liabilities:		
Current liabilities	829,351	734,666
Long-term due in one year	441,299	364,673
Long-term due in more than one year	17,370,387	16,715,264
Total liabilities	18,641,037	17,814,603
 Deferred inflows of Resources		
Pensions	247,340	927,261
Total deferred inflows of resources	247,340	927,261
 Net Position:		
Net investment in capital assets	26,920,171	27,741,995
Restricted for specified park projects	375,379	691,132
Unrestricted	1,137,812	(233,646)
Total net position	\$ 28,433,362	\$ 28,199,481

The largest portion of the District's net position reflects its investment of \$39.2 million in capital assets (land, buildings, improvements, equipment, infrastructure, and no construction in progress, all net of accumulated depreciation). The District uses these capital assets to provide services to citizens and is not available for future spending.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2016

The second largest item is the long term debt the District incurred in 2009 for the development of Pleasant Valley Fields Sports Complex formally known as Village at the Park. Certificates of Participation sold for an amount of \$12.6 million with a maturity date of June 30, 2039. In August 2012, the District obtained a bank loan in the amount of \$1.8 million for refinancing the CalPERS Side-Fund.

The assets of the District exceed the liabilities by \$28.4 million as of June 30, 2016. Unrestricted net position is in a positive position which is an indicator that the District has made progress, but still needs to reduce spending to be able to build up for the future.

Statement of Activities

As shown on the table below, the District's net position increased by \$234 thousand during the fiscal year ending June 30, 2016. This is an improvement from the decrease of \$407 thousand during the fiscal year ending June 30, 2015. The increase is primarily related to the increase in property tax revenue of \$460 thousand.

	<u>2016</u>	<u>2015</u>
Revenues:		
Program Revenues		
Charges for Services	\$ 2,224,584	\$ 2,161,130
Operating Grants & Contributions	103,917	91,803
Capital Grants & Contributions	10,015	3,163,618
General Revenues:		
Property taxes	6,084,387	5,624,820
Investment income	31,951	6,582
Other	107,618	110,957
Total Revenues	<u>8,562,472</u>	<u>11,158,910</u>
Expenses:		
Recreation & Park Operations	<u>8,315,041</u>	<u>8,122,783</u>
Change in net position.	<u>247,431</u>	<u>3,036,127</u>
Net position - beginning of year	28,199,481	28,606,518
Prior Period Adjustment	<u>(13,550)</u>	<u>(3,443,164)</u>
Net position - end of year	<u>\$ 28,433,362</u>	<u>\$ 28,199,481</u>

Charges for services includes programs and class fees, facility rental fees, cell tower income, senior services income, activity guide advertising income, and indemnity income. Property tax revenue, the District's primary source of revenue, increased by \$460 thousand or 8.2%. Charges for services increased by \$63 thousand or 3%, interest income increased by \$25 thousand or 385% and operating grants increased by \$12 thousand or 13%.

**PLEASANT VALLEY RECREATION AND PARK DISTRICT
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2016**

GOVERNMENTAL FUND FINANCIAL STATEMENT ANALYSIS

The focus of the District's governmental funds is to provide information on short-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the close of fiscal year 2015-2016, District governmental funds reported a combined ending fund balance of \$6.8 million, an increase of \$820 thousand in comparison with the prior year. The increase in fund balance was primarily due to the increase in property tax revenue the District received during the fiscal year.

The following are the District's major funds:

General Fund

The General Fund is the District's primary operating fund. It showed an increase of \$1.1 million in fund balance for the fiscal year ending June 30, 2016. Operating revenues exceeded operating expenses by \$1.04 million.

Special Assessment District Special Revenue Fund

The Special Assessment District Fund accounts for district-wide assessment for park maintenance and capital projects. It showed a decrease of \$318 thousand in fund balance with a decrease in revenues of \$75 thousand and an increase in expenditures of \$379 thousand. The increase was primarily due to moving the landscape maintenance contract expense to the Assessment District Fund.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets (net of accumulated depreciation)

	June 30,	
	2016	2015
Land	\$ 22,732,253	\$ 22,732,253
Buildings	6,216,421	6,554,068
Improvements	9,725,428	10,315,022
Equipment	574,524	550,652
	\$ 39,248,626	\$ 40,151,995

Long-term Debt

The District's long-term debt as of the period ending June 30, 2016 is \$17.8 million. That is a \$732 thousand increase from the ending of June 30, 2015. There are two major sources of long-term debt obligations: \$12.3 million for the development of Pleasant Valley Fields Sports Complex and \$1.4 million loan for refinancing the CalPERS Side-Fund. (For more information on long-term obligations see Note 5 through 9 in the Financial Statements)

PLEASANT VALLEY RECREATION AND PARK DISTRICT
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2016

Outstanding Long-Term Debt
June 30,

	2016	2015
Compensated Absences	\$ 419,499	\$ 306,693
Notes Payable - Software	48,455	
Other Post-Employment Benefits	128,574	104,282
Pension Related Note	1,385,000	1,543,000
Certificates-of-Participation	12,280,00	12,410,000
Net Pension Liability	3,550,158	2,715,962
Total Outstanding Long-term Debt	\$ 17,811,686	\$ 17,079,937

ECONOMIC FACTORS

The District's primary revenue source is property taxes, which are starting to show signs of improvement. The District has seen an increase in property tax revenue and the housing market is mirroring the trend. Ventura County Assessor's office is reporting a slight 3.74% increase for fiscal year 2016-2017. The District received \$2.8 million in fees from developers (Quimby Fees) in FY14-15, which helped improve revenues and fund balance. With new construction continuing, the District should see additional revenue in the coming years.

Managing District resources in an environment of relatively flat revenues compounded by increasing costs is a challenge facing the District. Consequently, resources for future capital maintenance, replacement, and new park and facility development must be either acquired from resources currently available in operating expenses, or additional revenue sources must be identified.

The state implemented pension reform on January 1, 2013 creating a third tier retirement program with a new 2% at 62 formula for employees new to CalPERS. The District's other two plans are 2.5% at 55 and 2% at 60. On July 1, 2013, the Board of Directors took action that increased the employee contributions to the maximum allowed by state statute.

REQUEST FOR INFORMATION

The District's financial report is designed to provide citizens, taxpayers, creditors, and investors with a general overview of PVRPD's finances and show accountability for the money it receives. Questions regarding any of the information provided in this report or to request additional information, please contact the District's General Manager at the Pleasant Valley Recreation and Park District, 1605 E. Burnley Street, Camarillo, California 93010 or call (805) 482-1996.

THIS PAGE INTENTIONALLY LEFT BLANK.

BASIC FINANCIAL STATEMENTS

PLEASANT VALLEY RECREATION AND PARK DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2016
With Comparative Totals for June 30, 2015

	Total Governmental Activities	
	2016	2015
ASSETS		
Cash and investments	\$ 7,219,242	\$ 6,246,961
Accrued interest receivable	2,140	1,750
Accounts receivable	63,422	85,562
Property taxes and assessments receivable	121,586	137,942
Prepaid items	280	14,225
Capital assets - not being depreciated	22,732,253	22,732,253
Depreciable capital assets, net of accumulated depreciation	16,516,373	17,419,742
Total assets	46,655,296	46,638,435
DEFERRED OUTFLOWS OF RESOURCES		
Pensions	666,443	302,910
Total deferred outflows of resources	666,443	302,910
LIABILITIES		
Accounts payable	364,197	298,681
Accrued salaries and benefits	102,617	154,314
Unearned revenue and customer deposits	140,340	54,422
Accrued interest payable	222,197	227,249
Long-term liabilities - due in one year		
Compensated absences	104,875	76,673
Pension related debt	171,000	158,000
Certificates of participation	150,000	130,000
Capital lease payable - software	15,424	
Long-term liabilities - due in more than one year		
Compensated absences	314,624	230,020
Other post-employment benefits payable	128,574	104,282
Pension related debt	1,214,000	1,385,000
Certificates of participation	12,130,000	12,280,000
Capital lease payable - software	33,031	
Net pension liability	3,550,158	2,715,962
Total liabilities	18,641,037	17,814,603
DEFERRED INFLOWS OF RESOURCES		
Pensions	247,340	927,261
Total deferred inflows of resources	247,340	927,261
NET POSITION		
Net investment in capital assets	26,920,171	27,741,995
Restricted for specified park projects	375,379	691,132
Unrestricted	1,137,812	(233,646)
Total net position	\$ 28,433,362	\$ 28,199,481

The accompanying notes are an integral part of this financial statement.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 STATEMENT OF ACTIVITIES
 FISCAL YEAR ENDED JUNE 30, 2016
 With Comparative Totals for Fiscal Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position	2015
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants		
Governmental Activities:						
Recreation and park operations:	\$ 8,315,041	\$ 2,224,584	\$103,917	\$ 10,015	\$ (5,976,525)	\$ (2,706,232)
Total governmental activities	\$ 8,315,041	\$ 2,224,584	\$103,917	\$ 10,015	(5,976,525)	(2,706,232)
General Revenues:						
Property taxes					6,084,387	5,624,820
Investment earnings					31,951	6,582
Other revenues					107,618	110,957
Total general revenues					6,223,956	5,742,359
Change in net position					247,431	3,036,127
Net position - beginning of fiscal year					28,199,481	28,606,518
Prior-period adjustment					(13,550)	(3,443,164)
Net position - beginning of fiscal year, restated					28,185,931	25,163,354
Net position - end of fiscal year					\$ 28,433,362	\$ 28,199,481

The accompanying notes are an integral part of this financial statement.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2016
With Comparative Totals for June 30, 2015

	General Fund	Assessment District Fund	Total Governmental Funds	
			2016	2015
ASSETS				
Cash and investments	\$ 6,621,779	\$ 597,463	\$ 7,219,242	\$ 6,246,961
Accrued interest receivable	2,140		2,140	1,750
Accounts receivable	63,422		63,422	85,562
Property taxes and assessments receivable	107,775	13,811	121,586	137,942
Due from other fund				35,967
Prepaid expenditures	280		280	14,225
Total assets	\$ 6,795,396	\$ 611,274	\$ 7,406,670	\$ 6,522,407
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable and accrued expenditures	\$ 329,955	\$ 34,242	\$ 364,197	\$ 298,681
Accrued salaries and benefits	102,617		102,617	154,314
Due to other fund				35,967
Deposits	26,140		26,140	24,422
Unearned revenue	114,200		114,200	30,000
Total liabilities	572,912	34,242	607,154	543,384
Fund Balances				
Nonspendable:				
Prepays	280		280	14,225
Restricted:				
Specified park projects reserve		375,379	375,379	691,132
Committed:				
Accrued interest payable		201,653	201,653	204,361
Assigned:				
Compensated absences	419,499		419,499	306,693
Post-employment benefits payable	128,574		128,574	104,282
Pension-related debt	1,385,000		1,385,000	1,543,000
Unassigned	4,289,131		4,289,131	3,115,330
Total fund balances	6,222,484	577,032	6,799,516	5,979,023
Total liabilities and fund balances	\$ 6,795,396	\$ 611,274	\$ 7,406,670	\$ 6,522,407

The accompanying notes are an integral part of this financial statement.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
 SHEET TO THE STATEMENT OF NET POSITION
 JUNE 30, 2016

Total fund balances - governmental funds		\$ 6,799,516
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets: In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation. Net capital assets consist of:</p>		
Capital assets at historical costs	\$ 56,821,907	
Accumulated depreciation	<u>(17,573,281)</u>	39,248,626
<p>Interest payable: In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statements of activities, it is recognized in the period it is incurred.</p>		
		(222,197)
<p>Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:</p>		
Certificates of participation	(12,280,000)	
Notes payable	(1,385,000)	
Capital lease payable	(48,455)	
Compensated absences	(419,499)	
Other postemployment benefits	(128,574)	
Net pension liability	<u>(3,550,158)</u>	(17,811,686)
<p>Deferred outflows and inflows of resources relating to pensions: In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.</p>		
Deferred inflows of resources relating to pensions	(247,340)	
Deferred outflows of resources relating to pensions	<u>666,443</u>	<u>419,103</u>
Total net position - governmental activities		<u>\$ 28,433,362</u>

The accompanying notes are an integral part of this financial statement.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FISCAL YEAR ENDED JUNE 30, 2016
With Comparative Totals for Fiscal Year Ended June 30, 2015

	General Fund	Assessment District Fund	Total Governmental Funds	
			2016	2015
Revenues				
Property taxes	\$ 6,084,387	\$ -	\$ 6,084,387	\$ 5,624,820
Charges for services:				
Special assessments		1,007,402	1,007,402	1,007,893
Registration and other fees	737,542		737,542	755,989
Facility and other rental fees	479,640		479,640	397,248
Operating grants and contributions	103,917		103,917	91,803
Capital grants and contributions	10,015		10,015	3,163,618
Investment earnings	30,254	1,697	31,951	6,582
Other revenues	107,617	1	107,618	110,957
Total revenues	<u>7,553,372</u>	<u>1,009,100</u>	<u>8,562,472</u>	<u>11,158,910</u>
Expenditures				
Salaries and benefits	3,470,145	145,220	3,615,365	3,524,879
Materials and services	2,601,685	396,944	2,998,629	2,966,657
Capital outlay	198,897		198,897	342,839
Debt service:				
Principal	175,675	130,000	305,675	251,000
Interest	66,972	609,021	675,993	690,073
Total expenditures	<u>6,513,374</u>	<u>1,281,185</u>	<u>7,794,559</u>	<u>7,775,448</u>
Excess of revenues over (under) expenditures	<u>1,039,998</u>	<u>(272,085)</u>	<u>767,913</u>	<u>3,383,462</u>
Other Financing Sources (Uses)				
Capital lease proceeds	66,130		66,130	
Transfers in	46,376		46,376	110,967
Transfers out		(46,376)	(46,376)	(110,967)
Total other financing sources and uses	<u>112,506</u>	<u>(46,376)</u>	<u>66,130</u>	
Net change in fund balances	<u>1,152,504</u>	<u>(318,461)</u>	<u>834,043</u>	<u>3,383,462</u>
Fund balances - beginning of fiscal year	5,083,530	895,493	5,979,023	2,595,561
Prior-period adjustments	(13,550)		(13,550)	
Fund balances - beginning of fiscal year, restated	<u>5,069,980</u>	<u>895,493</u>	<u>5,965,473</u>	<u>2,595,561</u>
Fund balances - end of fiscal year	<u>\$ 6,222,484</u>	<u>\$ 577,032</u>	<u>\$ 6,799,516</u>	<u>\$ 5,979,023</u>

The accompanying notes are an integral part of this financial statement.

**PLEASANT VALLEY RECREATION AND PARK DISTRICT
 RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 JUNE 30, 2016**

Total net change in fund balances - governmental funds \$ 834,043

Amounts reported for governmental activities in the statement of activities are different because:

In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of individual capital assets in excess of the capitalization threshold of \$5,000 are allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures which were capitalized and depreciation expense and the cost of capital assets disposed of for the period is:

Capital outlays which were capitalized as capital assets	\$	198,897	
Loss on disposal of capital assets		(22,356)	
Depreciation expense		<u>(1,079,910)</u>	(903,369)

In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amounts earned. The differences between compensated absences paid and compensated absences earned was: (112,806)

In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. 305,675

In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during but owing from the prior period was: 5,052

In statement of activities, the long-term liability for other postemployment benefits is recognized. This does not require the use of current financial resources and is not reported in governmental funds. (24,292)

In governmental funds, proceeds from debt are recognized as other financing sources. In the government-wide statements, proceeds from debt are reported as increases to liabilities. Amounts recognized in governmental funds as proceeds from debt, was: (66,130)

In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was: 209,258

Total change in net position - governmental activities \$ 247,431

The accompanying notes are an integral part of this financial statement.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 STATEMENT OF FIDUCIARY NET POSITION
 JUNE 30, 2016
 With Comparative Totals for June 30, 2015

	Part-Time Employees Retirement Trust Fund	
	2016	2015
Assets		
Cash and investments	\$ 74,658	\$ 55,399
Total assets	<u>74,658</u>	<u>55,399</u>
Net Position		
Retirement funds payable to recipients	74,658	55,399
Total net position	<u>\$ 74,658</u>	<u>\$ 55,399</u>

The accompanying notes are an integral part of this financial statement.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Fiscal Year Ended June 30, 2016
With Comparative Totals for Fiscal Year Ended June 30, 2015

	Part-Time Employees Retirement Trust Fund	
	2016	2015
Additions		
Contributions to retirement trust fund	\$ 22,327	\$ 816
Investment earnings	177	158
Total revenues	<u>22,504</u>	<u>974</u>
Deductions		
Claims paid or payable to claimants:	3,245	8,649
Total deductions	<u>3,245</u>	<u>8,649</u>
Change in net position	19,259	(7,675)
Net position - beginning of fiscal year	<u>55,399</u>	<u>63,074</u>
Net position - end of fiscal year	<u>\$ 74,658</u>	<u>\$ 55,399</u>

The accompanying notes are an integral part of this financial statement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization and Reporting Entity

The Pleasant Valley Recreation & Park District (the District) is located in and around the City of Camarillo, approximately 10 miles inland from the Pacific Ocean. The District was formed in January 1962 under the State Public Resource Code of California. The District serves an area of approximately 45 square miles and has grown from one park to 27 parks since its inception 53 years ago. Within the District, a variety of recreational facilities exists including: indoor swimming pool, lighted ball fields, tennis courts, racquetball courts, a running track, children's play equipment, picnic shelters, barbecues and much more. General administration and management of the District is under the direction of a five member Board of Directors and a General Manager.

The District's basic financial statements include the operations of which the District's Board of Directors exercises oversight responsibility. There are no component units included in this report which meet the criteria of the GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statements No. 39 and No. 61.

B. Basis of Accounting, Measurement Focus, and Financial Statement Presentation

The District's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

The *basic financial statements* of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole. These statements include separate columns for the governmental activities of the primary government. Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated). However, general government expenses have not been allocated as indirect expenses to the various functions of the District.

Government-wide financial statements are presented using the *economic resources measurement focus* and the *accrual basis of accounting*. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. *Basis of accounting* refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transaction are recognized in accordance with the requirements of GASB Statement No. 33.

The types of transactions reported as program revenues for the District are to be reported in three categories, if applicable: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Grant and contributions include revenues restricted to meeting the operational or capital requirements of a particular function. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting, Measurement Focus, and Financial Statement Presentation (continued)

Fund Financial Statements

Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column, and all nonmajor funds are aggregated into one column, however the District has no nonmajor funds. Fiduciary funds are reported by fund type.

The accounting and financial treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With the measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances for these funds present increases, (i.e., revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net position.

Fiduciary funds are reported using the economic resources measurement focus.

Governmental Funds

In the fund financial statements, governmental funds are presented using the *modified - accrual basis of accounting*. Their revenues are recognized when they become *measurable* and *available* as net current position. *Measurable* means that the amounts can be estimated, or otherwise determined. *Available* means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. Revenue recognition is subject to the measurable and *availability* criteria for the governmental funds in the fund financial statements. *Exchange transactions* are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). *Locally imposed derived tax revenues* are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. *Imposed nonexchange* transactions are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. *Government-mandated and voluntary nonexchange transactions* are recognized as revenues when all applicable eligibility requirements have been met.

In the fund financial statements, governmental funds are presented using the *current financial resources measurement focus*. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance is considered to be a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net position. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Non-current portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources," since they do not represent net current position. Recognition of governmental fund type revenue represented by non-current receivables are deferred until they become current receivables. Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect net position, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as *expenditures* in the fiscal year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as *other financing sources* rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

When both restricted and unrestricted resources are combined in a fund, expenditures/expense are considered to be paid first from restricted resources, and then from unrestricted resources.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting, Measurement Focus, and Financial Statement Presentation (continued)

The District reports the following major governmental funds:

- **General Fund** is the primary operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.
- **Assessment District Fund** is used for the assessment revenues and expenditures from a special assessment for specific park and recreation facilities and operations.

The District reports the following fiduciary fund:

- **Part-Time Employees Retirement Trust Fund** holds funds in trust for part-time employees who are enrolled in the non-elective deferred compensation plan arrangement for the benefit of employees who are not covered by another retirement system maintained by the District (see note 11).

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds use the accrual basis of accounting.

C. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, as prescribed by the GASB and the AICPA, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

D. Investments and Investment Policy

The District has adopted an investment policy directing the General Manager to deposit funds in financial institutions. No more than 30% of the District's total investment portfolio will be invested in a single security type or with a single financial institution with the exceptions of U.S. Government Treasury securities and LAIF. Investments are to be made in the following areas:

U.S. Government Securities	Repurchase Agreements
Banker's Acceptances	Local Agency Investment Fund (LAIF)
Commercial Paper	Money Market Accounts
Negotiable Certificates of Deposit	Savings Deposits

Changes in fair value that occur during a fiscal year are recognized as unrealized gains or losses and reported for that fiscal year. Investment income comprises of investment earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

Local Agency Investment Fund

LAIF is regulated by California Government Code (Code) Section 16429 and is under the management of the State of California Treasurer's Office with oversight provided by the Local Agency Investment Advisory Board.

LAIF is carried at fair value based on the value of each participating dollar as provided by LAIF. The fair value of the District's position in LAIF is the same as the value of its pooled shared. Investments in securities of the U.S. government or its agencies are carried at fair value based on quoted market prices. Bank balances are secured by the pledging of a pool of eligible securities to collateralize the District's deposits with the bank in accordance with the Code.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Property Taxes and Special Assessments

The County of Ventura Assessor's Office assesses all real and personal property within the County each year. The County of Ventura Tax Collector's Office bills and collects the District's share of property taxes and special assessments. The County of Ventura Treasurer's Office remits current and delinquent property tax collections to the District throughout the year. Property tax in California is levied in accordance with Article 13A of the State Constitution at one percent (1%) of countywide assessed valuations.

Property taxes and special assessments receivable at year-end are related to property taxes collected by the County of Ventura which have not been credited to the District's cash balance as of June 30. The property tax calendar is as follows:

Lien date	January 1
Levy date	July 1
Due dates	November 1 and March 1
Collection dates	December 10 and April 10

F. Prepaid Items

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

G. Capital Assets

Capital assets are recorded in the government-wide financial statements. Included in capital assets are PV Fields assets, land, buildings, building improvements, equipment, furniture and fixtures and vehicles. District policy has set the capitalization threshold for reporting capital assets at \$5,000. Donated assets are recorded at estimated fair market value at the date of donation. Capital outlay is recorded as expenditures of the governmental funds and as assets in the government-wide financial statements to the extent the District's capitalization threshold is met. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Description	Years	Description	Years
PV Fields — Buildings	39	Land improvements	15
PV Fields — Land grading	39	Assessment assets	15
PV Fields — Land improvements	39	Buildings, structures and improvements	10 to 39
PV Fields — Lighting	39	Furniture fixtures and office equipment	5 to 7
PV Fields — Other assets	5	Machinery and heavy equipment	3 to 10
PV Fields — Playground equipment	15	Playground equipment	15
PV Fields — Turf and landscaping	10	Vehicles	5
FB Fields — Ball Fields	20	FB Fields — Land improvements	20
FB Fields — Lighting	20	FB Fields — Land Grading	20
FB Fields — Turf and Landscape	20		

H. Compensated Absences

The District's policy is to permit full time and part-time year-round employees to accumulate earned vacation time, sick leave, and compensating time. Earned vacation time shall be earned by each employee subject to the accrual limitations and policies as follows:

Years of Service	Annual Accrual	Maximum Accrual
Less than 5 years of service	80	240
Over 5 years but less than 11	120	360
Over 11 years but less than 12	128	384
Over 12 years but less than 13	136	408
Over 13 years but less than 14	144	432
Over 14 years but less than 16	152	456
16 years or more	160	480
Part-time year-round	40	80

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Compensated Absences (continued)

Sick leave that is not used shall accumulate during subsequent years without limitation for full-time employees and will be capped at 80 hours for part-time year-round employees. Sick leave cannot be converted to vacation time, but in order to reward employees who do not utilize all of their sick leave, the District will compensate employees with 10 plus years of employment fifty percent (50%) of the unused sick leave up to 1,000 hours; employees with 5-10 years of service will be compensated at twenty-five percent (25%) of the unused sick leave up to 500 hours.

I. 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 Pleasant Valley Recreation and Park District's California Public Employee's Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

J. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position," and GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities," the District recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. The District has one item which qualifies for reporting in this category; refer to Note 8 for a detailed listing of the deferred outflows of resources the District has reported.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the District that is applicable to a future reporting period. The District has one item which qualifies for reporting in this category; refer to Note 8 for a detailed listing of the deferred inflows of resources the District has reported.

K. Budgets

The budget is reported on the same basis as the fund types and on a basis consistent with accounting principles generally accepted in the United States of America. Additional appropriations or other changes during the fiscal year may be submitted by the department for Board review and approval.

L. Net Position

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position that is net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position is the portion of net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

M. Fund Balances

In the financial statements, governmental funds report fund balances as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Fund Balances (continued)

- **Nonspendable fund balance** — amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- **Restricted fund balance** — amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions enabling legislation.
- **Committed fund balance** — amounts that can only be used for specific purposes determined by formal action of the District's highest level of decision-making authority (the Board of Directors) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned fund balance** — amounts that are constrained by the District's intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.
- **Unassigned fund balance** — the residual classification for the District's general fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The Board of Directors established, modifies or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by the unrestricted, committed, assigned and unassigned resources as they are needed.

Fund Balance Policy

The District believes that sound financial management principles require that sufficient funds be retained by the District to provide a stable financial base at all times. To retain this stable financial base, the District needs to maintain an unrestricted fund balance in its funds sufficient to fund cash flows of the District and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned and unassigned fund balances are considered unrestricted.

The purpose of the District's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures.

N. Comparative Data/Totals Only

Comparative total data for the prior fiscal year has been presented in certain accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations. Also, certain prior fiscal amounts have been reclassified to conform to the current fiscal year financial statements presentation.

L. New Accounting Pronouncements

Governmental Accounting Standards Board Statement No. 72

For the fiscal year ended June 30, 2016, the District implemented Governmental Accounting Standards (GASB) Statement No. 72 "Fair Value Measurement and Application." This Statement is effective for periods beginning after June 15, 2015. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. Implementation of the GASB Statement No. 72 and the impact on the District's financial statements are explained in Note 2 – Cash and Investments.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements:

Statement No. 74	"Financial Reporting for Postemployment Benefits Plans Other Than Pension Plans"	The provisions of this statement are effective for fiscal years beginning after June 15, 2016.
Statement No. 75	"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"	The provisions of this statement are effective for fiscal years beginning after June 15, 2017.
Statement No. 77	"Tax Abatement Disclosures"	The provisions of this statement are effective for fiscal years beginning after December 15, 2015.
Statement No. 78	"Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans"	The provisions of this statement are effective for fiscal years beginning after December 15, 2015.
Statement No. 79	"Certain External Investment Pools and Pool Participants"	The provisions of this statement are effective for fiscal years beginning after December 15, 2015.
Statement No. 80	"Blending Requirements for Certain Component Units-an amendment of GASB Statement No. 14"	The provisions of this statement are effective for fiscal years beginning after June 15, 2016.
Statement No. 81	"Irrevocable Split-Interest Agreements"	The provisions of this statement are effective for fiscal years beginning after December 15, 2016.
Statement No. 82	"Pension Issues-an amendment of GASB Statements No. 67, No. 68, and No. 73"	The provisions of this statement are effective for fiscal years beginning after June 15, 2017.

NOTE 2 - CASH AND INVESTMENTS

Cash at June 30, 2016, consists of the following:

Cash on hand	\$ 892
Deposits held with financial institutions	3,302,223
Investments	<u>3,990,785</u>
Total cash and investments	<u>\$ 7,293,900</u>

Cash and investments are presented on the accompanying basic financial statements, as follows:

Cash and investments, statement of net position	\$ 7,219,242
Cash in and investments, statement of fiduciary net position	<u>74,658</u>
Total cash and investments	<u>\$ 7,293,900</u>

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 2 - CASH AND INVESTMENTS (continued)

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District had investments in money market funds and LAIF, however, these are not measured under Level 1, 2 or 3.

Level 2 Investments held by the District are the negotiable Certificates of Deposit with a market value of \$1,153,044.

Authorized Deposits and Investments

Under provisions of the District's investment policy, and in accordance with Section 53601 of the California Government Code, the District may invest in certain types of investments as listed in Note 1(D) to the financial statements.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The longer the maturity an investment has the greater its fair value has sensitivity to changes in market interest rates. The District's investment policy follows the Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

Investment Type	Carrying Amount	12 Months Or Less	13-24 Months	25-60 Months	More than 60 Months
State investment pool (LAIF)	\$ 5,105	\$ 5,105	\$ -	\$ -	\$ -
Ventura County Investment Pool	2,831,296	2,831,296			
Certificates of deposit	1,153,044	245,416	246,387	661,241	
Money market funds	1,340	1,340			
	<u>\$ 3,990,785</u>	<u>\$ 3,083,157</u>	<u>\$ 246,387</u>	<u>\$ 661,241</u>	<u>\$ -</u>

Credit Risk

State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The District has no investment policy that would further limit its investment choices. LAIF investment funds are unrated.

Investment Type	Carrying Amount	Minimum Legal Rating	Rating as of Fiscal Year End		
			AAA	A+	Baa
State investment pool (LAIF)	\$ 5,105	N/A	\$ -	\$ -	\$ -
Ventura County Investment Pool	2,831,296	N/A			
Certificates of deposit	1,153,044	N/A			
Money market funds	1,340	N/A			
	<u>\$ 3,990,785</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represents 5% or more of the total City's investments.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 2 - CASH AND INVESTMENTS (continued)

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits 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 fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the City's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

None of the City's deposits with financial institutions in excess of the Federal Depository Insurance Corporation's limits were held in uncollateralized accounts.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or governmental investment pools (such as LAIF and the Ventura County Investment Pool).

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying basic financial statements at the amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The LAIF is a special fund of the California State Treasury through which local governments may pool investments. Each entity may invest up to \$50,000,000 in the fund. Investments in LAIF are highly liquid, as deposits can be converted to cash within twenty-four hours without loss of interest. Investments with LAIF are secured by the full faith and credit of the State of California.

NOTE 3 - INTERFUND TRANSACTIONS

Interfund transactions are reported as either loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers among governmental funds are netted as part of the reconciliation to the government-wide financial statements. Interfund transfers consist of operating transfers from funds receiving revenue to funds through which the resources are to be expended.

Transfers In/Out:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General Fund	\$ 46,376	\$ -
Assessment District Fund		<u>46,376</u>
Totals	<u>\$ 46,376</u>	<u>\$ 46,376</u>

PLEASANT VALLEY RECREATION AND PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 4 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2016, was as follows:

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
Non-depreciable capital assets				
Land	\$ 22,732,253	\$ -	\$ -	\$ 22,732,253
Total non-depreciable capital assets	<u>\$ 22,732,253</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,732,253</u>
Depreciable capital assets:				
PV Fields-Buildings	3,849,407			3,849,407
PV Fields-Land grading	807,164			807,164
PV Fields-Land improvements	4,390,266			4,390,266
PV Fields-Lighting	2,271,285			2,271,285
PV Fields-Other assets	49,626			49,626
PV Fields-Playground equipment	86,177			86,177
PV Fields-Turf and landscaping	2,553,936			2,553,936
Freedom ball fields	516,963			516,963
Freedom ball fields lighting	225,128			225,128
Freedom ball fields land grading	305,852			305,852
Freedom ball fields turfs & landscaping	518,363			518,363
Freedom ball fields land improvements	452,855			452,855
Land Improvements	7,840,119	94,568	(22,294)	7,912,393
Assessment assets	128,560			128,560
Buildings, structures and improvements	8,017,573			8,017,573
Furniture, fixtures and office equipment	275,932	66,130		342,062
Machinery and heavy equipment	445,738			445,738
Playground equipment	792,773	38,199		830,972
Vehicles	385,334			385,334
Total depreciable capital assets	<u>33,913,051</u>	<u>198,897</u>	<u>(22,294)</u>	<u>34,089,654</u>

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 4 – CAPITAL ASSETS (continued)

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
Accumulated depreciation:				
PV Fields-Buildings	534,640	98,703		633,343
PV Fields-Land grading	112,107	20,697		132,804
PV Fields-Land improvements	609,759	112,571		722,330
PV Fields-Lighting	315,456	58,238		373,694
PV Fields-Other assets	38,465	332		38,797
PV Fields-Playground equipment	31,119	5,745		36,864
PV Fields-Turf and landscaping	1,383,383	255,394		1,638,777
Freedom ball fields	64,620	25,848		90,468
Freedom ball fields lighting	28,140	11,256		39,396
Freedom ball fields land grading	38,232	15,293		53,525
Freedom ball fields turfs & landscaping	64,795	25,918		90,713
Freedom ball fields land improvements	56,607	22,643		79,250
Land Improvements	6,920,429	116,206	62	7,036,697
Assessment assets	101,941	8,571		110,512
Buildings, structures and improvements	4,778,272	238,944		5,017,216
Furniture, fixtures and office equipment	254,566	11,355		265,921
Machinery and heavy equipment	394,805	9,501		404,306
Playground equipment	407,180	36,379		443,559
Vehicles	358,793	6,316		365,109
Total accumulated depreciation	<u>16,493,309</u>	<u>1,079,910</u>	<u>62</u>	<u>17,573,281</u>
Total depreciable capital assets, net	<u>\$ 17,419,742</u>	<u>\$ (881,013)</u>	<u>\$ (22,356)</u>	<u>\$ 16,516,373</u>
Total capital assets, net	<u>\$ 40,151,995</u>	<u>\$ (881,013)</u>	<u>\$ (22,356)</u>	<u>\$ 39,248,626</u>

Depreciation expense for the fiscal year ended June 30, 2016, was \$1,079,910.

NOTE 5 – PENSION RELATED DEBT – CALPERS SIDE-FUND

As of June 30, 2003, CalPERS implemented risk-pooling for the District's agent multiple-employer public employee defined benefit pension plan. As a result, the District's defined benefit pension plan with CalPERS converted from an agent multiple-employer plan to a cost sharing multiple-employer plan. This change in the type of the plan created the CalPERS Side-Fund, which CalPERS financed at a 7.75% interest rate. CalPERS actuarially calculated the amount needed to bring the District into the cost sharing multiple-employer plan on an equal basis with other governmental agencies who had less than 100 active and retired employees combined. The reason that CalPERS switched these governmental agencies into the cost sharing multiple-employer plan was to smooth the annual costs related to the pension benefit over a longer period of time resulting in a lower cost of service to the governmental agencies.

A portion of the District's annual required contributions to CalPERS are actuarially determined and shared by all governmental agencies within the cost sharing risk pool. Also, the District is required to make annual payments to pay-down the CalPERS Side-Fund, as well. The responsibility for paying-down the District's CalPERS Side-Fund is specific to the District and is not shared by all governmental agencies within the cost sharing risk pool. Therefore, the Side Fund falls under the definition of pension related debt, as described in GASB Statement No. 27 and recorded as liability on the District's financial statements.

On August 31, 2012, the District refinanced the pension-related debt (CalPERS side-fund liability) of \$1,881,661 to lower the interest rate to 4.450% which resulted in an economic gain of \$692,862 from the interest expense savings on the pension-related debt. The cost of debt issuance was \$48,443. Principal and interest are payable semi-annually on August 31 and February 28 each fiscal year as follows on the next page:

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 5 – PENSION RELATED DEBT – CALPERS SIDE-FUND (continued)

Fiscal Year	Principal	Interest	Total
Ending June 30,			
2017	\$ 171,000	\$ 59,808	\$ 230,808
2018	186,000	52,043	238,043
2019	200,000	43,610	243,610
2020	216,000	34,532	250,532
2021	232,000	24,742	256,742
2022-2023	380,000	17,110	397,110
Total	<u>\$ 1,385,000</u>	<u>\$ 231,845</u>	<u>\$ 1,616,845</u>

NOTE 6 – CERTIFICATES OF PARTICIPATION – SERIES 2009

In July 2009, the District issued \$12,775,000 in Certificates-of-Participation - Series 2009 under a 30 year lease agreement with the California Special District Association (CSDA) Financing Corporation (Corporation). The District and the Corporation entered into a site-lease dated July 1, 2009. Under the site-lease agreement, the District leased its Camarillo Community Center and the land under the PV Fields sports complex to the Corporation. Concurrently, the District and Corporation entered into a lease agreement dated July 1, 2009 whereas the District leased-back its Camarillo Community Center and the land under the PV Fields sports complex for the purpose of financing the PV Fields sports complex construction project.

Interest is payable semi-annually on March 1st and September 1st of each year while principal payments are made on September 1st of each year, commencing September 1, 2009 with interest rates ranging from 6.500% to 4.125%. Annual debt service payments are as follows:

Fiscal Year	Principal	Interest	Total
Ending June 30,			
2017	\$ 150,000	\$ 601,865	\$ 751,865
2018	175,000	595,096	770,096
2019	195,000	587,277	782,277
2020	220,000	578,404	798,404
2021	245,000	568,314	813,314
2022-2026	1,675,000	2,637,755	4,312,755
2027-2031	2,610,000	2,128,613	4,738,613
2032-2036	3,890,000	1,323,966	5,213,966
2037-2039	3,120,000	247,537	3,367,537
Total	<u>\$ 12,280,000</u>	<u>\$ 9,268,827</u>	<u>\$ 21,548,827</u>

NOTE 7 – POSTEMPLOYMENT BENEFITS PAYABLE OTHER THAN PENSIONS

Plan Description

The District pays a portion of the cost of health insurance for retirees under any group plan offered by CalPERS, subject to certain restrictions as determined by the District. The District offers post-employment medical benefits to retired employees who satisfy the eligibility rules (5-years of service). Dependents are also eligible to receive benefits. Retirees may enroll in any plan available through the District's CalPERS medical program. The contribution requirements of Plan members and the District are established and may be amended by the Board of Directors. The District will reimburse the retiree for retiree and/or retiree's dependent health insurance premiums (medical) up to a maximum of \$122 per month. At June 30, 2016, there were twenty-seven eligible employees, with six retirees currently receiving benefits.

Funding Policy

The District accounts for this benefit on a pay-as-you-go basis. Postemployment expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. For the fiscal year ended June 30, 2016, the District paid \$13,214 in contributions.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 7 – POSTEMPLOYMENT BENEFITS PAYABLE OTHER THAN PENSIONS (continued)

Annual OPEB Cost and Net OPEB Obligation

The annual required contribution (ARC) represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the District’s annual OPEB cost for the current fiscal year, the amount actually contributed to the Plan, and changes in the District’s net OPEB obligation for the postemployment healthcare benefits:

Annual required contribution	\$ 37,897
Interest on net OPEB obligation	4,199
Adjustment to annual required contribution	<u>(4,590)</u>
Annual OPEB cost (expense)	37,506
Contributions made	<u>(13,214)</u>
Increase (decrease in net OPEB obligation)	24,292
Net OPEB obligation, beginning of fiscal year	<u>104,282</u>
Net OPEB obligation, end of fiscal year	<u>\$ 128,574</u>

The District’s annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2016, were as follows:

<u>For Fiscal Year Ended</u> <u>June 30</u>	<u>Annual OPEB</u> <u>Cost</u>	<u>% of Annual</u> <u>OPEB Cost</u> <u>Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
2014	\$ 38,250	47.05%	\$ 81,299
2015	\$ 35,353	33.90%	\$ 104,282
2016	\$ 37,506	29.17%	\$ 128,574

Funded Status and Funding Progress

As of July 1, 2014, the actuarial accrued liability for benefits was \$512,376, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the Plan) was \$1,994,641, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 25.7 percent.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents information about the actuarial value of the Plan’s assets and the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value assets, consistent with the long-term perspective of the calculations.

Based on the historical and expected returns of the District’s short-term investment portfolio, a discount rate of 4.0 percent was used. In addition, the entry age normal cost method was used. The amortization period is 30 years, level percent of payroll.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 8 – PENSION PLAN

A. General Information about the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the District’s Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

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 credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for nonduty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plans’ provisions and benefits in effect at June 30, 2016, are summarized as follows:

	Miscellaneous		
	Prior to March 12, 2011	March 12, 2011 through December 31, 2012	On or after January 1, 2013
Hire Date			
Benefit formula	2.5% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50-65	52-67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates	8%	7%	6.250%
Required employer contribution rates	9.067% + \$173,679	6.709% + \$393	6.250%

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. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. 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. Contributions to the pension plan from the District were \$347,493 for the fiscal year ended June 30, 2016.

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2016, the District reported a liability of \$3,550,158 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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 Pension Plan participants, actuarially determined. At June 30, 2015, the District’s proportion was 0.05172% and at June 30, 2014 the District’s proportion was 0.04365%, an increase of 0.00807%.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 8 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

For the year ended June 30, 2016, the District recognized pension expense of \$138,235. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits. At June 30, 2016, 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
Differences between expected and actual experience	\$ 17,414	\$ -
Changes in assumptions	-	164,749
Net difference between projected and actual earnings on retirement plan investments	-	82,591
Changes in proportion and differences between District contributions and proportionate share of contributions	127,349	-
Adjustment due to differences in proportion	174,187	-
District contributions subsequent to the measurement date	347,493	-
	<u>\$ 666,443</u>	<u>\$ 247,340</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner. \$347,493 reported as 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 fiscal year ended June 30, 2016.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expense as follows:

Fiscal Year Ending June 30,	Amount
2017	\$ (8,432)
2018	(7,993)
2019	(17,532)
2020	105,567
	<u>\$ 71,610</u>

PLEASANT VALLEY RECREATION AND PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 8 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Actuarial Assumptions

The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions:

	Miscellaneous
Valuation Date	June 30, 2014
Measurement Date	June 30, 2015
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Payroll Growth	3%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.50%
Mortality	Derived using CalPERS' Membership Data for all Funds (1)

- (1) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table please refer to the 2014 experience study report.

Changes in Assumptions

GASB 68, paragraph 68 states that the long term expected rate of return should be determined net of pension plan investment expense, but without reduction for pension plan administrative expenses. The discount rate was changed from 7.50% (net of administrative expenses in 2014) to 7.65% as of June 30, 2015 to correct the adjustment which previously reduced the discount rate for administrative expenses.

Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for public agency plans (including PERF C), CalPERS stress tested plans that would be most likely resulted in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current 7.65 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund, including PERF C. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB No. 67 and No. 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as they have changed their methodology.

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 pension plan investment expense and inflation) are developed for each major asset class.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 8 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Discount Rate (continued)

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits were calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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

Asset Class	New Strategic Allocation	Real Return Years 1-10(a)	Real Return Years 11+(b)
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	2.0%	-0.55%	-1.05%
Total	<u>100%</u>		

(a) An expected inflation of 2.5% was used for this period.

(b) An expected inflation of 3.0% was used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in Discount Rate

The following represents the District's proportionate share of the net pension liability calculated using the discount rate of 7.65 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.65 percent) or 1- percentage point higher (8.65 percent) than the current rate:

	1% Decrease 6.65%	Discount Rate 7.65%	1% Increase 8.65%
District's proportionate share of the net pension plan liability	\$ 5,953,863	\$ 3,550,158	\$ 1,565,620

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

C. Payable to Pension Plan

At June 30, 2016, the District had no amount outstanding for contributions to the pension plan required for the fiscal year ended June 30, 2016.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 9 – LONG-TERM DEBT

The following is a summary of long-term liability for the fiscal year ended June 30, 2016:

	Balance July 1, 2015	Increases	Decreases	Balance June 30, 2016	Due within One year
Compensated absences	\$ 306,693	\$ 168,677	\$ (55,871)	\$ 419,499	\$ 104,875
Notes payable - pension related debt	1,543,000		(158,000)	1,385,000	171,000
Certificates of participation	12,410,000		(130,000)	12,280,000	150,000
Capital lease payable - software		66,130	(17,675)	48,455	15,424
Other post employment benefits	104,282	37,506	(13,214)	128,574	
Net pension liability	2,715,962	1,323,266	(489,070)	3,550,158	
Total	\$ 17,079,937	\$ 1,595,579	\$ (863,830)	\$ 17,811,686	\$ 441,299

NOTE 10 – DEFERRED COMPENSATION SAVINGS PLAN – FULL-TIME EMPLOYEES

For the benefit of its employees, the District participates in two 457 Deferred Compensation Programs (Programs). The purpose of these Programs is to provide deferred compensation for public employees that elect to participate in the Programs. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death or unforeseeable emergency.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District, and are not subject to claims of the District's general creditors. Market value of the plan assets held in trust by ICMA Retirement Corporation and MetLife at June 30, 2016 was \$774,071 and \$72,125, respectively.

The District has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not shown on the statement of net position.

NOTE 11 – DEFERRED COMPENSATION SAVINGS PLAN – PART-TIME EMPLOYEES

Part-time employees are covered by a deferred compensation plan in accordance with Internal Revenue Code Section 457 (Plan). The Plan is a non-elective deferred compensation arrangement for the benefit of employees who are not covered by another retirement system maintained by the District. Under the Plan, an eligible Participant accrues a monthly benefit that is equal to one-twelfth (1/12) of an amount equal to 2% of the Participant's average annual compensation times years of service up to 30 years. Distributions from the Plan are made only when the Participant has separated from service and the Participant's accrued benefits are non-forfeitable.

With certain limitations, a Participant may elect the time and manner by which his or her deferred amounts will be distributed. The election must be made prior to the date any such amounts become payable to the Participant. If the Participant fails to make a timely election concerning distribution of the deferred amounts, the amounts shall be in a lump sum distribution as prescribed by the Plan. The manner and time of benefit payout must meet the distribution requirements of the Internal Revenue Code Section 401(a) and 457(d)(2).

The Plan provides that all amounts deferred under the Plan, all property and rights purchased with such amounts, and all income attributable to such amounts, or rights will remain (until made available to the participant) solely the property and rights of the District, subject only to claims of such District's general creditors. The rights of any Participant or beneficiary to payments pursuant to the Plan are nonassignable, and his interest in benefits under the Plan is not subject to attachment, garnishment or other legal process. Currently, one retired employee is receiving monthly benefit check from this Plan and three retired employees are receiving an annual benefit.

In 2011, the assets of the Plan were transferred to the Part-Time Employees Retirement Trust Fund, with the District remaining the trustee of the Plan, and held as a fiduciary fund of the District in the accompanying financial statements.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 12 – RISK MANAGEMENT

The District is a member of the Park and Recreation District Employee Compensation with the California Association for Park and Recreation Insurance (CAPRI).

A. Description of CAPRI

CAPRI is comprised of 63 members and is organized under a Joint Exercise Powers Agreement pursuant to the California Government Code. The purpose of the CAPRI is to arrange and administer programs of insurance, risk management, and loss prevention for the pooling of self-insured losses and to purchase excess insurance coverage.

CAPRI is governed by a separate board of directors, which is comprised of seven directors elected from the member districts. The board controls the operations of CAPRI, including selection of management and approval of operating budgets.

B. Self-Insurance Programs of CAPRI

General and auto liability, public officials and employees' liability programs have total risk financing insurance limits of \$1,000,000 with various deductibles of \$2,000 to \$20,000 per occurrence. Excess insurance has been purchased by the District above the self-insurance limits. In addition to the above, the District also has the following insurance coverage:-

- All-Risks property loss coverage including boiler and machinery coverage, is subject to a \$2,000 deductible per occurrence payable by the District.
- Flood and earthquake coverage with an annual aggregate limit of \$5,000,000 per occurrence for earthquakes and \$10,000,000 for flood for all member districts. The deductible for all loss or damage arising from the risks of flood is \$20,000 and/or earthquake is \$50,000 per occurrence or 5% of the value of the building, contents and/or structure, whichever is greater.
- Workers' compensation insurance up \$350,000 limits.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there were no reductions in the District's insurance coverage during the years ending June 30, 2016, 2015 and 2014. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of June 30, 2016, 2015, and 2014.

NOTE 13 – CONTINGENCIES

Litigation

In the ordinary course of operations, the District is subject to other claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters will not materially affect its financial condition.

NOTE 14 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

Excess of expenditures over appropriations by object in any individual funds is as follows:

<u>General Fund</u>	<u>Excess Expenditures</u>	
Debt service - principal	\$	29,674
<u>Assessment District Fund</u>		
Salaries and benefits	\$	11,633
Debt service - principal	\$	25,000

NOTE 15 – PRIOR-PERIOD ADJUSTMENT

A prior period adjustment of \$(13,550) was made to the General Fund and the Government-wide Financial Statements. The prior period adjustment was the net of a \$(93,916) adjustment to record unearned revenue for the July through December 2015 ROPS and a \$80,366 adjustment to payroll benefit liabilities.

THIS PAGE INTENTIONALLY LEFT BLANK.

REQUIRED SUPPLEMENTARY INFORMATION

PLEASANT VALLEY RECREATION AND PARK DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For Fiscal Year Ended June 30, 2016

	General Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues				
Property taxes	\$ 5,761,223	\$ 5,778,155	\$ 6,084,387	\$ 306,232
Charges for services:				
Registration and other fees	685,494	746,344	737,542	(8,802)
Facility and other rental fees	363,150	359,980	479,640	119,660
Operating grants and contributions	92,350	91,050	103,917	12,867
Capital grants and contributions			10,015	10,015
Investment earnings	4,335	5,573	30,254	24,681
Other revenues	79,254	71,864	107,617	35,753
Total revenues	<u>6,985,806</u>	<u>7,052,966</u>	<u>7,553,372</u>	<u>500,406</u>
Expenditures				
Salaries and benefits	3,513,432	3,737,057	3,470,145	266,912
Materials and services	2,786,164	2,724,349	2,601,685	122,664
Capital outlay	479,000	509,000	198,897	310,103
Debt service:				
Principal	146,000	146,000	175,675	(29,675)
Interest	253,045	78,973	66,972	12,001
Total expenditures	<u>7,177,641</u>	<u>7,195,379</u>	<u>6,513,374</u>	<u>682,005</u>
Excess of revenues over (under) expenditures	<u>(191,835)</u>	<u>(142,413)</u>	<u>1,039,998</u>	<u>1,182,411</u>
Other Financing Sources (Uses)				
Capital lease proceeds			66,130	66,130
Transfers in			46,376	46,376
Total other financing sources and uses			<u>112,506</u>	<u>112,506</u>
Net change in fund balance	<u>(191,835)</u>	<u>(142,413)</u>	<u>1,152,504</u>	<u>1,294,917</u>
Fund balance - beginning of fiscal year	5,083,530	5,083,530	5,083,530	
Prior-period adjustments			(13,550)	(13,550)
Fund balances - beginning of fiscal year, restated	<u>5,083,530</u>	<u>5,083,530</u>	<u>5,069,980</u>	<u>(13,550)</u>
Fund balance - end of fiscal year	<u>\$ 4,891,695</u>	<u>\$ 4,941,117</u>	<u>\$ 6,222,484</u>	<u>\$ 1,281,367</u>

PLEASANT VALLEY RECREATION AND PARK DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For Fiscal Year Ended June 30, 2016

	Assessment District Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues				
Charges for services:				
Special assessments	\$ 1,017,150	\$ 1,017,150	\$ 1,007,402	\$ (9,748)
Investment earnings	1,238	1,238	1,697	459
Other revenues			1	1
Total revenues	<u>1,018,388</u>	<u>1,018,388</u>	<u>1,009,100</u>	<u>(9,288)</u>
Expenditures				
Salaries and benefits	133,587	133,587	145,220	(11,633)
Materials and services	430,702	430,702	396,944	33,758
Debt service:				
Principal	105,000	105,000	130,000	(25,000)
Interest	634,021	634,021	609,021	25,000
Total expenditures	<u>1,303,310</u>	<u>1,303,310</u>	<u>1,281,185</u>	<u>22,125</u>
Excess of revenues over (under) expenditures	<u>(284,922)</u>	<u>(284,922)</u>	<u>(272,085)</u>	<u>12,837</u>
Other Financing Sources (Uses)				
Transfers out			(46,376)	(46,376)
Total other financing sources and uses			<u>(46,376)</u>	<u>(46,376)</u>
Net change in fund balance	(284,922)	(284,922)	(318,461)	(33,539)
Fund balance - beginning of fiscal year	<u>895,493</u>	<u>895,493</u>	<u>895,493</u>	
Fund balance - end of fiscal year	<u>\$ 610,571</u>	<u>\$ 610,571</u>	<u>\$ 577,032</u>	<u>\$ (33,539)</u>

PLEASANT VALLEY RECREATION AND PARK DIS
 SCHEDULE OF FUNDING PROGRESS FOR POSTEMPLOYMENT BENEFITS
 OTHER THAN PENSIONS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

The following table provides required supplementary information regarding the District's postemployment healthcare benefits.

SCHEDULE OF FUNDING PROGRESS

Valuation Date	Actuarial Asset Value	Actuarial Accrued Liability (AAL)	Unfunded Liability (Excess Assets)	Funded Ratio	Annual Covered Payroll	UAAL as a % of Covered Payroll
7/1/2012	\$ -	\$ 404,568	\$ 404,568	0.0%	\$ 2,512,874	16.1%
7/1/2013	\$ -	\$ 432,444	\$ 432,444	0.0%	\$ 2,074,478	20.8%
7/1/2014	\$ -	\$ 512,376	\$ 512,376	0.0%	\$ 1,994,641	25.7%

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 Last 10 Years*
 As of June 30, 2016

The following table provides required supplementary information regarding the District's Pension Plan.

	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability	0.05172%	0.04365%
Proportionate share of the net pension liability	\$ 3,550,158	\$ 2,715,962
Covered- employee payroll	\$ 2,058,236	\$ 2,127,640
Proportionate share of the net pension liability as percentage of covered-employee payroll	172.49%	127.65%
Plan's total pension liability	\$ 31,771,217,402	\$ 30,829,966,631
Plan's fiduciary net position	\$ 24,907,305,871	\$ 24,607,502,515
Plan fiduciary net position as a percentage of the total pension liability	78.40%	79.82%

Notes to Schedule:

Changes in assumptions - In 2015, amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of general employees.

*- Fiscal year 2015 was the 1st year of implementation, therefore only two years are shown.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 SCHEDULE OF CONTRIBUTIONS
 Last 10 Years*
 As of June 30, 2016

The following table provides required supplementary information regarding the District's Pension Plan.

	2016	2015
Contractually required contribution (actuarially determined)	\$ 347,493	\$ 273,584
Contribution in relation to the actuarially determined contributions	(347,493)	(273,584)
Contribution deficiency (excess)	\$ -	\$ -
Covered- employee payroll	\$ 2,100,839	\$ 2,058,236
Contributions as a percentage of covered-employee payroll	16.54%	13.29%

Notes to Schedule

Valuation Date:	6/30/2013
Methods and assumptions used to determine contribution rates:	
Discount Rate	7.50%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.5% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Mortality Rate Table (1)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table please refer to the 2014 experience study report.

Valuation Date:	6/30/2014
Discount Rate	7.65%

*- Fiscal year 2015 was the 1st year of implementation, therefore only two years are shown.

**PLEASANT VALLEY RECREATION AND PARK DISTRICT
STAFF REPORT / AGENDA REPORT**

TO: BOARD OF DIRECTORS

FROM: MARY OTTEN, GENERAL MANAGER
By: Mitchell Cameron, Administrative Analyst

DATE: March 1, 2017

**SUBJECT: CONSIDERATION AND ADOPTION OF RESOLUTION NO.
570 APPROVING REFUNDING OF SERIES 2008
CERTIFICATES OF PARTICIPATION**

RECOMMENDATION

It is recommended the Board of Directors consider and adopt Resolution No. 570 approving lease financing with CSDA Finance Corporation, authorizing execution of related documents, and approving execution, delivery and sale of not to exceed \$14,460,000 principal amount of refunding Series 2008 Certificates of Participation.

BACKGROUND

On June 24, 2008, the District issued \$12,775,000 in Certificates of Participation (COPS), a form of municipal debt to finance park improvements. The COPS are secured by a lease financing obligation of the District General Fund and a pledge of annual assessments from the District's 2001 Park Maintenance and Recreation Improvement Assessment District. The 2008 COPS encumbered, subject to the lease, the Camarillo Community Center and the Village at the Park Property. These 2008 COPS were sold and the net proceeds of the COPS were used to finance and develop a 53-acre parcel now known as Village at the Park Sports Complex.

In August of 2016, Curt de Crinis of C.M. de Crinis & Co. contacted General Manager Mary Otten to inquire if the District would be interested in refunding the 2008 Certificates of Participation to take advantage of lower interest rates. There are key concepts that must be taken into consideration when evaluating the refunding of municipal debt including but not limited to:

- 1) Financial and Policy Objectives
- 2) Financial Savings
- 3) Debt Structure and Escrow Efficiency

If a refunding is undertaken to achieve cost savings, the District should evaluate: 1) issuance costs that will be incurred and the interest rate at which the COPS can be issued, 2) maturity date of the refunded COPS, 3) call date of the refunded COPS, 4) call premium on the refunded COPS, and 5) structure and yield of the refunding escrow.

One test the District can use to assess the appropriateness of the refunding of the COPS is to specify the achievement of a minimum net value savings. A common threshold is that savings as a percentage of the refunded COPS should be at least 5% Net Present Value (NPV). It is important to note that federal tax law typically permits an issuer to conduct one advance refunding over the life of a COPS issue. Advanced refunding is when the refunded COPS remain outstanding for a period of more than 90 days after the issuance of the refunding issue.

At the September 22, 2016 meeting, the Board directed staff to further investigate the refunding of the 2008 Certificates of Participation. During the November meeting, the Board directed staff to move forward with the refunding of the Series 2008 COPS thru a negotiated sale. Most recently, at a January Special Meeting the Board directed staff to move forward with a level debt service obligation with payments not to exceed \$775,000, and a NPV savings of at least 5%.

ANALYSIS

Staff has determined, in consultation with our Financial Advisor, that current municipal debt market conditions could allow for the issuance of refunding COPS to refinance all the outstanding COPS. A refunding would involve \$12,130,000 of the remaining unpaid principal. The COPS are first callable on September 1, 2018 without penalty. If the District continued with an advanced refunding, there would be higher fees associated with the transaction than if the District were to wait until the 2018 call date. If the District believes that rates will go up by more than half a percentage point between now and September 2018, then it would make financial sense to proceed with the transaction now, opposed to waiting until 2018.

The Adoption of Resolution No. 570 will:

1. Approve Lease of Site and Facilities to Corporation and of Site and Facilities Lease
2. Approve Lease of Site and Facilities Back from Corporation and Lease Agreement
3. Approve Trust Agreement and Escrow Agreement
4. Provide for Execution and Delivery of Certificates and Purchase Agreement assuming the following conditions are met:
 - a. Principal not to exceed \$14,460,000
 - b. Underwriters discount does not exceed 0.55% of the principal
 - c. NPV savings as a result of the execution and delivery of the Certificates is equal to at least 5.0% of the outstanding principal amount
 - d. Level debt service payments not to exceed \$775,000
5. Approve Official Statement
6. Authorize Designated Officers to Obtain Municipal Bond Insurance and/or Reserve Surety
7. Authorize Designated Officers to take action to execute transactions
8. Allow financial team to move forward with transaction date after adoption

This refunding action will secure the COPS by a lease financing obligation of the District General Fund and encumbered, subject to the lease, the Village at the Park Property.

FISCAL IMPACT

Execution of this transaction will result in at least a 5% NPV savings of the refunded COPS. This transaction will also decrease the annual debt service obligation beginning in 2018 by \$13,000 to almost \$400,000 in 2038 and extend the term of the debt service by no more than 9 years.

RECOMMENDATION

It is recommended the Board of Directors consider and adopt Resolution No. 570 approving lease financing with CSDA Finance Corporation, authorizing execution of related documents, and approving execution, delivery and sale of not to exceed \$14,460,000 principal amount of refunding Series 2008 Certificates of Participation.

ATTACHMENTS

- 1) Resolution No. 570 (4 pages)
- 2) Site Lease (7 pages)
- 3) Lease Agreement (35 pages)
- 4) Trust Agreement (60 pages)
- 5) Escrow Agreement (10 pages)
- 6) Preliminary Official Statement (77 pages)
- 7) Finance Report (17 pages)

RESOLUTION NO. 570

RESOLUTION OF THE BOARD OF DIRECTORS OF THE PLEASANT VALLEY RECREATION AND PARK DISTRICT APPROVING LEASE FINANCING WITH CSDA FINANCE CORPORATION, AUTHORIZING EXECUTION OF RELATED DOCUMENTS, AND APPROVING EXECUTION, DELIVERY AND SALE OF NOT TO EXCEED \$14,460,000 PRINCIPAL AMOUNT OF REFUNDING CERTIFICATES OF PARTICIPATION

WHEREAS, for the purpose of financing the acquisition and construction of recreation and park facilities consisting generally of a regional sports park and related publicly owned improvements, the Pleasant Valley Recreation and Park District (the "District") caused execution and delivery of \$12,775,000 initial principal amount of Certificates of Participation (Park Facilities Project) Series 2008 (the "2008 Certificates") pursuant to a Trust Agreement, dated as of July 1, 2008 (the "2008 Trust Agreement"), by and among Union Bank of California, N.A., as trustee, the District and CSDA Finance Corporation (the "Corporation"); and

WHEREAS, the 2008 Certificates represent undivided fractional interests in lease payments made by the District for the use and occupancy of certain real property and improvements pursuant to a Lease Agreement, dated as of July 1, 2008 (the "2008 Lease Agreement"), by and between the District, as lessor, and the Corporation, as lessee; and

WHEREAS, in order to take advantage of prevailing market conditions and realize savings for the benefit of the District, the District wishes to refinance its lease payment obligations under the 2008 Lease Agreement and to cause the prepayment of the 2008 Certificates; and

WHEREAS, the Corporation was formed for the purposes of, among other things, aiding in financing and refinancing the acquisition, construction and improvement of public capital facilities for California special districts which are members of the California Special Districts Association, including the District; and

WHEREAS, in order to refinance the 2008 Lease Agreement and prepay the 2008 Certificates, the District wishes to enter into a Site and Facilities Lease (the "Site and Facilities Lease"), between the District, as lessor, and the Corporation, as lessee, under which it will lease certain real property (the "Site and Facilities") to the Corporation, and to simultaneously enter into a Lease Agreement between the Corporation, as lessee, and the District, as lessor (the "Lease Agreement"), under which the District will lease the property from the Corporation in return for semiannual payments (the "Lease Payments"); and

WHEREAS, the Corporation will assign and transfer certain of its rights under the Lease Agreement to the Trustee (defined below) under an Assignment Agreement, between the Corporation and the Trustee; and

WHEREAS, in consideration of such assignment and the execution of a Trust Agreement (the "Trust Agreement"), by and between the District, the Corporation and MUFG Union Bank, N.A., as trustee (the "Trustee"), the Trustee will execute and deliver Refunding

Certificates of Participation (Park Facilities Project) (the "Certificates"), each evidencing a direct, undivided fractional interest in the Lease Payments to be paid by the District under the Lease Agreement; and

WHEREAS, pursuant to an Escrow Agreement by and between the District and MUFJ Union Bank, N.A., as escrow agent (the "Escrow Agent"), the District will deposit funds with the Escrow Agent in order to pay and prepay the 2008 Certificates; and

WHEREAS, the District has the authority to enter into the Site and Facilities Lease, the Lease Agreement, the Trust Agreement and the related documents contemplated by this Resolution pursuant to Chapter 4 of Division 5 of the Public Resources Code, including Section 5786.1 thereunder; and

WHEREAS, the firm of Jones Hall, A Professional Law Corporation, acting as special counsel and disclosure counsel to the District ("Special Counsel"), the firm of C.M. De Crinis & Co., Inc., acting as municipal advisor to the District (the "Municipal Advisor"), and the firm of Raymond James & Associates, Inc., acting as underwriter for the Certificates (the "Underwriter") have provided certain financing documents in connection with the sale of the Certificates and prepayment of the 2008 Certificates, and the Board wishes at this time to approve such financing transactions and all documents relating thereto; and

WHEREAS, the Board wishes at this time to authorize all proceedings relating to the refunding transaction as described herein and the execution and delivery of all agreements and documents relating thereto;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Pleasant Valley Recreation and Park District, as follows:

Section 1. Approval of Lease of Site and Facilities to Corporation and of Site and Facilities Lease. The Board hereby approves the lease of the Site and Facilities to the Corporation under the Site and Facilities Lease, in substantially the form on file with the Clerk of the Board (the "Clerk"), together with any changes therein or additions thereto deemed advisable by the General Manager, Administrative Services Manager, Chair of the Board or any of their designees (each, a "Designated Officer"), upon consultation with Special Counsel. The Board hereby authorizes and directs a Designated Officer to execute, and the Clerk to attest, the final form of the Site and Facilities Lease for and in the name of the District.

Section 2. Approval of Lease of Site and Facilities Back from Corporation and Lease Agreement. The Board hereby approves the lease of the Site and Facilities by the District from the Corporation pursuant to and in accordance with the terms and provisions of the Lease Agreement, in substantially the form on file with the Clerk, together with any changes therein or additions thereto deemed advisable by a Designated Officer, upon consultation with Special Counsel. The Board hereby authorizes and directs a Designated Officer to execute, and the Clerk to attest, the final form of the Lease Agreement for and in the name of the District. The schedule of Lease Payments to be set forth in an exhibit to the Lease Agreement shall conform to the schedule of principal and interest payments represented by the Certificates. The lease of the Site and Facilities shall be upon the terms and conditions set forth in the Lease Agreement, which is hereby incorporated in this resolution by this reference.

Section 3. Approval of Trust Agreement and Escrow Agreement. The Board hereby approves the Trust Agreement and the Escrow Agreement, in substantially the forms on

file with the Clerk, together with any changes therein or additions thereto deemed advisable by a Designated Officer, upon consultation with Special Counsel. The Board hereby authorizes and directs a Designated Officer to execute, and the Clerk to attest, if necessary, the final forms of the Trust Agreement and the Escrow Agreement for and in the name of the District.

Section 4. Execution and Delivery of Certificates and Purchase Agreement. The Board hereby authorizes the execution and delivery of the Certificates, and the sale of the Certificates to the Underwriter pursuant to a Purchase Agreement by and between the District, the Corporation and the Underwriter (the "Purchase Agreement"), in the aggregate principal amount of not to exceed \$14,460,000. The Underwriter's discount may not exceed 0.55% of the principal amount of the Certificates. The Certificates shall only be sold if the net present value savings as a result of the execution and delivery of the Certificates is equal to at least 5.0% of the outstanding principal amount of the 2008 Certificates, and the Certificates are structured to provide for substantially level lease payments by the District not to exceed \$775,000 in any year. Subject to the foregoing, the Board hereby authorizes and directs a Designated Officer to execute and deliver the final form of the Purchase Agreement, together with any changes therein or additions thereto deemed advisable by a Designated Officer, upon consultation with Special Counsel, for and in the name of the District.

Section 5. Official Statement. The Board hereby approves, and hereby deems substantially final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, the preliminary Official Statement describing the Certificates in substantially the form submitted by Special Counsel and on file with the Clerk, together with any changes therein or additions thereto deemed advisable by a Designated Officer, upon consultation with Special Counsel. Each Designated Officer is hereby authorized to execute an appropriate certificate stating the Board's determination that the Preliminary Official Statement has been deemed nearly final within the meaning of Rule 15c2-12. The Board hereby approves the distribution of the preliminary Official Statement by the Underwriter in connection with the competitive offering and sale of the Certificates. Each Designated Officer is hereby authorized and directed to approve any changes in or additions to a final form of the Official Statement, and the execution thereof by such Designated Officer shall be conclusive evidence of approval of any such changes and additions. The Board hereby authorizes the distribution of the final Official Statement by the Underwriter following the pricing of the Certificates. The final Official Statement shall be executed in the name and on behalf of the District by a Designated Officer.

Section 6. Authorization to Obtain Municipal Bond Insurance and/or Reserve Surety. The Board hereby authorizes a Designated Officer, upon consultation with the Municipal Advisor and the Underwriter, to determine whether to purchase municipal bond insurance and/or a reserve fund surety bond for the Certificates. A Designated Officer is hereby authorized to execute a commitment and other documents, as necessary for such insurance or surety bond, if determined to be in the best interests of the District, and to take all actions required to implement the delivery of such municipal bond insurance policy and/or surety bond.

Section 7. Official Actions. Each Designated Officer, the Clerk, and any and all other officers of the District are hereby authorized and directed, for and in the name and on behalf of the District, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, including a termination agreement between the District and the Corporation related to the lease financing documents for the 2008 Certificates, which they, or any of them, may deem necessary or advisable in order to consummate any of the transactions contemplated by the documents approved pursuant to this

resolution. Whenever in this resolution any action is authorized to be taken by an officer of the District and such officer is absent or unavailable, such action may be taken on behalf of the District by any deputy or designee of such officer.

Section 8. Effective Date. This resolution shall take effect from and after the date of its passage and adoption.

* * * * *

I, the undersigned District Secretary of the Pleasant Valley Recreation and Park District, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted by the Board of the District at a meeting thereof on the 1st day of March, 2017, by the following vote of the members thereof:

AYES, and in favor thereof:

NOES:

ABSENT:

ABSTENTIONS:

Chairman
Board of Directors

ATTEST:

Secretary
Board of Directors

AFTER RECORDATION RETURN TO:

Jones Hall, A Professional Law Corporation
475 Sansome Street, Suite 1700
San Francisco, California 94111
Attention: Scott R. Ferguson, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX
PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE.
THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383
OF THE CALIFORNIA GOVERNMENT CODE.

SITE AND FACILITIES LEASE

Dated as of March 1, 2017

by and between

PLEASANT VALLEY RECREATION AND PARK DISTRICT, as lessor

and

CSDA FINANCE CORPORATION, as lessee

Relating to

**\$ _____
Refunding Certificates of Participation
(Park Facilities Project)**

SITE AND FACILITIES LEASE

THIS SITE AND FACILITIES LEASE (this "Site and Facilities Lease"), dated for convenience as of March 1, 2017, is by and between the CSDA FINANCE CORPORATION, a nonprofit public benefit corporation duly organized and existing under the Nonprofit Public Benefit Corporation Law of the State of California (the "Corporation"), and the PLEASANT VALLEY RECREATION AND PARK DISTRICT, a recreation and park district duly organized and existing under the Constitution and laws of the State of California (the "District");

WITNESSETH:

WHEREAS, for the purpose of financing the acquisition and construction of recreation and park facilities consisting generally of a regional sports park and related publicly owned improvements, the Pleasant Valley Recreation and Park District (the "District") caused execution and delivery of \$12,775,000 initial principal amount of Certificates of Participation (Park Facilities Project) Series 2008 (the "2008 Certificates") pursuant to a Trust Agreement, dated as of July 1, 2008 (the "2008 Trust Agreement"), by and among Union Bank of California, N.A., as trustee, the District and CSDA Finance Corporation (the "Corporation"); and

WHEREAS, the 2008 Certificates represent undivided fractional interests in lease payments made by the District for the use and occupancy of certain real property and improvements pursuant to a Lease Agreement, dated as of July 1, 2008 (the "2008 Lease Agreement"), by and between the District, as lessor, and the Corporation, as lessee; and

WHEREAS, in order to take advantage of prevailing market conditions and realize savings for the benefit of the District, the District wishes to refinance its lease payment obligations under the 2008 Lease Agreement and to cause the prepayment of the 2008 Certificates; and

WHEREAS, the Corporation was formed for the purposes of, among other things, aiding in financing and refinancing the acquisition, construction and improvement of public capital facilities for California special districts which are members of the California Special Districts Association, including the District; and

WHEREAS, in order to refinance the 2008 Lease Agreement and prepay the 2008 Certificates, the District wishes to enter into this Site and Facilities Lease, under which it will lease certain real property as described in Exhibit A hereto (the "Site and Facilities") to the Corporation, and to simultaneously enter into a Lease Agreement, dated as of March 1, 2017, between the Corporation, as lessor, and the District, as lessee (the "Lease Agreement"), under which the District will lease the Site and Facilities from the Corporation in return for semiannual payments (the "Lease Payments"); and

WHEREAS, the Corporation will assign and transfer certain of its rights under the Lease Agreement to MUFG Union Bank, N.A., as trustee (the "Trustee"), under an Assignment Agreement dated as of March 1, 2017, between the Corporation and the Trustee; and

WHEREAS, in consideration of such assignment and the execution of a Trust Agreement dated as of March 1, 2017, by and among the Trustee, the Corporation and the District, the Trustee will execute and deliver the \$_____ aggregate principal amount of Refunding Certificates of Participation (Park Facilities Project), (the "Certificates"), each evidencing a direct, undivided fractional interest in the Lease Payments to be paid by the District under the Lease Agreement;

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

SECTION 1. *Site and Facilities Lease.* The District hereby leases the Site and Facilities to the Corporation, and the Corporation hereby leases the Site and Facilities from the District, on the terms and conditions hereinafter set forth.

SECTION 2. *Term; Possession.* The term of this Site and Facilities Lease shall commence on the date of recordation of this Site and Facilities Lease in the Office of the Ventura County Recorder. This Site and Facilities Lease shall end, and the right of the Corporation hereunder to possession of the Site and Facilities shall thereupon cease, on November 1, [[2038]] or such earlier or later date on which the Lease Payments (as such term is defined in the Lease Agreement) are paid in full or provisions made for such payment, as provided in the Lease Agreement (except that the term hereof shall not extend beyond November 1, [[2048]]).

SECTION 3. *Rental.* The Corporation shall pay to the District, as and for rental of the Site and Facilities hereunder, the sum of \$_____, which shall become due and payable upon the execution and delivery hereof, and which shall be paid by the Corporation from proceeds of the Certificates executed and delivered pursuant to the Trust Agreement. The District shall use such amount of the payment and prepayment of the 2008 Certificates. The Corporation and the District hereby find and determine that the amount of such rental does not exceed the fair market value of the leasehold interest in the Site and Facilities which is conveyed hereunder by the District to the Corporation. No other amounts of rental shall be due and payable by the Corporation for the use and occupancy of the Site and Facilities under this Site and Facilities Lease.

SECTION 4. *Purposes Hereof.* The Corporation shall use the Site and Facilities for the sole purpose of leasing the Site and Facilities back to the District pursuant to the Lease Agreement.

SECTION 5. *Assignments and Subleases.* Unless the District is in default under the Lease Agreement, the Corporation may not assign its rights under this Site and Facilities Lease or sublet all or any portion of the Site and Facilities, except as provided in the Lease Agreement, without the prior written consent of the District.

SECTION 6. *Right of Entry.* The District reserves the right for any of its duly authorized representatives to enter upon the Site and Facilities, or any portion thereof, at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

SECTION 7. *Termination.* The Corporation agrees, upon the termination of this Site and Facilities Lease, to quit and surrender the Site and Facilities in the same good order and

condition as the Site and Facilities was in at the time of commencement of the term hereof, reasonable wear and tear excepted, and agrees that all buildings, improvements and structures then existing upon the Site and Facilities shall remain thereon and title thereto shall vest thereupon in the District for no additional consideration. The District shall have no right to terminate this Site Lease as a remedy for default by the Corporation of any obligation of the Corporation hereunder.

SECTION 8. *Default.* In the event the Corporation shall be in default in the performance of any obligation on its part to be performed under the terms of this Site and Facilities Lease, which default continues for 30 days following notice and demand for correction thereof to the Corporation, the District may exercise any and all remedies granted by law, except that no merger of this Site and Facilities Lease and of the Lease Agreement shall be deemed to occur as a result thereof; *provided, however*, that so long as the Lease Agreement, as amended and supplemented, remains in effect, the lease payments payable by the District under the Lease Agreement shall continue to be paid to the Trustee.

SECTION 9. *Quiet Enjoyment.* The Corporation at all times during the term of this Site and Facilities Lease shall peaceably and quietly have, hold and enjoy all of the Site and Facilities, subject to the provisions of the Lease Agreement and subject only to Permitted Encumbrances (as such term is defined in the Lease Agreement).

SECTION 10. *Waiver of Personal Liability.* All liabilities under this Site and Facilities Lease on the part of the Corporation are solely corporate liabilities of the Corporation, and the District hereby releases each and every member and officer of the Corporation of and from any personal or individual liability under this Site and Facilities Lease. No member or officer of the Corporation or its governing board shall at any time or under any circumstances be individually or personally liable under this Site and Facilities Lease for anything done or omitted to be done by the Corporation hereunder.

SECTION 11. *Taxes.* The District covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Site and Facilities and any improvements thereon.

SECTION 12. *Eminent Domain.* If the whole or any part of the Site and Facilities or any improvements thereon are taken by eminent domain proceedings, the interest of the Corporation shall be recognized and is hereby determined to be the amount of the then unpaid principal components of the lease payments payable under the Lease Agreement and the balance of the award, if any, shall be paid to the District.

SECTION 13. *Partial Invalidity.* If any one or more of the terms, provisions, covenants or conditions of this Site and Facilities Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site and Facilities Lease shall be affected thereby, and each provision of this Site and Facilities Lease shall be valid and enforceable to the fullest extent permitted by law.

SECTION 14. *Notices.* Any notice, request, complaint, demand or other communication under this Site and Facilities Lease shall be given by first class mail or personal delivery to the party entitled thereto at its address or facsimile number set forth in the Lease Agreement. Notice shall be effective either (a) upon transmission by facsimile or other form of

telecommunication, (b) 48 hours after deposit in the United States mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt.

SECTION 15. *Governing Law.* This Site and Facilities Lease shall be construed in accordance with and governed by the Constitution and laws of the State of California.

SECTION 16. *Binding Effect.* This Site and Facilities Lease shall inure to the benefit of and shall be binding upon the Corporation, the District and their respective successors and assigns, subject, however, to the limitations contained herein.

SECTION 17. *Severability of Invalid Provisions.* If any one or more of the provisions contained in this Site and Facilities Lease shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Site and Facilities Lease and such invalidity, illegality or unenforceability shall not affect any other provision of this Site and Facilities Lease, and this Site and Facilities Lease shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Corporation and the District each hereby declares that it would have entered into this Site and Facilities Lease and each and every other Section, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Site and Facilities Lease may be held illegal, invalid or unenforceable.

SECTION 18. *Section Headings.* All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Site and Facilities Lease.

SECTION 19. *Execution in Counterparts.* This Site and Facilities Lease may be executed in any number of counterparts, each of which shall be deemed to be an original but all together shall constitute but one and the same lease. It is also agreed that separate counterparts of this Site and Facilities Lease may be separately executed by the Corporation and the District, all with the same force and effect as though the same counterpart had been executed by both the Corporation and the District.

SECTION 20. *Amendment of Site and Facilities Lease.* The Corporation and the District may at any time amend or modify any of the provisions of this Site and Facilities Lease, but only with the prior written consent of the Trustee.

SECTION 21. *Third Party Beneficiary.* The Trustee shall be and is hereby made a third party beneficiary hereunder with all rights of a third party beneficiary.

* * * * *

IN WITNESS WHEREOF, the District and the Corporation have caused this Site and Facilities Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

PLEASANT VALLEY RECREATION AND
PARK DISTRICT, as lessor

By _____
General Manager

Attest:

Secretary of the Board

CSDA FINANCE CORPORATION, as
lessee

By _____
President

Attest:

Secretary

EXHIBIT A
DESCRIPTION OF THE SITE AND FACILITIES

AFTER RECORDATION RETURN TO:

Jones Hall, A Professional Law Corporation
475 Sansome Street, Suite 1700
San Francisco, California 94111
Attention: Scott R. Ferguson, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX
PURSUANT TO SECTION 11928 OF THE CALIFORNIA REVENUE AND TAXATION CODE.
THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383
OF THE CALIFORNIA GOVERNMENT CODE.

LEASE AGREEMENT

Dated as of March 1, 2017

by and between

CSDA FINANCE CORPORATION, as lessor

and

PLEASANT VALLEY RECREATION AND PARK DISTRICT, as lessee

Relating to

\$ _____
Refunding Certificates of Participation
(Park Facilities Project)

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I:	
Definitions:	
SECTION 1.1. <i>Definitions</i>	3
SECTION 1.2. <i>Interpretation</i>	5
ARTICLE II:	
Covenants, Representations and Warranties:	
SECTION 2.1. <i>Covenants, Representations and Warranties of the District</i>	6
SECTION 2.2. <i>Covenants, Representations and Warranties of the Corporation</i>	7
ARTICLE III:	
Deposit of Moneys; Right of Substitution:	
SECTION 3.1. <i>Deposit of Moneys</i>	9
SECTION 3.2. <i>[Reserved]</i>	9
SECTION 3.3. <i>[Reserved]</i>	9
SECTION 3.4. <i>Substitution of Site and Facilities</i>	9
SECTION 3.5. <i>Release of Site and Facilities</i>	10
ARTICLE IV:	
Lease of Site and Facilities; Term of This Lease; Lease Payments:	
SECTION 4.1. <i>Lease</i>	11
SECTION 4.2. <i>Term</i>	11
SECTION 4.3. <i>Possession</i>	11
SECTION 4.4. <i>Lease Payments</i>	11
SECTION 4.5. <i>Quiet Enjoyment</i>	12
SECTION 4.6. <i>Title; No Merger</i>	13
SECTION 4.7. <i>Additional Rental Payments</i>	13
ARTICLE V:	
Maintenance; Taxes; Insurance; Modifications; and Other Matters:	
SECTION 5.1. <i>Maintenance, Utilities, Taxes and Assessments</i>	14
SECTION 5.2. <i>Modification of Site and Facilities</i>	14
SECTION 5.3. <i>Public Liability and Property Damage Insurance</i>	15
SECTION 5.4. <i>Fire and Extended Coverage Insurance</i>	15
SECTION 5.5. <i>Rental Interruption Insurance</i>	16
SECTION 5.6. <i>Recordation Hereof; Title Insurance</i>	16
SECTION 5.7. <i>Form of Policies</i>	16
SECTION 5.8. <i>Installation of District's Equipment</i>	17
SECTION 5.9. <i>Liens</i>	17
SECTION 5.10. <i>Advances</i>	17
ARTICLE VI:	
Damage, Destruction and Eminent Domain; Use of Net Proceeds:	
SECTION 6.1. <i>Application of Net Proceeds</i>	18
SECTION 6.2. <i>Termination Following Total Condemnation</i>	18
ARTICLE VII:	
Other Covenants of the District:	
SECTION 7.1. <i>Disclaimer of Warranties</i>	19
SECTION 7.2. <i>Access to the Site and Facilities</i>	19
SECTION 7.3. <i>Release and Indemnification Covenants</i>	19
SECTION 7.4. <i>Assignment by the Corporation</i>	20
SECTION 7.5. <i>Assignment and Subleasing by the District; No Condemnation</i>	20
SECTION 7.6. <i>Amendment of Lease</i>	20
SECTION 7.7. <i>Private Activity Bond Limitation</i>	21

SECTION 7.8. <i>Federal Guarantee Prohibition</i>	21	
SECTION 7.9. <i>Rebate Requirement</i>	21	
SECTION 7.10. <i>No Arbitrage</i>	22	
SECTION 7.11. <i>Maintenance of Tax-Exemption</i>	22	
ARTICLE VIII:		
Events of Default and Remedies:		
SECTION 8.1. <i>Events of Default Defined</i>	23	
SECTION 8.2. <i>Remedies on Default</i>	23	
SECTION 8.3. <i>No Remedy Exclusive</i>	25	
SECTION 8.4. <i>Agreement to Pay Attorneys' Fees and Expenses</i>	25	
SECTION 8.5. <i>No Additional Waiver Implied by One Waiver</i>	25	
SECTION 8.6. <i>Application of Proceeds</i>	25	
SECTION 8.7. <i>Trustee and Certificate Owners to Exercise Rights</i>	25	
ARTICLE IX:		
Prepayment of Lease Payments:		
SECTION 9.1. <i>Security Deposit</i>	26	
SECTION 9.2. <i>Optional Prepayment</i>	26	
SECTION 9.3. <i>Mandatory Prepayment From Net Proceeds of Insurance or Eminent Domain</i>	27	
SECTION 9.4. <i>Credit for Amounts on Deposit</i>	27	
ARTICLE X:		
Miscellaneous:		
SECTION 10.1. <i>Notices</i>	28	
SECTION 10.2. <i>Binding Effect</i>	28	
SECTION 10.3. <i>Severability</i>	28	
SECTION 10.4. <i>Net-net-net Lease</i>	28	
SECTION 10.5. <i>Third Party Beneficiary</i>	28	
SECTION 10.5. <i>Further Assurances and Corrective Instruments</i>	29	
SECTION 10.6. <i>Execution in Counterparts</i>	29	
SECTION 10.7. <i>Applicable Law</i>	29	
SECTION 10.8. <i>Corporation and District Representatives</i>	29	
SECTION 10.9. <i>Captions</i>	29	
EXHIBIT A	DESCRIPTION OF THE SITE AND FACILITIES	A-1
EXHIBIT B	SCHEDULE OF LEASE PAYMENTS	C-1

LEASE AGREEMENT

This Lease Agreement (this "Lease"), dated as of March 1, 2017, is by and between the CSDA FINANCE CORPORATION, a nonprofit public benefit corporation duly organized and existing under the Nonprofit Public Benefit Corporation Law of the State of California (the "Corporation"), and the PLEASANT VALLEY RECREATION AND PARK DISTRICT, a recreation and park district duly organized and existing under the Constitution and laws of the State of California (the "District");

WITNESSETH:

WHEREAS, for the purpose of financing the acquisition and construction of recreation and park facilities consisting generally of a regional sports park and related publicly owned improvements, the Pleasant Valley Recreation and Park District (the "District") caused execution and delivery of \$12,775,000 initial principal amount of Certificates of Participation (Park Facilities Project) Series 2008 (the "2008 Certificates") pursuant to a Trust Agreement, dated as of July 1, 2008 (the "2008 Trust Agreement"), by and among Union Bank of California, N.A., as trustee, the District and CSDA Finance Corporation (the "Corporation"); and

WHEREAS, the 2008 Certificates represent undivided fractional interests in lease payments made by the District for the use and occupancy of certain real property and improvements pursuant to a Lease Agreement, dated as of July 1, 2008 (the "2008 Lease Agreement"), by and between the District, as lessor, and the Corporation, as lessee; and

WHEREAS, in order to take advantage of prevailing market conditions and realize savings for the benefit of the District, the District wishes to refinance its lease payment obligations under the 2008 Lease Agreement and to cause the prepayment of the 2008 Certificates; and

WHEREAS, the Corporation was formed for the purposes of, among other things, aiding in financing and refinancing the acquisition, construction and improvement of public capital facilities for California special districts which are members of the California Special Districts Association, including the District; and

WHEREAS, in order to refinance the 2008 Lease Agreement and prepay the 2008 Certificates, the District wishes to enter into a Site and Facilities Lease, dated as of March 1, 2017, between the District, as lessor, and the Corporation, as lessee, under which it will lease certain real property to the Corporation, and to simultaneously enter into this Lease, under which the District will lease the property from the Corporation in return for semiannual payments (the "Lease Payments"); and

WHEREAS, the Corporation will assign and transfer certain of its rights under the Lease to MUFG Union Bank, N.A., as trustee (the "Trustee"), under an Assignment Agreement dated as of March 1, 2017, between the Corporation and the Trustee; and

WHEREAS, in consideration of such assignment and the execution of a Trust Agreement dated as of March 1, 2017, by and among the Trustee, the Corporation and the District, the Trustee will execute and deliver the \$_____ aggregate principal amount of Refunding Certificates of Participation (Park Facilities Project) (the "Certificates"), each evidencing a direct, undivided fractional interest in the Lease Payments to be paid by the District under this Lease;

NOW, THEREFORE, for and in consideration of the premises and the material covenants hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows:

ARTICLE I

Definitions

SECTION 1.1. *Definitions.* Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Lease shall have the respective meanings specified in Section 1.01 of the Trust Agreement. In addition, the following terms heretofore defined in this Lease and the following terms defined in this Section 1.1 shall, for all purposes of this Lease, have the respective meanings herein specified.

"Additional Rental Payments" means those payments set forth in Section 4.7.

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

"Code" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Certificates or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of execution and delivery of the Certificates, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Event of Default" means any of the events of default defined as such in Section 8.1.

"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.

"Independent Financial Consultant" means a financial consultant or firm of such consultants generally recognized to be well qualified in the financial consulting field, appointed and paid by the District, who, or each of whom:

- (1) is in fact independent and not under the domination of the District;
 - (2) does not have any substantial interest, direct or indirect, in the District;
- and
- (3) is not connected with the District as a member, officer or employee of the District, but who may be regularly retained to make annual or other reports to the District.

"Lease Payment Date" means, with respect to any Interest Payment Date, the 5th Business Day immediately preceding such Interest Payment Date.

"Lease Payments" means the amounts payable by the District pursuant to Section 4.4(a), including any prepayment thereof pursuant to Article IX and including any amounts payable upon a delinquency in the payment thereof.

"Moody's" means Moody's Investors Service, or its successors and assigns.

"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 pursuant to Article V;

(b) the Site and Facilities Lease, this Lease, the Assignment Agreement, and any other agreement or document contemplated hereunder to be recorded against the Site and Facilities;

(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 Site and Facilities issued as of the Closing Date by Stewart Title Company of California, Inc. (or its affiliate); 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 Site and Facilities for its intended purposes.

"Site and Facilities" means the real property described as the Site and Facilities in Exhibit A to this Lease, including all buildings and improvements thereon as of the Closing Date, as the Site and Facilities may be substituted or modified from time to time in accordance with the Lease.

"Site and Facilities Lease" means the Site and Facilities Lease, dated as of March 1, 2017, recorded concurrently herewith, by and between the District as lessor and the Corporation as lessee of the Site and Facilities, as originally executed or as thereafter amended pursuant to any duly authorized and executed amendments thereto.

"Site and Facilities Lease Payment" means the payment which is due and payable under Section 3 of the Site and Facilities Lease as the rental for the Site and Facilities.

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

"Term of this Lease" means the time during which this Lease is in effect, as provided in Section 4.2.

"Trust Agreement" means the Trust Agreement dated as of March 1, 2017, by and among the Trustee, the Corporation and the District, together with any duly authorized and executed amendments thereto.

"Trustee" means MUFG Union Bank, N.A., or any successor thereto acting as Trustee pursuant to this Trust Agreement.

SECTION 1.2. *Interpretation.*

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Lease; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Lease as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

Covenants, Representations and Warranties

SECTION 2.1. *Covenants, Representations and Warranties of the District.* The District makes the following covenants, representations and warranties to the Corporation as of the date of the execution and delivery of this Lease:

(a) Due Organization and Existence. The District is a recreation and park district duly organized and validly existing under the Constitution and laws of the State of California, has full legal right, power and authority under the laws of the State of California to enter into this Lease, the Site Lease and the Trust Agreement and to carry out and consummate all transactions contemplated hereby and thereby, and by proper action the District has duly authorized the execution and delivery of this Lease, the Site and Facilities Lease and the Trust Agreement.

(b) Due Execution. The representatives of the District executing this Lease, the Site and Facilities Lease and the Trust Agreement have been fully authorized to execute the same pursuant to a resolution duly adopted by the Board of Directors of the District.

(c) Valid, Binding and Enforceable Obligations. This Lease, the Site and Facilities Lease and the Trust Agreement have been duly authorized, executed and delivered by the District and constitute the legal, valid and binding agreements of the District enforceable against the District in accordance with their respective terms.

(d) No Conflicts. The execution and delivery of this Lease, the Site and Facilities Lease, the Trust Agreement, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the District is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the District, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease, the Site and Facilities Lease and the Trust Agreement or the financial condition, assets, properties or operations of the District or its properties.

(e) Consents and Approvals. No consent or approval of any trustee or holder of any indebtedness of the District or of the voters of the District, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Lease, the Site and Facilities Lease or the Trust Agreement, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect.

(f) No Litigation. There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, educational or other governmental authority

pending or, to the knowledge of the District after reasonable investigation, threatened against or affecting the District or the assets, properties or operations of the District which, if determined adversely to the District or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Lease, the Site and Facilities Lease or the Trust Agreement, or upon the financial condition, assets, properties or operations of the District, and the District is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, educational or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease, the Site and Facilities Lease or the Trust Agreement or the financial conditions, assets, properties or operations of the District or its properties.

(g) Essentiality of Site and Facilities. The Site and Facilities are essential to the operation of the District.

SECTION 2.2. *Covenants, Representations and Warranties of the Corporation.* The Corporation makes the following covenants, representations and warranties to the District as the basis for its undertakings herein contained:

(a) Due Organization and Existence. The Corporation is a nonprofit public benefit corporation duly organized and existing under the Nonprofit Public Benefit Corporation Law of the State of California, has full legal right, power and authority to enter into this Lease, the Site and Facilities Lease, the Trust Agreement and the Assignment Agreement and to carry out and consummate all transactions contemplated hereby and thereby, and by proper action the Corporation has duly authorized the execution and delivery of this Lease, the Site and Facilities Lease, the Trust Agreement and the Assignment Agreement.

(b) Due Execution. The representatives of the Corporation executing this Lease, the Site and Facilities Lease, the Trust Agreement and the Assignment Agreement are fully authorized to execute the same pursuant to official action taken by the governing body of the Corporation.

(c) Valid, Binding and Enforceable Obligations. This Lease, the Site and Facilities Lease, the Trust Agreement and the Assignment Agreement have been duly authorized, executed and delivered by the Corporation and constitute the legal, valid and binding agreements of the Corporation, enforceable against the Corporation in accordance their respective terms.

(d) No Conflicts. The execution and delivery of this Lease, the Site and Facilities Lease, the Trust Agreement and the Assignment Agreement, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the Corporation is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Corporation, which conflict, violation, breach, default, lien,

charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease, the Site and Facilities Lease, the Trust Agreement and the Assignment Agreement or the financial condition, assets, properties or operations of the Corporation or its properties.

(e) Consents and Approvals. No consent or approval of any trustee or holder of any indebtedness of the Corporation, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Lease, the Site and Facilities Lease, the Trust Agreement or the Assignment Agreement, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect.

(f) No Litigation. There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, educational or other governmental authority pending or, to the knowledge of the Corporation after reasonable investigation, threatened against or affecting the Corporation or the assets, properties or operations of the Corporation which, if determined adversely to the Corporation or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Lease, the Site and Facilities Lease, the Trust Agreement or the Assignment Agreement, or upon the financial condition, assets, properties or operations of the Corporation, and the Corporation is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, educational or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease, the Site and Facilities Lease, the Trust Agreement or the Assignment Agreement or the financial conditions, assets, properties or operations of the Corporation or its properties.

ARTICLE III

Deposit of Moneys; Right of Substitution

SECTION 3.1. *Deposit of Moneys.* On the Closing Date, the Corporation shall cause the proceeds of sale of the Certificates to be deposited in accordance with Section 4.01 of the Trust Agreement, for the purpose of paying and prepaying the 2008 Certificates.

SECTION 3.2. *[Reserved]*

SECTION 3.3. *[Reserved]*

SECTION 3.4. *Substitution of Site and Facilities.* The District shall have, and is hereby granted, the option at any time and from time to time during the Term of this Lease, to substitute other land, facilities, improvements or other property (a "Substitute Property") for the Site and Facilities or any portion thereof (a "Former Property"), provided that the District shall satisfy all of the following requirements which are hereby declared to be conditions precedent to such substitution:

(a) The District shall notify each rating agency then rating the Certificates in writing of such substitution, which notice shall contain the certification that all conditions set forth in this Section 3.4 are met with respect to such substitution.

(b) The District shall take all actions and shall execute all documents required to subject such Substitute Property to the terms and provisions of this Lease, including the filing with the Corporation and the Trustee an amended Exhibit A, which adds thereto a description of such Substitute Property and deletes therefrom the description of such Former Property.

(c) The District shall provide to the Corporation and the Trustee a certificate of a District Representative which states that the annual fair rental value of such Substitute Property is no less than the maximum annual Lease Payments and anticipated Additional Rental Payments remaining unpaid hereunder at the time of the proposed substitution.

(d) The District shall certify in writing to the Corporation and the Trustee that such Substitute Property serves the public purposes of the District, is essential to the operation of the District, and constitutes property which the District is permitted to lease under the laws of the State of California.

(e) The District shall certify in writing to the Corporation and the Trustee that the estimated useful life of such Substitute Property at least extends to the date on which the final Lease Payment becomes due and payable hereunder.

(f) The District shall obtain an CLTA policy of title insurance meeting the requirements of Section 5.6 with respect to such Substitute Property.

(g) Substitution of the Substitute Property for the Former Property shall not cause the District to violate any of its covenants, representations and warranties made herein or in the Trust Agreement.

(h) The District shall cause to be filed with the Trustee an Opinion of Special Counsel substantially to the effect that such substitution will not (i) affect the obligation of the District to continue to pay Lease Payments in the amounts and at the times and in the manner required by this Lease, or (ii) cause the interest components of the Lease Payments to become includable in gross income for purposes of federal or State of California personal income taxation.

From and after the date on which all of the foregoing conditions precedent to such substitution are satisfied, the Term of this Lease shall cease with respect to the Former Property and shall be continued with respect to the Substitute Property, and all references herein to the Former Property shall apply with full force and effect to the Substitute Property. The District shall not be entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such substitution.

SECTION 3.5. *Release of Site and Facilities.* The District shall have, and is hereby granted, the option at any time and from time to time during the term of this Lease to remove from this Lease any portion of the Site and Facilities; provided that the District shall satisfy all of the following requirements which are hereby declared to be conditions precedent to such removal:

- (a) No event of default has occurred and is continuing under this Lease.
- (b) The District shall file with the Corporation and the Trustee an amended Exhibit A to this Lease which deletes the legal description of such Site and Facilities.
- (c) The District shall cause to be recorded in the Office of the Ventura County Recorder a copy of an executed amendment to this Lease containing an amended Exhibit A, or a memorandum reflecting such amendment to Exhibit A.
- (d) The District shall cause to be filed with the Trustee an Opinion of Special Counsel substantially to the effect that such removal will not affect the obligation of the District to continue to pay Lease Payments in the amounts and at the times and in the manner required by this Lease.
- (e) The District shall file with the Corporation and the Trustee a certificate of a District Representative which states that the annual fair rental value of the remaining Site and Facilities, taken into consideration the removal of the applicable portion of the Site and Facilities, is no less than the maximum annual Lease Payments and anticipated Additional Rental Payments remaining unpaid hereunder at the time of such removal.
- (f) The District shall file with the Corporation and the Trustee a certificate of a District Representative which states that the remaining Site and Facilities continue to serve the public purposes of the District and are essential to the operation of the District.
- (g) The removal shall not cause the District to violate any of its covenants, representations and warranties made herein or in the Trust Agreement.

ARTICLE IV

Lease of Site and Facilities; Term of This Lease; Lease Payments

SECTION 4.1. *Lease.* The Corporation hereby leases the Site and Facilities to the District, and the District hereby leases the Site and Facilities from the Corporation, upon the terms and conditions set forth in this Lease.

SECTION 4.2. *Term.* The Term of this Lease shall commence on the date hereof and shall end November 1, [[2038]], or such earlier or later date on which the Trust Agreement is discharged pursuant to and in accordance with Section 13.01 thereof, but under any circumstances not later than November 1, [[2048]]. The provisions of this Section 4.2 are subject to the provisions of Section 6.1 and Section 6.2 relating to the taking of the Site and Facilities in eminent domain proceedings or the sale of the Site and Facilities under threat of such proceedings.

SECTION 4.3. *Possession.* The District has possession of the Site and Facilities on the Closing Date.

SECTION 4.4. *Lease Payments.*

(a) Obligation to Pay. Subject to the provisions of Article IX hereof, the District agrees to pay to the Corporation the Lease Payments (denominated into components of principal and interest) for the Site and Facilities in the respective amounts specified in Exhibit B attached hereto and by this reference incorporated herein, to be due and payable in immediately available funds on the Lease Payment Dates immediately preceding each of the respective Interest Payment Dates specified in Exhibit B, and to be deposited by the District with the Trustee on each of the Lease Payment Dates specified in Exhibit B.

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 pursuant to Article IX and other than amounts required for payment of past due principal or interest represented by any Certificates not presented for payment) shall be credited towards the Lease Payment then required to be paid hereunder; 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 Certificate Year shall be for the use of the Site and Facilities during such Certificate Year.

(b) Effect of Prepayment. If the District prepays all Lease Payments in full pursuant to Sections 9.1, 9.2 or 9.3, the District's obligations under this Lease shall thereupon cease and terminate, including but not limited to the District's obligation to pay Lease Payments under this Section 4.4. If the District prepays the Lease Payments in part but not in whole pursuant to Section 9.3, the principal components of the remaining Lease Payments shall be reduced on a pro rata basis in integral multiples of \$5,000; and the interest component of each remaining Lease Payment shall be reduced by the aggregate corresponding amount of interest which would otherwise be payable with respect to the Certificates thereby prepaid pursuant to the applicable provisions of Section 3.01 of the Trust Agreement.

(c) Rate on Overdue Payments. If the District fails to make any of the payments required in this Section 4.4, the payment in default shall continue as an obligation of the District until the amount in default is fully paid, and the District agrees to pay the amount in default with interest thereon, from the date of default to the date of payment, at the rate then in effect with respect to the Certificates.

(d) Fair Rental Value. The Lease Payments and Additional Rental Payments during each Fiscal Year shall constitute the total rental for the Site and Facilities for such Fiscal Year, and shall be paid by the District in each Fiscal Year for and in consideration of the right of the use and occupancy of, and the continued quiet use and enjoyment of the Site and Facilities during each Fiscal Year. The parties hereto have agreed and determined that the total Lease Payments and Additional Rental Payments represent the fair rental value of the Site and Facilities. In making such determination, consideration has been given to the estimated fair market value of the Site and Facilities, other obligations of the parties under this Lease, the uses and purposes which may be served by the Site and Facilities and the benefits therefrom which will accrue to the District and the general public.

(e) Source of Payments; Budget and Appropriation. The Lease Payments and Additional Rental Payments shall be payable from any source of available funds of the District, subject to the provisions of Section 9.1. The District covenants to take such action as may be necessary to include all Lease Payments coming due in each of its annual budgets during the Term of this Lease and to make the necessary annual appropriations for all such Lease Payments. Annually, the District will furnish to the Trustee a certificate of the District Representative stating that the Lease Payments have been included in the final budget of the District for the current Fiscal Year, to the full extent required hereunder, such certificate to be filed within 30 days after the adoption of such budget and in any event no later than November 1 in the calendar year in which the District adopts such budget.

The covenants on the part of the District herein contained shall be deemed to be and shall be construed to be duties imposed by law, and it shall be 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 this Lease agreed to be carried out and performed by the District.

(f) Assignment. The District understands and agrees that all Lease Payments have been assigned by the Corporation to the Trustee in trust, pursuant to the Assignment Agreement, for the benefit of the Owners of the Certificates, and the District hereby assents to such assignment. The Corporation hereby directs the District, and the District hereby agrees to pay to the Trustee at its Office, all payments payable by the District pursuant to this Section 4.4 and all amounts payable by the District pursuant to Article IX.

SECTION 4.5. *Quiet Enjoyment.* Throughout the Term of this Lease, the Corporation shall provide the District with quiet use and enjoyment of the Site and Facilities and the District shall peaceably and quietly have and hold and enjoy the Site and Facilities, without suit, trouble or hindrance from the Corporation, except as expressly set forth in this Lease. The Corporation will, at the request of the District and at the District's cost, join in any legal action in which the District asserts its right to such possession and enjoyment to the extent the Corporation may lawfully do so. Notwithstanding the foregoing, the Corporation shall have the right to inspect the Site and Facilities as provided in Section 7.2.

SECTION 4.6. *Title; No Merger.* At all times during the Term of this Lease, the District shall hold title to the Site and Facilities, subject to the provisions of the Site and Facilities Lease and other Permitted Encumbrances.

Upon payment in full of all Lease Payments and Additional Payments, and the termination of this Lease, all right, title and interest of the Corporation hereunder in and to the Site and Facilities shall be transferred to and vested in the District. Upon the payment in full of all Lease Payments allocable to the Site and Facilities, or upon the deposit by the District of security for such Lease Payments as provided in Section 9.1, all right, title and interest of the Corporation hereunder in and to the Site and Facilities shall be transferred to and vested in the District. The Corporation agrees to take any and all steps and execute and record any and all documents reasonably required by the District to consummate any such transfer of title. This Lease shall not operate as a merger of the District's leasehold estate in the Site and Facilities pursuant to this Lease and its fee estate in the Site and Facilities and shall not cause the extinguishment of the leasehold interest granted to the Corporation under the Site and Facilities Lease.

SECTION 4.7. *Additional Rental Payments.* In addition to the Lease Payments, the District shall pay when due all costs and expenses incurred by the Corporation to comply with the provisions of the Trust Agreement (collectively, "Additional Rental Payments"), 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 other amounts due to the Trustee pursuant to the Trust Agreement . All Additional Rental Payments shall be payable as additional amounts of rental hereunder in consideration of the right of the District to the use and occupancy of the Site and Facilities.

ARTICLE V

Maintenance; Taxes; Insurance; Modifications; and Other Matters

SECTION 5.1. *Maintenance, Utilities, Taxes and Assessments.* (a) Throughout the Term of this Lease, as part of the consideration for the rental of the Site and Facilities, all improvement, repair and maintenance of the Site and Facilities shall be the responsibility of the District, and the District shall pay for or otherwise arrange for the payment of all utility services supplied to the Site and Facilities, 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 Site and Facilities 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 herein provided, the Corporation agrees to provide only the Site and Facilities, as hereinbefore more specifically set forth. The District waives the benefits of subsections 1 and 2 of Section 1932, Section 1933(4) and Sections 1941 and 1942 of the California Civil Code, but such waiver shall not limit any of the rights of the District under the terms of this Lease.

(b) The District shall also pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the Corporation or the District affecting the Site and Facilities 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 shall be obligated to pay only such installments as are required to be paid during the Term of this Lease as and when they become due.

(c) The District may, at the District's expense and in its name, upon notice to the Corporation and the Trustee, 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 Corporation notifies the District that, in its reasonable opinion, by nonpayment of any such items the interest of the Corporation in the Site and Facilities will be materially endangered or the Site and Facilities 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 Corporation with full security against any loss which may result from nonpayment, in form satisfactory to the Corporation and the Trustee.

SECTION 5.2. *Modification of Site and Facilities.*

(a) The District has the right (at its own expense) to remodel the Site and Facilities, or to make additions, modifications and improvements thereto. All additions, modifications and improvements to the Site and Facilities shall thereafter comprise part thereof and be subject to the provisions of this Lease.

(b) Such additions, modifications and improvements shall not in any way damage the Site and Facilities, or cause the Site and Facilities to be used for purposes other than those authorized under the provisions of state and federal law; and the Site and Facilities, upon completion of any additions, modifications and improvements made thereto pursuant to this Section, 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.

(c) The District will not permit any mechanic's or other lien to be established or remain against the Site and Facilities for labor or materials furnished in connection with any remodeling, additions, modifications, improvements, repairs, renewals or replacements made by the District pursuant to this Section; provided that if any such lien is established and the District first notifies or causes to be notified the Corporation of the District's intention to do so, the District may in good faith contest any lien filed or established against the Site and Facilities, 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 Corporation with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Corporation. The Corporation will cooperate fully in any such contest, upon the request and at the expense of the District.

SECTION 5.3. Public Liability and Property Damage Insurance.

(a) The District shall maintain or cause to be maintained throughout the Term of this Lease, but only if and to the extent available from reputable insurers at reasonable cost in the opinion of the District, a standard comprehensive general insurance policy or policies in protection of the Corporation, District, and their respective members, officers, agents, employees and assigns. Said policy or policies 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 Site and Facilities.

(b) Such policy or policies must provide coverage in such liability limits and be subject to such deductibles as the District deems adequate and prudent.

(c) 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 self-insurance by the District, subject to the provisions of Section 5.7, or in the form of the participation by the District in a joint powers agency or other program providing pooled insurance.

(d) The Net Proceeds of such liability insurance shall be applied by the District toward extinguishment or satisfaction of the liability with respect to which paid.

SECTION 5.4. Fire and Extended Coverage Insurance.

(a) The District shall procure and maintain, or cause to be procured and maintained, throughout the Term of this Lease, insurance against loss or damage to any Facilities leased hereunder by fire and lightning, with extended coverage and vandalism and malicious mischief insurance. Said extended coverage insurance shall, as nearly as practicable, cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. Such insurance shall include earthquake coverage only if such coverage is available at reasonable cost from reputable insurers in the reasonable determination of the District, whose determination is final and conclusive.

(b) Such insurance shall be in an aggregate amount at least equal to the lesser of (i) 100% of the replacement cost of the Site and Facilities insured thereunder, or (ii) the aggregate principal amount of the Outstanding Certificates. All policies of such insurance may be subject to deductible clauses of not to exceed \$100,000 for any one loss.

(c) 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 self-insurance by the District so long as the District supplies a certificate evidencing the actuarial soundness of the self-insurance plan to the Trustee, subject to the provisions of Section 5.7, or in the form of the participation by the District in a joint powers agency or other program providing pooled insurance.

(d) The Net Proceeds of such insurance shall be applied as provided in Section 6.1.

SECTION 5.5. Rental Interruption Insurance.

(a) The District shall procure and maintain, or cause to be procured and maintained, throughout the Term of this Lease, rental interruption or use and occupancy insurance to cover loss, total or partial, of the use of any portion of the Site and Facilities constituting buildings or other improvements as a result of any of the hazards covered in the insurance required by Section 5.4.

(b) Such insurance shall be in an amount at least equal to the maximum Lease Payments coming due and payable during any two consecutive Fiscal Years.

(c) Such insurance may be maintained (i) as part of or in conjunction with any other insurance coverage carried by the District (except that it may not be maintained in whole or in part in the form of self-insurance by the District, subject to the provisions of Section 5.7), or (ii) in the form of the participation by the District in a joint powers agency or other program providing pooled insurance.

(d) The Net Proceeds of such insurance, if any, shall be applied as provided in Section 6.1.

SECTION 5.6. Recordation Hereof; Title Insurance.

(a) On or before the Closing Date, the District shall, at its expense,

(i) cause the Site and Facilities Lease, this Lease or a memorandum thereof in form and substance approved by Special Counsel, the Assignment Agreement and the Termination Agreement to be recorded in the Office of the Ventura County Recorder , and

(ii) obtain a CLTA title insurance policy insuring the District's leasehold estate hereunder in the Site and Facilities, subject only to Permitted Encumbrances, in an amount at least equal to the aggregate principal amount of the Certificates.

(b) All Net Proceeds received under any such title insurance policy shall be deposited with the Trustee in the Lease Payment Fund and shall be credited towards the prepayment of the remaining Lease Payments pursuant to Section 9.3.

SECTION 5.7. Form of Policies.

(a) Each policy of insurance required by Sections 5.3, 5.4, 5.5 and 5.6 shall name the Trustee as loss payee so as to provide that all proceeds thereunder shall be payable to the Trustee. The District shall pay or cause to be paid when due the premiums for all insurance

policies required by this Lease. All such policies shall provide that the Trustee shall be given 30 days' notice of each expiration, any intended cancellation thereof or reduction of the coverage provided thereby.

(b) The Trustee shall not be responsible for the sufficiency of any insurance herein required and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss.

SECTION 5.8. *Installation of District's Equipment.* 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 Site and Facilities. All such items shall remain the sole property of the District, in which neither the Corporation nor the Trustee shall have 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 Site and Facilities resulting from the installation, modification or removal of any such items. Nothing in this Lease shall prevent the District from purchasing or leasing items to be installed pursuant to this Section 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 shall attach to any part of the Site and Facilities.

SECTION 5.9. *Liens.* The District shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Site and Facilities, other than as herein contemplated and except for such encumbrances as the District shall certify in writing to the Trustee do not adversely affect the leasehold estate in the Site and Facilities hereunder. Except as expressly provided in this Article, the District shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim, for which it is responsible, if the same shall arise at any time. The District shall reimburse the Corporation for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

SECTION 5.10. *Advances.* If the District fails to perform any of its obligations under this Article V, the Corporation shall take such action as may be necessary to cure such failure, including the advancement of money, and the District shall be obligated to repay all such advances as additional rental hereunder, with interest at the rate of 10% per annum.

ARTICLE VI

Damage, Destruction and Eminent Domain; Use of Net Proceeds

SECTION 6.1. *Application of Net Proceeds.*

(a) The Net Proceeds of any insurance award resulting from any damage to or destruction of the Site and Facilities by fire or other casualty shall be paid to the Trustee, as assignee of the Corporation under the Assignment Agreement, and deposited in the Insurance and Condemnation Fund to be applied as set forth in Section 6.01 of the Trust Agreement.

(b) The Net Proceeds of any eminent domain award with respect to the Site and Facilities if the Site and Facilities are taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain shall be paid by the District to the Trustee and deposited in the Insurance and Condemnation Fund to be applied as set forth in Section 6.02 of the Trust Agreement.

SECTION 6.2. *Termination Following Total Condemnation.*

If all of the Site and Facilities has been taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, and the Trustee transfers the Net Proceeds to the Lease Payment Fund to be credited toward the prepayment of the Lease Payments pursuant to Section 9.3 of this Lease and applied to the corresponding prepayment of Certificates in the manner provided in Section 3.01(b) (as required by Section 6.02 of the Trust Agreement), then this Lease shall terminate following the termination of the Trust Agreement in accordance with Section 4.2 and Section 4.4 of this Lease.

ARTICLE VII

Other Covenants of the District

SECTION 7.1. *Disclaimer of Warranties.* THE CORPORATION MAKES NO AGREEMENT, WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY THE DISTRICT OF THE SITE AND FACILITIES OR ANY PORTION THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE SITE AND FACILITIES OR ANY PORTION THEREOF. THE DISTRICT ACKNOWLEDGES THAT THE CORPORATION IS NOT A MANUFACTURER OF ANY PORTION OF THE SITE AND FACILITIES OR A DEALER THEREIN, THAT THE DISTRICT LEASES THE SITE AND FACILITIES AS-IS, IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE DISTRICT.

In no event shall the Corporation or its assigns be liable for incidental, indirect, special or consequential damages, in connection with or arising out of this Lease or the Trust Agreement for the existence, furnishing, functioning or District's use of the Site and Facilities.

SECTION 7.2. *Access to the Site and Facilities.* The District agrees that the Corporation and any Corporation Representative, and the Corporation's successors or assigns, shall have the right at all reasonable times to enter upon and to examine and inspect the Site and Facilities or any portion thereof. The District further agrees that the Corporation, any Corporation Representative and the Corporation's successors or assigns shall have such rights of access to the Site and Facilities or any portion thereof as may be reasonably necessary to cause the proper maintenance of the Site and Facilities in the event of failure by the District to perform its obligations hereunder, provided, however, that the Trustee shall not be required to cause such maintenance to the Site and Facilities.

SECTION 7.3. *Release and Indemnification Covenants.* The District shall and hereby agrees to indemnify and save the Corporation and the Trustee and their respective officers, agents, successors and assigns harmless from and against all claims, losses and damages, including legal fees and expenses, arising out of

(a) the use, maintenance, condition or management of, or from any work or thing done on the Site and Facilities by the District,

(b) any breach or default on the part of the District in the performance of any of its obligations under this Lease,

(c) any negligence or willful misconduct of the District or of any of its agents, contractors, servants, employees or licensees with respect to the Site and Facilities,

(d) any intentional misconduct or negligence of any sublessee of the District with respect to the Site and Facilities, or

(e) the acquisition, construction, improvement and equipping of the Site and Facilities, or the authorization of payment of the Site Lease Payment, the Costs of Issuance or the Site and Facilities Costs.

No indemnification is made under this Section or elsewhere in this Lease for willful misconduct or negligence under this Lease by the Corporation or the Trustee, or their respective officers, employees, successors or assigns.

SECTION 7.4. *Assignment by the Corporation.* The Corporation's rights under this Lease, including the right to receive and enforce payment of the Lease Payments, have been assigned to the Trustee pursuant to the Assignment Agreement, to which assignment the District hereby consents.

SECTION 7.5. *Assignment and Subleasing by the District; No Condemnation.* (i) The District may sublease the Site and Facilities, or any portion thereof, but only after satisfaction of the following conditions:

(a) This Lease and the obligation of the District to make Lease Payments hereunder shall remain obligations of the District.

(b) The District shall, within 30 days after the delivery thereof, furnish or cause to be furnished to the Corporation and the Trustee, a true and complete copy of such sublease.

(c) No such sublease by the District shall cause the Site and Facilities to be used for a purpose other than as may be authorized under the provisions of the laws of the State of California.

(d) The District shall furnish the Corporation and the Trustee with a written opinion of Special Counsel stating that such sublease does not cause the interest components of the Lease Payments to become includable in gross income for purposes of federal or State of California personal income taxation.

(ii) The District hereby covenants and agrees, to the extent it may lawfully do so, that so long as any of the Certificates remain outstanding and unpaid, the District will not exercise the power of condemnation with respect to the Site and Facilities. The District further covenants and agrees, to the extent it may lawfully do so, that if for any reason the foregoing covenant is determined to be unenforceable, or if the District should fail or refuse to abide by such covenant and condemns the Site and Facilities, the appraised value of the Site and Facilities shall not be less than the greater of (i) if such Certificates are then subject to prepayment, the principal and interest components of the Certificates outstanding through the date of their prepayment, or (ii) if such Certificates are not then subject to prepayment, the amount necessary to defease such Certificates to the first available prepayment date in accordance with the Trust Agreement.

SECTION 7.6. *Amendment of Lease.* The Corporation and the District may at any time amend or modify any of the provisions of this Lease, 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 this Lease, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the District, or

(ii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained herein, or in any other respect whatsoever as the Corporation and the District may deem necessary or desirable, provided that, in the opinion of Special Counsel, such modifications or amendments shall not materially adversely affect the interests of the Owners of the Certificates;

(iii) to amend any provision thereof relating to the Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exclusion from gross income of interest represented by the Certificates under the Code, in the opinion of Special Counsel;

(iv) to amend the description of the Site and Facilities to reflect accurately the property originally intended to be included therein, or in connection with any substitution pursuant to Section 3.4; or

(v) to obligate the District to pay additional amounts of rental hereunder for the use and occupancy of the Site and Facilities, provided that:

(A) such additional amounts of rental do not cause the total rental payments made by the District hereunder to exceed the fair rental value of the Site and Facilities, as set forth in a certificate of a District Representative filed with the Trustee and the Corporation,

(B) the District obtains and files with the Trustee and the Corporation a certificate of a District Representative which states that the estimated fair market value of the Site and Facilities is not less than the aggregate unpaid principal components of the Lease Payments and the aggregate principal components of such additional amounts of rental, and

(C) such additional amounts of rental are pledged or assigned for the payment of any bonds, notes, leases or other obligations the proceeds of which shall be applied to finance the construction or acquisition of land, facilities or other improvements which the District is authorized to construct or acquire.

SECTION 7.7. *Private Activity Bond Limitation.* The District shall assure that the proceeds of the Certificates are not so used as to cause the Certificates or this Lease to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code (including in connection with any substitution of the Site and Facilities pursuant to Section 3.4).

SECTION 7.8. *Federal Guarantee Prohibition.* The District shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Certificates or this Lease to be "federally guaranteed" within the meaning of section 149(b) of the Code.

SECTION 7.9. *Rebate Requirement.* The District shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess

investment earnings, if any, to the federal government, to the extent that such section is applicable to the Certificates or this Lease.

SECTION 7.10. *No Arbitrage.* The District shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the Certificates which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of execution and delivery of the Certificates would have caused the Certificates or this Lease to be "arbitrage bonds" within the meaning of section 148 of the Code.

SECTION 7.11. *Maintenance of Tax-Exemption.* The District shall take all actions necessary to assure the exclusion of interest with respect to the Certificates from the gross income of the Owners of the Certificates to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of execution and delivery of the Certificates.

SECTION 7.12. *Compliance with Tax Certificate.* The District shall comply with the provisions of the tax certificate and the use of proceeds certificate to be delivered with respect to the Certificates, which are incorporated herein as if fully set forth herein. The covenants of this Section will survive payment in full or defeasance of the Certificates.

ARTICLE VIII

Events of Default and Remedies

SECTION 8.1. *Events of Default Defined.* Any one or more of the following events shall constitute an Event of Default hereunder:

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

(b) Failure by the District to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in the preceding clause (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 Corporation or the Trustee; *provided, however,* that (subject to Section 10.07(d) of the Trust Agreement) if the failure stated in the notice can be corrected, but not within such 30 day period, the Corporation and the Trustee shall not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the District within the applicable period and diligently pursued until the default is corrected.

(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 hereafter be enacted.

SECTION 8.2. *Remedies on Default.* Whenever any Event of Default occurs and continues, it shall be lawful for the Corporation to exercise any and all remedies available pursuant to law or granted pursuant to this Lease; *provided, however,* that notwithstanding anything herein or in the Trust Agreement to the contrary, there shall be 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 hereof to be kept and performed by the District is expressly made a condition and upon the breach thereof the Corporation may exercise any and all rights granted hereunder; provided, that no termination of this Lease shall be effected either by operation of law or acts of the parties hereto, except only in the manner herein expressly provided. Upon the occurrence and during the continuance of any Event of Default, the Corporation shall have and is granted each and every one of the following remedies.

(a) Enforcement of Payments Without Termination. If the Corporation does not elect to terminate this Lease in the manner hereinafter provided for in subparagraph (b) of this Section, the District agrees to and shall remain liable for the payment of all Lease Payments and other amounts payable hereunder, and the performance of all conditions herein contained, and shall reimburse the

Corporation for any deficiency arising out of the re-leasing of the Site and Facilities; or, if the Corporation is unable to re-lease the Site and Facilities, then for the full amount of all Lease Payments and such other amounts to the end of the Term of this Lease, but the Lease Payments and such other amounts and/or deficiency shall be payable only at the same time and in the same manner as hereinabove provided for the payment of the Lease Payments and such other amounts hereunder, notwithstanding such entry or re-entry by the Corporation or any suit in unlawful detainer, or otherwise, brought by the Corporation for the purpose of effecting such re-entry or obtaining possession of the Site and Facilities or the exercise of any other remedy by the Corporation. The District hereby irrevocably appoints the Corporation as the agent and attorney-in-fact of the District to enter upon and re-lease the Site and Facilities in the event of default by the District in the performance of any covenants herein contained to be performed by the District and to remove all personal property whatsoever situated upon the Site and Facilities, to place such property in storage or other suitable place in the County of Ventura for the account of and at the expense of the District, and the District hereby exempts and agrees to save harmless the Corporation from any costs, loss or damage whatsoever arising or occasioned by any such entry upon and re-leasing of the Site and Facilities and the removal and storage of such property by the Corporation or its duly authorized agents in accordance with the provisions herein contained. The District agrees that the terms of this Lease constitute full and sufficient notice of the right of the Corporation to re-lease the Site and Facilities in the event of such re-entry without effecting a surrender of this Lease, and further agrees that no acts of the Corporation in effecting such re-leasing shall constitute a surrender or termination of this Lease irrespective of the term for which such re-leasing is made or the terms and conditions of such re-leasing, or otherwise, but that, on the contrary, in the event of such default by the District the right to terminate this Lease shall vest in the Corporation to be effected in the sole and exclusive manner hereinafter provided for in subparagraph (b) of this Section. The District further waives the right to any rental obtained by the Corporation in excess of the Lease Payments and hereby conveys and releases such excess to the Corporation as compensation to the Corporation for its services in re-leasing the Site and Facilities.

(b) Termination of Lease. If an Event of Default occurs and continues hereunder, the Corporation at its option may terminate this Lease and re-lease all or any portion of the Site and Facilities, but only to the extent permitted by law. In the event of the termination of this Lease by the Corporation at its option and in the manner hereinafter provided on account of default by the District (and notwithstanding any re-entry upon the Site and Facilities by the Corporation in any manner whatsoever or the re-leasing of the Site and Facilities), the District nevertheless agrees to pay to the Corporation all costs, loss or damages howsoever arising or occurring payable at the same time and in the same manner as is herein provided in the case of payment of Lease Payments and other amounts payable hereunder. Any surplus received by the Corporation 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 pursuant to law nor any proceeding in unlawful detainer taken by the Corporation shall of itself operate to terminate this Lease, and no termination of this Lease on account of default by the District shall be or become effective by operation of law, or

otherwise, unless and until the Corporation has given written notice to the District of the election on the part of the Corporation to terminate this Lease. The District covenants and agrees that no surrender of the Site and Facilities, or of the remainder of the Term hereof or any termination of this Lease shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Corporation by such written notice.

(c) Proceedings at Law or In Equity. If an event of default occurs and continues hereunder, the Corporation 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 hereunder or to enforce any other of its rights hereunder.

SECTION 8.3. *No Remedy Exclusive*. No remedy herein conferred upon or reserved to the Corporation is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon the occurrence of any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Corporation to exercise any remedy reserved to it in this Article VIII it shall not be necessary to give any notice, other than such notice as may be required in this Article VIII or by law.

SECTION 8.4. *Agreement to Pay Attorneys' Fees and Expenses*. If either party to this Lease should default under any of the provisions hereof and the nondefaulting party should employ attorneys or incur other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will on demand therefor pay to the nondefaulting party the reasonable fees of such attorneys and such other expenses so incurred by the nondefaulting party.

SECTION 8.5. *No Additional Waiver Implied by One Waiver*. If any agreement contained in this Lease should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

SECTION 8.6. *Application of Proceeds*. All Net Proceeds received from the re-lease of the Site and Facilities under this Article VIII, and all other amounts derived by the Corporation or the Trustee as a result of the occurrence of an Event of Default, shall be transferred to the Trustee promptly upon receipt thereof and shall be applied by the Trustee pursuant to Article XII of the Trust Agreement.

SECTION 8.7. *Trustee and Certificate Owners to Exercise Rights*. Such rights and remedies as are given to the Corporation under this Article VIII have been assigned by the Corporation to the Trustee under the Assignment Agreement for the benefit of the Certificate Owners, to which assignment the District hereby consents. Such rights and remedies shall be exercised by the Trustee and the Owners of the Certificates as provided in the Trust Agreement. The District shall not be entitled to terminate this Lease by reason of the Corporation's breach of any of its obligations under this Lease.

ARTICLE IX

Prepayment of Lease Payments

SECTION 9.1. *Security Deposit.*

(a) Notwithstanding any other provision of this Lease, the District may on any date secure the payment of the Lease Payments in whole or in part by depositing with the Trustee an amount of cash which, together with other available amounts on deposit in the funds and accounts established under the Trust Agreement, is either

(i) sufficient to pay such Lease Payments, including the principal and interest components thereof, in accordance with the Lease Payment schedule set forth in Exhibit B, or

(ii) invested in whole or in part in non-callable Federal Securities in such amount as will, in the opinion of an independent certified public accountant (which opinion shall be addressed to the Trustee), together with interest to accrue thereon and together with any cash which is so deposited, be fully sufficient to pay such Lease Payments when due pursuant to Section 4.4(a),

as the District shall instruct at the time of said deposit.

(b) If a security deposit is made pursuant to this Section with respect to all unpaid Lease Payments, and notwithstanding the provisions of Section 4.2,

(i) all obligations of the District under this Lease, and all security provided by this Lease for said obligations, shall thereupon cease and terminate, excepting only the obligation of the District to make, or cause to be made all of the Lease Payments from such security deposit, and

(ii) pursuant to Section 4.6, title to the Site and Facilities shall vest in the District on the date of said deposit automatically and without further action by the District or the Corporation.

The security deposit shall be deemed to be and shall constitute a special fund for the payment of Lease Payments in accordance with the provisions of this Lease.

SECTION 9.2. *Optional Prepayment.*

(a) The District may exercise its option to prepay the principal components of the Lease Payments coming due on and after November 1, 20____, in whole, or in part in any integral multiple of \$5,000, on any date on or after November 1, 20____, by paying a prepayment price equal to the aggregate principal components of the Lease Payments to be prepaid, together with the interest component of the Lease Payment required to be paid on such date, without premium.

(b) The prepayment price shall be deposited by the Trustee in the Lease Payment Fund to be applied to the prepayment of Certificates pursuant to Section 3.01(a) of the Trust Agreement.

(c) The District shall give the Trustee written notice of its intention to exercise its option not less than 45 days (of such shorter time permitted by the Trustee) in advance of the date of exercise.

SECTION 9.3. *Mandatory Prepayment From Net Proceeds of Insurance or Eminent Domain.* The District shall prepay the principal components of the Lease Payments in whole or in part on any date, from and to the extent of any Net Proceeds of insurance award or eminent domain award with respect to the Site and Facilities theretofore deposited in the Lease Payment Fund for such purpose pursuant to Article VI hereof and Article VI of the Trust Agreement. The District and the Corporation hereby agree that such Net Proceeds, to the extent remaining after payment of any delinquent Lease Payments, shall be credited towards the District's obligations under this Section 9.3.

SECTION 9.4. *Credit for Amounts on Deposit.* If the principal components of the Lease Payments are prepaid in full under this Article IX, such that the Trust Agreement is discharged by its terms as a result of such prepayment, at the written election of the District filed with the Trustee, any or all amounts then on deposit in the Lease Payment Fund shall be credited towards the amounts then required to be so prepaid.

ARTICLE X

Miscellaneous

SECTION 10.1. *Notices.* Any notice, request, complaint, demand or other communication under this Lease shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by telecopier or other form of telecommunication, at its number set forth below. Notice shall be effective either (a) upon transmission by telecopier or other form of telecommunication, (b) 48 hours after deposit in the United States of America first class mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The Corporation, the District, or the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the District: Pleasant Valley Recreation and Park District
1605 E. Burnley St.
Camarillo, CA 93010
Attention: General Manager
Fax: (805) 482-3468

If to the Corporation: CSDA Finance Corporation
1112 "I" Street, Ste 200
Sacramento, CA 95814
Attention: Administrator
Fax: (916) 442-7889

If to the Trustee: MUFG Union Bank, N.A.
445 S. Figueroa Street, Suite 401
Los Angeles, CA 90071
Attention: Corporate Trust Services
Fax: 213-972-5694
Email: AccountAdministration-
CorporateTrust@unionbank.com and CashControlGroup-
LosAngeles@unionbank.com

SECTION 10.2. *Binding Effect.* This Lease shall inure to the benefit of and shall be binding upon the Corporation and the District, and their respective successors and assigns.

SECTION 10.3. *Severability.* In the event any provision of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 10.4. *Net-net-net Lease.* This Lease shall be deemed and construed to be a "net-net-net lease" and the District hereby agrees that the Lease Payments shall be an absolute net return to the Corporation, free and clear of any expenses, charges or set-offs whatsoever.

SECTION 10.5. *Third Party Beneficiary.* The Trustee shall be and is hereby made a third party beneficiary hereunder with all rights of a third party beneficiary.

SECTION 10.6. *Further Assurances and Corrective Instruments.* The Corporation and the District agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Site and Facilities hereby leased or intended so to be or for carrying out the expressed intention of this Lease.

SECTION 10.7. *Execution in Counterparts.* This Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 10.8. *Applicable Law.* This Lease shall be governed by and construed in accordance with the laws of the State of California.

SECTION 10.9. *Corporation and District Representatives.* Whenever under the provisions of this Lease the approval of the Corporation or the District is required, or the Corporation or the District is required to take some action at the request of the other, such approval or such request shall be given for the Corporation by a Corporation Representative and for the District by a District Representative, and any party hereto shall be authorized to rely upon any such approval or request.

SECTION 10.10. *Captions.* The captions or headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Section of this Lease.

IN WITNESS WHEREOF, the Corporation and the District have caused this Lease to be executed in their respective names by their duly authorized officers, all as of the date first above written.

CSDA FINANCE CORPORATION, as
lessor

By _____
President

Attest:

Secretary

PLEASANT VALLEY RECREATION AND
PARK DISTRICT, as lessee

By _____
General Manager

Attest:

Secretary of the Board

EXHIBIT A
DESCRIPTION OF THE SITE AND FACILITIES

EXHIBIT B

SCHEDULE OF LEASE PAYMENTS

Interest Payment Date*	Principal Component	Interest Component	Total Lease Payment
------------------------------	------------------------	-----------------------	------------------------

TOTALS

* Payments are due on Lease Payment Dates, which occur on the 5th Business Day preceding Interest Payment Dates.

TRUST AGREEMENT

Dated as of March 1, 2017

by and among

**MUFG UNION BANK, N.A.,
as trustee**

CSDA FINANCE CORPORATION

and the

PLEASANT VALLEY RECREATION AND PARK DISTRICT

Relating to

**\$ _____
Refunding Certificates of Participation
(Park Facilities Project)**

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I:	
Definitions:	
Section 1.01. Definitions	3
Section 1.02. Legal Authority	8
ARTICLE II:	
The Certificates of Participation:	
Section 2.01. Authorization	9
Section 2.02. Date	9
Section 2.03. Terms of Certificates	10
Section 2.04. Payment of Certificates	10
Section 2.05. Book Entry System	11
Section 2.06. Form and Execution of Certificates	12
Section 2.07. Transfer and Exchange	13
Section 2.08. Certificates Mutilated, Lost, Destroyed or Stolen	13
Section 2.09. Execution of Documents and Proof of Ownership	14
Section 2.10. Temporary Certificates	15
Section 2.11. Registration Books	15
ARTICLE III:	
Prepayment of Certificates:	
Section 3.01. Prepayment	16
Section 3.02. Selection of Certificates for Prepayment	17
Section 3.03. Notice of Prepayment	17
Section 3.04. Partial Prepayment of Certificates	18
Section 3.05. Effect of Notice of Prepayment	18
Section 3.06. Purchase of Certificates	19
ARTICLE IV:	
Disposition of Proceeds; Costs of Issuance Fund:	
Section 4.01. Application of Proceeds	20
Section 4.02. [Reserved]	20
Section 4.03. Costs of Issuance Fund	20
Section 4.04. [Reserved]	20
ARTICLE V:	
Lease Payments; Lease Payment Fund	
Section 5.01. Assignment of Rights in Lease	21
Section 5.02. [Reserved]	21
Section 5.03. Lease Payment Fund	21
ARTICLE VI:	
Insurance and Condemnation Fund:	
Section 6.01. Establishment of Insurance and Condemnation Fund; Application of Net Proceeds of Insurance Award	23
Section 6.02. Deposit and Application of Net Proceeds of Eminent Domain Award	24
ARTICLE VII:	
Moneys in Funds; Investments:	
Section 7.01. Held in Trust	25
Section 7.02. Investments Authorized	25
Section 7.03. Accounting	26
Section 7.04. Allocation of Earnings	26
Section 7.05. Acquisition, Disposition and Valuation of Investments	26
ARTICLE VIII:	
The Trustee:	

Section 8.01. Appointment of Trustee	27
Section 8.02. Acceptance of Trusts.....	27
Section 8.03. Fees, Charges and Expenses of Trustee	31
Section 8.04. Notice to Certificate Owners of Default	31
Section 8.05. Removal of Trustee	31
Section 8.06. Resignation by Trustee	31
Section 8.07. Appointment of Successor Trustee	31
Section 8.08. Merger or Consolidation	31
Section 8.09. Concerning any Successor Trustee	32
Section 8.10. Non-Liability of Trustee	32
Section 8.11. Actions Through Agents	32
Section 8.12. Nature of Trust Engagement.....	33

ARTICLE IX:

Modification or Amendment:

Section 9.01. Amendments Permitted.....	34
Section 9.02. Procedure for Amendment with Written Consent of Certificate Owners	34
Section 9.03. Effect of Supplemental Agreement.....	35
Section 9.04. Endorsement or Replacement of Certificates Delivered After Amendments.....	35
Section 9.05. Amendatory Endorsement of Certificates.....	36

ARTICLE X:

Other Covenants:

Section 10.01. Compliance With and Enforcement of Lease	37
Section 10.02. Observance of Laws and Regulations.....	37
Section 10.03. Prosecution and Defense of Suits	37
Section 10.04. Recordation and Filing	37
Section 10.05. Further Assurances	37
Section 10.06. Continuing Disclosure.	37

ARTICLE XI:

Limitation of Liability:

Section 11.01. Limited Liability of District.....	39
Section 11.02. No Liability of the Corporation for Trustee Performance	39
Section 11.03. Indemnification of Trustee	39
Section 11.04. Opinion of Counsel.....	39
Section 11.05. Limitation of Rights to Parties and Certificate Owners	40

ARTICLE XII:

Events of Default and Remedies of Certificate Owners:

Section 12.01. Assignment of Rights	41
Section 12.02. Remedies	41
Section 12.03. Application of Funds.....	41
Section 12.04. Institution of Legal Proceedings	42
Section 12.05. Non-waiver	42
Section 12.06. Remedies Not Exclusive	42
Section 12.07. Power of Trustee to Control Proceedings	42
Section 12.08. Limitation on Certificate Owners' Right to Sue	42
Section 12.09. Possession of Certificates by Trustee Not Required	43

ARTICLE XIII:

Discharge

Section 13.01. Discharge Hereof	44
Section 13.02. Payment of Certificates After Discharge of Trust Agreement.....	45

ARTICLE XIV:

Administrative Provisions:

Section 14.01. Records.	46
Section 14.02. Notices.	46
Section 14.03. Disqualified Certificates.....	46

Section 14.04. Governing Law	47
Section 14.05. Binding Effect; Successors.....	47
Section 14.06. Corporation and District Representatives.....	47
Section 14.07. Execution in Counterparts	47
Section 14.08. Delivery of Cancelled Certificates	47
Section 14.09. Headings	47
Section 14.10. Waiver of Notice	47
Section 14.11. Separability of Invalid Provisions.....	47

- EXHIBIT A FORM OF CERTIFICATE OF PARTICIPATION
- EXHIBIT B FORM OF COSTS OF ISSUANCE FUND REQUISITION

TRUST AGREEMENT

THIS TRUST AGREEMENT (this "Trust Agreement"), dated as of March 1, 2017, is by and among MUFG UNION BANK, N.A., a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee"), the CSDA FINANCE CORPORATION, a nonprofit public benefit corporation duly organized and existing under the Nonprofit Public Benefit Corporation Law of the State of California (the "Corporation"), and the PLEASANT VALLEY RECREATION AND PARK DISTRICT, a recreation and park district duly organized and existing under the Constitution and laws of the State of California (the "District");

WITNESSETH:

WHEREAS, for the purpose of financing the acquisition and construction of recreation and park facilities consisting generally of a regional sports park and related publicly owned improvements, the Pleasant Valley Recreation and Park District (the "District") caused execution and delivery of \$12,775,000 initial principal amount of Certificates of Participation (Park Facilities Project) Series 2008 (the "2008 Certificates") pursuant to a Trust Agreement, dated as of July 1, 2008 (the "2008 Trust Agreement"), by and among Union Bank of California, N.A., as trustee, the District and CSDA Finance Corporation (the "Corporation"); and

WHEREAS, the 2008 Certificates represent undivided fractional interests in lease payments made by the District for the use and occupancy of certain real property and improvements pursuant to a Lease Agreement, dated as of July 1, 2008 (the "2008 Lease Agreement"), by and between the District, as lessor, and the Corporation, as lessee; and

WHEREAS, in order to take advantage of prevailing market conditions and realize savings for the benefit of the District, the District wishes to refinance its lease payment obligations under the 2008 Lease Agreement and to cause the prepayment of the 2008 Certificates; and

WHEREAS, the Corporation was formed for the purposes of, among other things, aiding in financing and refinancing the acquisition, construction and improvement of public capital facilities for California special districts which are members of the California Special Districts Association, including the District; and

WHEREAS, in order to refinance the 2008 Lease Agreement and prepay the 2008 Certificates, the District wishes to enter into a Site and Facilities Lease, dated as of March 1, 2017 (the "Site Lease"), between the District, as lessor, and the Corporation, as lessee, under which it will lease certain real property to the Corporation, and to simultaneously enter into a Lease Agreement, dated as of March 1, 2017, between the Corporation, as lessor, and the District, as lessee (the "Lease"), under which the District will lease the property from the Corporation in return for semiannual payments (the "Lease Payments"); and

WHEREAS, the Corporation will assign and transfer certain of its rights under the Lease to the Trustee under an Assignment Agreement dated as of March 1, 2017, between the Corporation and the Trustee; and

WHEREAS, in consideration of such assignment and the execution of this Trust Agreement, the Trustee will execute and deliver the \$_____ aggregate principal amount of Refunding Certificates of Participation (Park Facilities Project) (the "Certificates"), each evidencing a direct, undivided fractional interest in the Lease Payments to be paid by the District under the Lease;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto hereby agree as follows:

ARTICLE I

Definitions

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Trust Agreement, have the meanings herein specified. In addition, all terms defined in the Lease and not otherwise defined herein shall have the respective meanings specified in the Lease.

"2008 Certificates" means the \$12,775,000 initial principal amount of Certificates of Participation (Park Facilities Project) Series 2008 executed and delivered on July 10, 2008.

"2008 Lease Agreement" means the Lease Agreement, dated as of July 1, 2008, by and between the Corporation, as lessor, and the District, as lessee.

"2008 Trust Agreement" means the Trust Agreement by and among Union Bank of California, N.A. (now known as MUFG Union Bank, N.A.), as trustee, the District and the Corporation.

"Assignment Agreement" means the Assignment Agreement, dated as of March 1, 2017, by and between the Corporation as assignor and the Trustee as assignee, as originally executed or as thereafter amended pursuant to any duly authorized and executed amendments thereto.

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

"Certificate Year" means each twelve-month period extending from November 2 in one calendar year to November 1 of the succeeding calendar year, both dates inclusive; except that the first Certificate Year commences on the Closing Date and extends to and includes November 1, 20____.

"Closing Date" means _____, 2017, being the day when the Certificates, duly executed by the Trustee, are delivered to the Original Purchaser.

"Continuing Disclosure Certificate" shall mean that certain Continuing Disclosure Certificate executed by the District and dated the date of execution and delivery of the Certificates, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"Corporation" means the CSDA Finance Corporation, a nonprofit corporation duly organized and existing under the Nonprofit Public Benefit Corporation Law of the State of California.

"Corporation Representative" means the President, Vice President, Treasurer or Secretary of the Corporation, or any other person authorized to act on behalf of the Corporation under or with respect to this Trust Agreement by resolution of the Board of Directors of the Corporation delivered to the Trustee.

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the District or the Corporation relating to the execution and delivery of the Lease or the execution, sale 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 advisor and other professional consultant fees, appraisals, costs of rating agencies for credit ratings, fees for execution, transportation and safekeeping of the Certificates and charges and fees in connection with the foregoing.

"Costs of Issuance Fund" means the fund by that name established and held by the Trustee pursuant to Section 4.03.

"Depository" means (a) initially, DTC, and (b) any other Securities Depository acting as Depository pursuant to Section 2.05.

"Depository System Participant" means any participant in the Depository's book-entry system.

"District" means the Pleasant Valley Recreation and Park District, a recreation and park district duly organized and existing under the Constitution and laws of the State of California.

"District Representative" means the Chair of the Board, Vice-Chair of the Board, General Manager, Administrative Services Director, District Secretary, or any other person authorized to act on behalf of the District under or with respect to this Trust Agreement by resolution of the Board of Directors of the District delivered to the Trustee.

"DTC" means The Depository Trust Company, New York, New York, and its successors and assigns.

"Escrow Agent" means MUFG Union Bank, N.A., as escrow agent.

"Escrow Agreement" means the Escrow Agreement, dated as of March 1, 2017, by and between the District and the Escrow Agent, related to the payment and prepayment of the 2008 Certificates.

"Event of Default" means an event of default under the Lease, as defined in Section 8.1 thereof.

"Fair Market Value" means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the

Code, (iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the District and related parties do not own more than a 10% beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

"Federal Securities" means:

(a) Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations"),

(b) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America,

(c) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or

(d) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real property in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated.

"Fiscal Year" means any twelve-month period extending from July 1 in one calendar year to June 30 of the succeeding calendar year, both dates inclusive, or any other twelve-month period selected and designated by the District as its official fiscal year period.

"Insurance and Condemnation Fund" means the fund by that name to be established and held by the Trustee pursuant to Section 6.01.

"Interest Payment Date" means, with respect to any Certificate, May 1, 2017, and each May 1 and November 1 thereafter to and including the date of maturity or prepayment of such Certificate.

"Lease" means the Lease Agreement, dated as of March 1, 2017, by and between the Corporation as lessor and the District as lessee, as originally executed or as thereafter amended pursuant to any duly authorized and executed amendments thereto.

"Lease Payment Fund" means the fund by that name established and held by the Trustee pursuant to Section 5.03.

"Lease Payments" means all payments required to be paid by the District under Section 4.4(a) of the Lease, including any prepayment thereof pursuant to Article IX of the Lease.

"Moody's" means Moody's Investors Service, or its successors and assigns.

"Net Proceeds" means an 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 Site and Facilities, to the extent remaining after payment therefrom of all expenses incurred in the collection thereof.

"Nominee" means (a) initially, Cede & Co. as nominee of DTC, and (b) any other nominee of the Depository designated pursuant to Section 2.05(a).

"Office of the Trustee" means the corporate trust office of the Trustee at which at any particular time its corporate trust business shall be principally administered, which at the date of execution of this Trust Agreement is that specified in Section 14.02, except that with respect to presentation of Certificates for payment or for registration of transfer and exchange such term shall mean the office or agency of the Trustee at which, at any particular time, its corporate trust agency business is conducted.

"Original Purchaser" means Raymond James & Associates, Inc., as original purchaser of the Certificates.

"Outstanding", when used as of any particular time with respect to Certificates, means (subject to the provisions of Section 13.01) all Certificates theretofore executed and delivered by the Trustee hereunder except:

(a) Certificates theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation;

(b) Certificates for the payment or prepayment of which funds or Federal Securities in a sufficient amount have theretofore been deposited with the Trustee (whether upon or prior to the maturity or prepayment date of such Certificates), provided that, if such Certificates are to be prepaid prior to maturity, notice of such prepayment has been given as provided in Section 3.03 or provision satisfactory to the Trustee has been made for the giving of such notice; and

(c) Certificates in lieu of or in exchange for which other Certificates have been executed and delivered by the Trustee pursuant to Section 2.08.

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

"Participating Underwriter" has the meaning ascribed thereto in the Continuing Disclosure Certificate.

"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) Federal Securities;

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

- (c) U.S. dollar denominated deposit accounts federal funds and banker's acceptances with domestic commercial banks, which may include the Trustee, its parent holding company, if any, and their affiliates, which have a rating on their short term certificates of deposit on the date of purchase of "A" or better by S&P, maturing no more than 360 days after the date of purchase, provided that ratings on holding companies are not considered as the rating of the bank or such deposits are collateralized by Permitted Investments described in clauses (a) or (b) above for amounts above FDIC insurance;
- (d) commercial paper which is rated at the time of purchase in the single highest classification, "A" or better by S&P, and which matures not more than 270 calendar days after the date of purchase;
- (e) investments in a money market fund, including those of an affiliate of the Trustee, rated in the highest short-term rating category by S&P, 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 but excluding such funds with a floating net asset value;
- (f) 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
- (g) the Local Agency Investment Fund which is administered by the California Treasurer for the investment of funds belonging to local agencies within the State of California, provided for investment of funds held by the Trustee, the Trustee is entitled to make investments and withdrawals in its own name as Trustee; and
- (h) shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the California Government Code which invests exclusively in investments permitted by Section 53635 of Title 5, Division 2, Chapter 4 of the California Government Code, as it may be amended, including but not limited to the California Asset Management Program (CAMP).

"Proceeds Fund" means the fund by that name established and held by the Trustee pursuant to Section 4.01.

"Record Date" means the close of business on the 15th day of the month preceding each Interest Payment Date, whether or not such 15th day is a Business Day.

"Registration Books" means the records maintained by the Trustee pursuant to Section 2.11 for registration of the ownership and transfer of ownership of the Certificates.

"Responsible Officer of The Trustee" means and includes the Chairman of the Board of Directors, the President, every senior vice president, every vice president, every assistant vice president, every trust officer, and every other officer of the Trustee, other than those specifically

above-mentioned, to whom any corporate trust matter is referred because of his or her knowledge of, and familiarity with, a particular subject and who is specifically assigned to administer the duties of the Trustee under this Trust Agreement.

"Securities Depositories" means: (a) The Depository Trust Company, and (b) in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses or such other securities depositories as the District may designate in a written request of the District delivered to the Trustee.

"Site and Facilities" means the real property described as the Site and Facilities in Exhibit A to the Lease, including all buildings and improvements thereon as of the Closing Date, as the Site and Facilities may be substituted or modified from time to time in accordance with the Lease.

"Site Lease" means the Site and Facilities Lease, dated as of March 1, 2017, between the District, as lessor, and the Corporation, as lessee, as originally executed or as thereafter amended pursuant to any duly authorized and executed amendments thereto.

"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 pursuant to Section 103 of the Tax Code reasonably acceptable to the Trustee.

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

"Tax Code" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Certificates or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Certificates, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Termination Agreement" means the Termination Agreement, dated as of March 1, 2017, by and among the District, the Corporation and MUFG Union Bank, N.A., as trustee, related to the lease financing agreements for the 2008 Certificates.

"Trust Agreement" means this Trust Agreement, as originally executed or as thereafter amended pursuant to any amendments hereto permitted to be made hereunder.

"Trustee" means MUFG Union Bank, N.A., or any successor thereto acting as Trustee pursuant to this Trust Agreement.

Section 1.02. Legal Authority. Each of the parties hereby represents and warrants that it has full legal authority and is duly empowered to enter into this Trust Agreement, and has taken all actions necessary to authorize the execution of this Trust Agreement by the officers and persons signing it.

ARTICLE II

The Certificates of Participation

Section 2.01. Authorization. The Trustee is hereby authorized and directed upon written request from the Corporation to execute and deliver to the Original Purchaser, Certificates in the aggregate principal amount of \$_____. The Certificates shall evidence direct, undivided fractional ownership interests of the Owners thereof in the Lease Payments.

Section 2.02. Date. Each Certificate shall be dated as of the Closing Date and interest represented thereby shall be payable from the Interest Payment Date next preceding the date of execution thereof, unless

(a) it is executed following a Record Date and on or before the next succeeding Interest Payment Date, in which event interest represented thereby shall be payable from such Interest Payment Date, or

(b) it is executed on or before the first Record Date, in which event interest represented thereby shall be payable from the Closing Date;

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 Interest Payment Date to which interest has previously been paid or made available for payment with respect to such Certificate.

Section 2.03. Terms of Certificates. Principal represented by the Certificates shall be payable on November 1 in each of the respective years and in the respective amounts, and interest represented thereby shall be computed at the respective rates, as follows:

<u>Maturity Date</u> <u>(November 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate (%)</u>
---	-----------------------------------	------------------------------------

The Certificates shall be delivered in the form of fully registered Certificates without coupons in the authorized denominations of \$5,000 or any integral multiple thereof, except that no Certificate shall represent principal payable in more than one year. The Certificates shall be assigned such alphabetical and numerical designation as deemed appropriate by the Trustee.

Section 2.04. Payment of Certificates.

(a) Interest. Interest represented by the Certificates shall represent the portion of Lease Payments designated as interest and coming due on such Interest Payment Date under the Lease. The share of the portion of Lease Payments designated as interest with respect to any Certificate shall be computed by multiplying the portion of Lease Payments designated as principal represented by such Certificate by the rate of interest represented by such Certificate (calculated on the basis of a 360-day year of twelve 30-day months).

Interest represented by each Certificate shall be paid on each Interest Payment Date by check of the Trustee mailed on such Interest Payment Date by first class mail, postage prepaid, to the person appearing on the Registration Books as the Owner thereof as of the close of business on the preceding Record Date, at such Owner's address as it appears on the Registration Books; *provided, however,* that at the written request of the Owner of Certificates in an aggregate principal amount of at least \$1,000,000, which written request is on file with the Trustee as of any Record Date, interest represented by such Certificates shall be paid on each

succeeding Interest Payment Date by wire transfer in immediately available funds to such account within the United States of America as shall be specified in such written request.

(b) Principal. The principal and prepayment price represented by any Certificate at maturity or upon prior prepayment shall be payable in lawful money of the United States of America upon presentation and surrender of such Certificate at the Office of the Trustee.

Section 2.05. Book Entry System.

(a) Original Delivery. The Certificates shall be initially delivered in the form of a separate single fully registered Certificate (which may be typewritten) for each maturity of the Certificates. Upon initial delivery, the ownership of each such Certificate shall be registered on the Registration Books in the name of the Nominee. Except as provided in subsection (c), the ownership of all of the Outstanding Certificates shall be registered in the name of the Nominee on the Registration Books.

With respect to Certificates the ownership of which is registered in the name of the Nominee, the District and the Trustee shall have no responsibility or obligation to any Depository System Participant or to any person on behalf of which the District holds an interest in the Certificates. Without limiting the generality of the immediately preceding sentence, the District and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Depository System Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any Depository System Participant or any other person, other than a Certificate Owner as shown in the Registration Books, of any notice with respect to the Certificates, including any notice of redemption, (iii) the selection by the Depository of the beneficial interests in the Certificates to be redeemed in the event the District elects to redeem the Certificates in part, (iv) the payment to any Depository System Participant or any other person, other than a Certificate Owner as shown in the Registration Books, of any amount with respect to principal, premium, if any, or interest represented by the Certificates or (v) any consent given or other action taken by the Depository as Owner of the Certificates. The District and the Trustee may treat and consider the person in whose name each Certificate is registered as the absolute owner of such Certificate for the purpose of payment of principal, premium, if any, and interest represented by such Certificate, for the purpose of giving notices of redemption and other matters with respect to such Certificate, for the purpose of registering transfers of ownership of such Certificate, and for all other purposes whatsoever.

The Trustee shall pay the principal, interest and premium, if any, represented by the Certificates only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal, interest and premium, if any, represented by the Certificates to the extent of the sum or sums so paid. No person other than a Certificate Owner shall receive a Certificate evidencing the obligation of the District to make payments of principal, interest and premium, if any, pursuant to this Trust Agreement. Upon delivery by the Depository to the Nominee of written notice to the effect that the Depository has determined to substitute a new Nominee in its place, and subject to the provisions herein with respect to Record Dates, such new nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Trustee.

Notwithstanding any other provision of this Trust Agreement to the contrary, with regard to Certificates registered in the name of the Nominee, any requirement for transfer or delivery of the Certificates may be effectuated by providing appropriate transfer instructions to the Depository.

(b) Representation Letter. In order to qualify the Certificates for the Depository's book-entry system, the District shall execute and deliver to such Depository a letter representing such matters as shall be necessary to so qualify the Certificates. The execution and delivery of such letter shall not in any way limit the provisions of subsection (a) above or in any other way impose upon the District or the Trustee any obligation whatsoever with respect to persons having interests in the Certificates other than the Owners. In addition to the execution and delivery of such letter, the District may take any other actions, not inconsistent with this Trust Agreement, to qualify the Certificates for the Depository's book-entry program.

(c) Transfers Outside Book-Entry System. In the event that either (i) the Depository determines not to continue to act as Depository for the Certificates, or (ii) the District determines to terminate the Depository as such, then the District shall thereupon discontinue the book-entry system with such Depository. In such event, the Depository shall cooperate with the District and the Trustee in the issuance of replacement Certificates by providing the Trustee with a list showing the interests of the Depository System Participants in the Certificates, and by surrendering the Certificates, registered in the name of the Nominee, to the Trustee on or before the date such replacement Certificates are to be issued. The Depository, by accepting delivery of the Certificates, agrees to be bound by the provisions of this subsection (c).

If, prior to the termination of the Depository acting as such, the District fails to identify another Securities Depository to replace the Depository, then the Certificates shall no longer be required to be registered in the Registration Books in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging Certificates shall designate, in accordance with the provisions hereof.

If the District determines that it is in the best interests of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, the District may notify the Depository System Participants of the availability of such certificated Certificates through the Depository. In such event, the Trustee will issue, transfer and exchange Certificates as required by the Depository and others in appropriate amounts; and whenever the Depository requests, the Trustee and the District shall cooperate with the Depository in taking appropriate action (y) to make available one or more separate certificates evidencing the Certificates to any Depository System Participant having Certificates credited to its account with the Depository, or (z) to arrange for another Securities Depository to maintain custody of a single certificate evidencing such Certificates, all at the District's expense.

(d) Payments to the Nominee. Notwithstanding any other provision of this Trust Agreement to the contrary, so long as any Certificate is registered in the name of the Nominee, all payments with respect to principal, interest and premium, if any, represented by such Certificate and all notices with respect to such Certificate shall be made and given, respectively, as provided in the letter described in subsection (b) of this Section or as otherwise instructed by the Depository.

Section 2.06. Form and Execution of Certificates. The Certificates shall be substantially in the form set forth in Exhibit A to this Trust Agreement and by this reference

incorporated herein. The Certificates shall be delivered in typewritten, printed, lithographed or engraved form, subject to the provisions of Section 2.10.

The Certificates shall be executed by and in the name of the Trustee by the manual signature of an authorized officer or signatory of the Trustee. If any officer or signatory whose signature appears on any Certificate ceases to be such officer or signatory before the date of delivery of said Certificate, such signature shall nevertheless be as effective as if the officer or signatory had remained in office until such date. Any Certificate may be executed on behalf of the Trustee by such person as of the actual date of the execution of such Certificate shall be the proper signatory of the Trustee.

Only such of the Certificates as shall be manually executed by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Trust Agreement.

Section 2.07. Transfer and Exchange.

(a) Transfer of Certificates. The registration of any Certificate may, in accordance with its terms, be transferred upon the Registration Books by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Certificate for cancellation at the Office of the Trustee, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee, duly executed. Whenever any Certificate or Certificates shall be surrendered for registration of transfer, the Trustee shall execute and deliver a new Certificate or Certificates representing the same maturity, interest rate and aggregate principal amount, in any authorized denominations. The District shall pay all costs of the Trustee incurred in connection with any such exchange, except that the Trustee may require the payment by the Certificate Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

(b) Exchange of Certificates. Certificates may be exchanged at the Office of the Trustee, for a like aggregate principal amount of Certificates representing other authorized denominations of the same interest rate and maturity. The District shall pay all costs of the Trustee incurred in connection with any such exchange, except that the Trustee may require the payment by the Certificate Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

(c) Limitations on Transfer or Exchange. The Trustee may refuse to transfer or exchange either (i) any Certificate during the period established by the Trustee for the selection of Certificates for prepayment, or (ii) the portion of any Certificate which the Trustee has selected for prepayment pursuant to the provisions of Section 3.02.

Section 2.08. Certificates Mutilated, Lost, Destroyed or Stolen. If any Certificate becomes mutilated, the Trustee, at the expense of the Owner of such Certificate, shall execute and deliver a new Certificate of like principal amount, interest rate and maturity in replacement for the Certificate so mutilated, but only upon surrender to the Trustee of the Certificate so mutilated. Every mutilated Certificate so surrendered to the Trustee shall be cancelled by it and destroyed by the Trustee, who shall deliver a certificate of destruction to the District.

If any Certificate is lost, destroyed or stolen, evidence of such loss, destruction or theft must be submitted to the Trustee, and, if such evidence is satisfactory to the Trustee and, if an indemnity satisfactory to the Trustee is given, the Trustee, at the expense of the Certificate

Owner, shall execute and deliver a new Certificate of like principal amount, interest rate and maturity and numbered as the Trustee determines in lieu of and in replacement for the Certificate so lost, destroyed or stolen. The Trustee may require payment of an appropriate fee for each replacement Certificate delivered under this Section 2.08 and of the expenses which may be incurred by the Trustee in carrying out the duties under this Section 2.08.

Any Certificate issued under the provisions of this Section 2.08 in lieu of any Certificate alleged to be lost, destroyed or stolen shall be equally entitled to the benefits of this Trust Agreement with all other Certificates secured by this Trust Agreement. The Trustee shall not be required to treat both the original Certificate and any replacement Certificate as being Outstanding for the purpose of determining the principal amount of Certificates which may be executed and delivered hereunder or for the purpose of determining any percentage of Certificates Outstanding hereunder, but both the original and replacement Certificate shall be treated as one and the same.

Notwithstanding any other provision of this Section 2.08, in lieu of delivering a replacement for a Certificate which has been mutilated, lost, destroyed or stolen, and which has matured, the Trustee may make payment with respect to such Certificate upon receipt of indemnity satisfactory to the Trustee and the District.

Section 2.09. Execution of Documents and Proof of Ownership. Any request, direction, consent, revocation of consent, or other instrument in writing required or permitted by this Trust Agreement to be signed or executed by Owners may be in any number of concurrent instruments of similar tenor, and may be signed or executed by such Owners in person or by their attorneys or agents appointed by an instrument in writing for that purpose, or by any bank, trust company or other depository for such Certificates. Proof of the execution of any such instrument, or of any instrument appointing any such attorney or agent, and of the ownership of Certificates shall be sufficient for any purpose of this Trust Agreement (except as otherwise herein provided), if made in the following manner:

(a) The fact and date of the execution by any Owner or his attorney or agent of any such instrument and of any instrument appointing any such attorney or agent, may be proved by a certificate, which need not be acknowledged or verified, of an officer of any bank or trust company located within the United States of America, or of any notary public, or other officer authorized to take acknowledgments of deeds to be recorded in such jurisdictions, that the persons signing such instruments acknowledged before him the execution thereof. Where any such instrument is executed by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such certificate shall also constitute sufficient proof of his authority.

(b) The fact of the ownership of Certificates by any person and the amount, the maturity and the numbers of such Certificates and the date of his holding the same shall be proved by the Registration Books.

Nothing contained in this Section 2.09 shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which the Trustee may deem sufficient. Any request or consent of the Owner of any Certificate shall bind every future Owner of the same Certificate in respect of anything done or suffered to be done by the Trustee in pursuant of such request or consent.

Section 2.10. Temporary Certificates. The Certificates may be issued in temporary form exchangeable for definitive Certificates when ready for delivery. Any temporary Certificates may be printed, lithographed or typewritten, shall be of authorized denominations, shall be in fully registered form without coupons and may contain such reference to any of the provisions of this Trust Agreement as may be appropriate. Every temporary Certificate shall be executed by the Trustee upon the same conditions and in substantially the same manner as the definitive Certificates. If the Trustee delivers temporary Certificates it will execute and deliver definitive Certificates as promptly thereafter as practicable, and thereupon the temporary Certificates shall be surrendered, for cancellation, in exchange therefor at the Office of the Trustee who shall execute and deliver in exchange for such temporary Certificates an equal aggregate principal amount of definitive Certificates of authorized denominations. Until so exchanged, the temporary Certificates shall be entitled to the same benefits under this Trust Agreement as definitive Certificates executed and delivered hereunder.

Section 2.11. Registration Books. The Trustee shall keep or cause to be kept sufficient records for the registration and registration of transfer of the Certificates, which shall at all reasonable times be open to inspection by the District and the Corporation during regular business hours and upon prior notice. Upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books, Certificates as hereinbefore provided.

ARTICLE III

Prepayment of Certificates

Section 3.01. Prepayment.

(a) Optional Prepayment. The Certificates maturing on or before November 1, 20__, are not subject to optional prepayment prior to their respective stated maturities. The Certificates maturing on or after November 1, 20__, 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 November 1, 20__, from prepayments of the Lease Payments made at the option of the District pursuant to Section 9.2 of the Lease, at a prepayment price equal to the principal amount to be prepaid, together with accrued interest represented thereby to the date fixed for prepayment, without premium.

(b) Prepayment From Net Proceeds of Insurance or Condemnation. The Certificates are subject to mandatory prepayment, in whole or in part, on any Interest Payment Date, in inverse order of maturity and by lot within a maturity, from the Net Proceeds of insurance or eminent domain proceedings credited toward the prepayment of the Lease Payments pursuant to Section 9.3 of the Lease, 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.

(c) Sinking Fund Prepayment. (i) The Certificates maturing on November 1, 20__, are also subject to mandatory sinking fund prepayment by lot on November 1 in each year beginning November 1, 20__, 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:

Prepayment Date <u>(November 1)</u>	Principal Amount of Term Certificates <u>To Be Prepaid</u>
--	--

(ii) The Certificates maturing on November 1, 20__, are also subject to mandatory sinking fund prepayment by lot on November 1 in each year beginning November 1, 20__, 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:

Prepayment Date
(November 1)

Principal Amount of
Term Certificates
To Be Prepaid

The District shall give the Trustee written notice of its intention to redeem Certificates pursuant to subsections (a) or (b) not less than 45 days prior to the applicable redemption date and shall provide the Trustee with a revised sinking fund schedule, if applicable.

Section 3.02. Selection of Certificates for Prepayment. Whenever provision is made in this Trust Agreement for the prepayment of Certificates and less than all Outstanding Certificates are called for prepayment, the District shall select the maturities of Certificates to be prepaid pursuant to instructions provided by the District, and within maturities, subject to Section 2.05(a), the Trustee shall determine the Certificates to be prepaid 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. The Trustee shall promptly notify the District and the Corporation in writing of the Certificates or portions thereof so selected for prepayment.

Section 3.03. Notice of Prepayment.

(a) When prepayment is authorized or required pursuant to Section 3.01, the Trustee shall give notice of the prepayment of the Certificates on behalf and at the expense of the District. Such notice shall contain the following:

(i) the prepayment date and prepayment price;

(ii) if less than all of the then Outstanding Certificates are to be called for prepayment, the notice shall designate the numbers of the Certificates to be prepaid by giving the individual number of each Certificate or by stating that all Certificates between two stated numbers, both inclusive, have been called for prepayment or by stating that all of the Certificates of one or more maturities have been called for prepayment;

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

(iv) the notice shall state that further interest represented by the Certificates will not accrue after the prepayment date;

(v) the notice shall state that on the prepayment date the principal and premium, if any, represented by each Certificate, together with accrued interest represented thereby to the prepayment date, shall become due and payable, and that from and after such date interest represented thereby shall cease to accrue and be payable;

(vi) each notice relating to a prepayment pursuant to Section 3.01(a) or Section 3.01(b) shall further state that such prepayment may be rescinded by the District on or prior to the date set for prepayment; and

(vii) if a Certificate is called only in part, the notice shall set forth the portion of the principal represented thereby which is to be prepaid.

(b) Notice of such prepayment shall be mailed by first class mail with postage prepaid, to the Municipal Securities Rulemaking Board via its EMMA system (or successor thereto), and to the Owners designated for prepayment at their respective addresses appearing on the Registration Books, at least 30 days but not more than 60 days prior to the prepayment date. In addition, notice of prepayment shall be given by telecopy, facsimile or certified, registered or overnight mail to each of the Securities Depositories at least 2 days prior to such mailing to the Owners. *However*, neither failure to receive such notice so mailed 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.

(c) The District shall have the right to rescind any notice of prepayment pursuant to Section 3.01(a) or Section 3.01(b) by written notice to the Trustee on or prior to the date fixed for prepayment. Any notice of prepayment shall be cancelled and annulled if for any reason funds are not available on the date fixed for prepayment for the payment in full of the Certificates then called for prepayment, and such cancellation shall not constitute an Event of Default hereunder. The Trustee shall mail notice of rescission of prepayment in the same manner notice of prepayment was originally provided.

Section 3.04. Partial Prepayment of Certificates. Upon surrender of any Certificate prepaid in part only, the Trustee shall execute, authenticate and deliver to the Owner thereof, at the expense of the District, a new Certificate or Certificates of authorized denominations equal in aggregate principal amount to the unprepaid portion of the Certificate surrendered and of the same interest rate and the same maturity.

Section 3.05. Effect of Notice of Prepayment. If notice of prepayment has been sent to the Owners of the Certificates to be called pursuant to Section 3.03, and moneys for the prepayment (including the interest to the applicable date of prepayment and any applicable prepayment premium) of Certificates called for prepayment have been set aside in the Lease Payment Fund, those Certificates shall become due and payable on the date of such prepayment, and, upon presentation and surrender thereof at the Office of the Trustee, those Certificates shall be paid at the prepayment price thereof plus interest accrued and unpaid to the date of prepayment.

If, on the date of prepayment, moneys for the prepayment of all the Certificates to be prepaid, together with interest represented thereby to the date of prepayment and any applicable prepayment premium, are held by the Trustee so as to be available therefor on the date of prepayment, then, from and after the date of prepayment, interest represented by the Certificates to be prepaid 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.

All Certificates paid at maturity or prepaid prior to maturity pursuant to the provisions of this Article III shall be cancelled upon surrender thereof and destroyed.

Section 3.06. Purchase of Certificates. Subject to Section 10.07, in lieu of prepayment of Certificates as provided in this Article III, amounts held by the Trustee for such prepayment shall, at the written request of the District Representative received by the Trustee prior to selection of Certificates for prepayment, 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.

The aggregate principal amount of Certificates of the same maturity purchased in lieu of prepayment pursuant to this Section 3.06 shall not exceed the aggregate principal amount of Certificates of such maturity which would otherwise be subject to such prepayment.

ARTICLE IV

Disposition of Proceeds; Costs of Issuance Fund

Section 4.01. Application of Proceeds. The proceeds received by the Trustee from the sale of the Certificates on the Closing Date shall immediately be set aside by the Trustee in the Proceeds Fund which the Trustee shall establish and hold in trust and shall further transfer or deposit as follows in the following order of priority:

(a) The Trustee shall transfer to the Escrow Agent the amount of \$ _____ to be held and applied by the Escrow Agent pursuant to the Escrow Agreement.

(b) The Trustee shall deposit the amount of \$ _____ in the Costs of Issuance Fund, constituting the remainder of the proceeds of the Certificates.

After making the foregoing deposits and transfers, the Trustee shall close the Proceeds Fund. The Trustee may, in its discretion, establish a temporary fund or account in its books and records to facilitate such transfers.

Section 4.02. [Reserved].

Section 4.03. Costs of Issuance Fund. The Trustee shall establish a special fund designated as the "Costs of Issuance Fund". The Trustee shall disburse moneys in the Costs of Issuance Fund for the purpose of paying or reimbursing the payment of the Costs of Issuance upon receipt of a requisition in the form attached as Exhibit B to this Trust Agreement signed by a District Representative. The Trustee may conclusively rely on requisitions submitted in accordance with this Section 4.03 and the representations made therein and such requisitions shall be complete authorization for the disbursements made pursuant thereto.

On June 1, 2017, or on such earlier date as the District certifies in writing to the Trustee that all Costs of Issuance have been paid, the Trustee shall withdraw all remaining moneys in the Costs of Issuance Fund and transfer such moneys to the Lease Payment Fund to be applied by the Trustee as a credit against Lease Payments. Upon this transfer, the Trustee shall close the Costs of Issuance Fund.

Section 4.04. [Reserved].

ARTICLE V

Lease Payments; Lease Payment Fund

Section 5.01. Assignment of Rights in Lease. Under the Assignment Agreement, the Corporation has transferred, assigned and set over to the Trustee certain of its rights under the Lease, including but not limited to all of the Corporation's rights to receive and collect all of the Lease Payments. All Lease Payments and other amounts which are assigned to the Trustee shall be paid directly to the Trustee, and all of the Lease Payments collected or received by the Corporation shall be deemed to be held and to have been collected or received by the Corporation as the agent of the Trustee, and all such Lease Payments and such other amounts will be immediately deposited by the Trustee upon the receipt thereof in the Lease Payment Fund.

Section 5.02. [Reserved].

Section 5.03. Lease Payment Fund.

(a) Establishment. The Trustee shall establish a special fund designated as the "Lease Payment Fund." All moneys at any time deposited by the Trustee in the Lease Payment Fund shall be held by the Trustee in trust for the benefit of the District and the Owners of the Certificates. So long as any Certificates are Outstanding, neither the District nor the Corporation shall have any beneficial right or interest in the Lease Payment Fund or the moneys deposited therein, except only as provided in this Trust Agreement, and such moneys shall be used and applied by the Trustee as hereinafter set forth.

(b) Deposits. The Trustee shall deposit the following in the Lease Payment Fund:

(i) all Lease Payments received by the Trustee under Section 5.01;

(ii) any other moneys received by the Trustee for deposit therein under Section 5.01;

(iii) any moneys received by the Trustee for deposit in the Lease Payment Fund under Article VI hereof (representing insurance or condemnation proceeds);

(iv) any moneys received by the Trustee for deposit in the Lease Payment Fund under Article IX of the Lease (representing prepayment of Lease Payments); and

(v) any other moneys required to be deposited therein under the Lease or under this Trust Agreement.

(c) Application of Moneys. All amounts in the Lease Payment Fund shall 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 provisions hereof.

(d) Surplus. After prepayment and payment of all Certificates, including premiums and accrued interest (if any), and payment of any applicable fees and expenses to the Trustee, or after provision for such prepayment or payment has been made to the satisfaction of the Trustee, any surplus remaining in the Lease Payment Fund shall be withdrawn by the Trustee and remitted to the District and used for any lawful purpose.

ARTICLE VI

Insurance and Condemnation Fund

Section 6.01. Establishment of Insurance and Condemnation Fund; Application of Net Proceeds of Insurance Award. Any Net Proceeds of insurance collected by the District in the event of accident to or destruction of the Site and Facilities shall be paid to the Trustee pursuant to Section 6.1 of the Lease and deposited by the Trustee promptly upon receipt thereof in a special fund designated as the "Insurance and Condemnation Fund" which the Trustee shall thereupon establish. These amounts shall be applied and disbursed by the Trustee as follows:

(a) If the District determines and notifies the Trustee in writing of its determination, within 45 days following the date of such deposit, that the replacement, repair, restoration, modification or improvement of the Site and Facilities 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 pursuant to Section 9.3 of the Lease and the corresponding prepayment of Certificates pursuant to Section 3.01(b) but only to the extent the remaining fair market value of the Sites is equal to or exceeds the remaining Certificates.

(b) In the event of damage or destruction of the Site and Facilities 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.

(c) 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 Site and Facilities by the District, upon receipt of written requisitions of the District stating with respect to each payment to be made

(i) the name and address of the person, firm or corporation to whom payment is due,

(ii) the amount to be paid, and

(iii) 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.

Each such written requisition shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts.

(d) Any balance of the Net Proceeds remaining after the District files a written certificate with the Trustee stating that such work has been completed shall be paid to the District.

Section 6.02. Deposit and Application of Net Proceeds of Eminent Domain Award.

If all or any part of the Site and Facilities 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, which the Trustee shall thereupon establish pursuant to Section 6.1 of the Lease, and shall be applied and disbursed by the Trustee as follows:

(a) If the District has given 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 Site and Facilities, or the ability of the District to meet any of its financial obligations under the Lease, and (ii) that such proceeds are not needed for repair, replacement or rehabilitation of the Site and Facilities, 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 toward the payment of the Lease Payments as they become due and payable.

(b) If the District has given 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 Site and Facilities, or the ability of the District to meet any of its financial obligations under the Lease, and (ii) such proceeds are needed for repair, replacement or rehabilitation of the Site and Facilities, the Trustee shall pay to the District, or to its order, from those proceeds such amounts as the District may expend for such repair or rehabilitation, upon the filing of requisitions of the District Representative meeting the requirements of Section 6.01.

(c) If (i) less than all of the Site and Facilities is taken in such eminent domain proceedings or sold to a government threatening the use of eminent domain powers, and if the District has given written notice to the Trustee of its determination that such eminent domain proceedings have materially affected the interest of the District in the Site and Facilities, or the ability of the District to meet any of its financial obligations under the Lease, or (ii) all of the Site and Facilities has been 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 pursuant to Section 9.3 of the Lease and applied to the corresponding prepayment of Certificates in the manner provided in Section 3.01(b).

In making any such determination whether to repair, replace or rehabilitate the Site and Facilities under this Section 6.02, the District may obtain, but shall not be required to obtain, at its expense, the report of an independent engineer or other independent professional consultant, a copy of which shall be filed with the Trustee. Any such determination by the District shall be final.

ARTICLE VII

Moneys in Funds; Investments

Section 7.01. Held in Trust. The moneys and Permitted Investments held by the Trustee under this Trust Agreement are hereby pledged and shall be irrevocably held in trust for the benefit of the District and the Owners solely for the purposes herein specified, and such moneys, and any income or interest earned thereon, shall be expended only as provided in this Trust Agreement, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of the Corporation, the Trustee, the District or the Owner of any Certificates. Said pledge shall constitute a first priority lien and security interest in such assets and shall attach, be perfected and be valid and binding from and after delivery of the Certificates without any physical delivery thereof or further act.

Section 7.02. Investments Authorized. Upon the written request of the District filed with the Trustee from time to time, moneys held by the Trustee in any fund or account hereunder shall be invested and reinvested by the Trustee in Permitted Investments selected by the District and specified in such written request of the District, which mature not later than the date such moneys are required or estimated by the District to be required to be expended hereunder. Each written investment request of the District shall certify that such investments are Permitted Investments as required by this Trust Agreement.

In the absence of any written request of the District directing the investment of uninvested moneys held by the Trustee hereunder, the Trustee shall invest such moneys in Permitted Investments described in clause (e) of the definition thereof, which mature not later than the date such moneys are required or estimated by the Trustee to be required to be expended hereunder; provided, however, that any such investment shall be made by the Trustee only if, prior to the date on which such investment is to be made, the Trustee shall have received a written direction specifying a specific money market fund and, if no such written direction is so received, the Trustee shall hold such moneys 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 this Section 7.02. Such investments and reinvestments shall be made giving full consideration to the time at which funds are required to be available. The Trustee or its affiliates may act as sponsor, manager or depository with respect to any Permitted Investments. The Trustee may act as purchaser or agent in the making or disposing of any investment. Whenever in this 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 hereunder, the Trustee may commingle funds held by it hereunder.

The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with this Section 7.02. The District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive brokerage confirmations of security transactions as they occur, the District specifically waives receipt of such confirmations to the extent permitted by law. The District understands that trade confirmations for securities

transactions effected by the Trustee will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker. The Trustee will furnish the District periodic cash transaction statements which include detail for all investment transactions made by the Trustee hereunder. Upon the District's election, such statements will be delivered via the Trustee's online service and upon electing such service, paper statements will be provided only upon request.

Section 7.03. Accounting. The Trustee shall furnish to the District, not less than monthly, an accounting (in the form customarily used by the Trustee) of all investments and other transactions made by the Trustee pursuant to this Trust Agreement.

Section 7.04. Allocation of Earnings. Subject to the provisions of Sections 4.03 and 4.04, any income, profit or loss on such investments shall be deposited in or charged to the respective funds from which such investments were made.

Section 7.05. Acquisition, Disposition and Valuation of Investments.

(a) Except as otherwise provided in subsection (b) of this Section, the District covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Trust Agreement, or otherwise containing gross proceeds of the Certificates (within the meaning of section 148 of the Tax Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by this Trust Agreement or the Tax Code) at Fair Market Value.

(b) Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Tax Code shall be valued at their present value (within the meaning of section 148 of the Tax Code). The District shall inform the Trustee which funds or accounts are subject to a yield restriction.

ARTICLE VIII

The Trustee

Section 8.01. Appointment of Trustee. MUFJ Union Bank, N.A., is hereby appointed Trustee by the Corporation and the District for the purpose of receiving all moneys required to be deposited with the Trustee hereunder and to allocate, use and apply the same as provided in this Trust Agreement. The Corporation and the District agree that any successor Trustee shall have a corporate office in California, shall have or be a member of a bank holding company having a combined capital and surplus of at least \$75,000,000, and shall be subject to supervision or examination by Federal or state authority, so long as any Certificates are Outstanding. If such bank, national banking association or trust company publishes a report of condition at least annually pursuant to law or to the requirements of any supervising or examining authority above referred to then for the purpose of this Section 8.01 the combined capital and surplus of such bank, national banking association or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Trustee is hereby authorized to pay or prepay the Certificates when duly presented for payment at maturity, or on prepayment, or on purchase by the Trustee as directed by the District prior to maturity in accordance with Section 3.06, and to cancel all Certificates upon payment thereof. Until the final maturity of the Certificates, the Trustee shall keep accurate records of all funds administered by it and of all Certificates paid and discharged. The Trustee shall be compensated for its services rendered pursuant to the provisions of this Trust Agreement.

Section 8.02. Acceptance of Trusts. The Trustee hereby accepts the trusts imposed upon it by this Trust Agreement, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Trust Agreement. In case an Event of Default has occurred (which has not been cured or waived) the Trustee may exercise such of the rights and powers vested in it by this Trust Agreement, and shall use the same degree of care and skill in their exercise, as a reasonable man would exercise or use under the circumstances in the conduct of his own affairs.

(b) No provision in this Trust Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(c) The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through affiliates, attorneys, agents, or receivers and the Trustee shall not be responsible for any misconduct or negligence on the part of any attorney, agent or receiver appointed with due care. The Trustee shall be entitled to advice of counsel concerning all matters of

trust and its duty hereunder and shall be protected in any action taken or suffered by it hereunder in reliance on such advice.

(d) The Trustee shall not be responsible for any recital herein, or in the Certificates, or for any of the supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Certificates issued hereunder or intended to be secured hereby and the Trustee shall not be bound to ascertain or inquire as to the observance or performance of any covenants, conditions or agreements on the part of the Corporation or the District under the Lease. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Article VII of this Trust Agreement.

(e) The Trustee shall not be accountable for the use of any Certificates delivered hereunder. The Trustee may become the Owner of Certificates secured hereby with the same rights which it would have if not the Trustee; may acquire and dispose of other bonds or evidence of indebtedness of the District with the same rights it would have if it were not the Trustee; and may act as a depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners, whether or not such committee shall represent the Owners of the majority in aggregate principal amount of the Certificates then Outstanding.

(f) In the absence of negligence or willful misconduct on its part, the Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram, facsimile or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken or omitted to be taken by the Trustee in good faith pursuant to this Trust Agreement upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Owner of any Certificate, shall be conclusive and binding upon all future Owners of the same Certificate and upon Certificates issued in exchange therefor or in place thereof. The Trustee shall not be bound to recognize any person as an Owner of any Certificate or to take any action at his request unless such Certificate shall be deposited with the Trustee or satisfactory evidence of the ownership of such Certificate shall be furnished to the Trustee.

(g) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed by a Corporation Representative or a District Representative as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has been given notice or is deemed to have notice, as provided in Section 8.02(i) hereof, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed by it to be necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of a Corporation Representative or a District Representative to the effect that an authorization in the form therein set forth has been adopted

by the Corporation or the District, as the case may be, as conclusive evidence that such authorization has been duly adopted, and is in full force and effect.

(h) The permissive right of the Trustee to do things enumerated in this Trust Agreement shall not be construed as a duty and it shall not be answerable for other than its negligence or intentional misconduct. The immunities and exceptions from liability of the Trustee shall extend to its officers, directors, employees and agents.

(i) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder except failure by the District to make any of the Lease Payments to the Trustee required to be made by the District pursuant to the Lease or failure by the Corporation or the District to file with the Trustee any document required by this Trust Agreement or the Lease to be so filed subsequent to the delivery of the Certificates, unless a Responsible Officer of the Trustee shall have actual knowledge thereof, or shall be specifically notified in writing of such default by the Corporation, the District or the Owners of at least 25% in aggregate principal amount of Certificates then Outstanding. All notices or other instruments required by this Trust Agreement to be delivered to the Trustee must, in order to be effective, be delivered at the Office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no Event of Default except as aforesaid.

(j) At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect the Site and Facilities, including all books, papers and records of the Corporation or the District pertaining to the Site and Facilities and the Certificates, and to take such memoranda from and with regard thereto as may be desired.

(k) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(l) Notwithstanding anything elsewhere in this Trust Agreement with respect to the execution of any Certificates, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Trust Agreement, the Trustee shall have the right, but shall not be required, to demand any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action, which may be deemed desirable by the Trustee for the purpose of establishing the right of the Corporation or the District to the execution of any Certificates, the withdrawal of any cash, or the taking of any other action by the Trustee.

(m) Before taking any action referred to in Section 12.02, at the direction of the Owners of the Certificates, the Trustee may require that a satisfactory indemnity bond be furnished by the Owners of the Outstanding Certificates, or any of them, for the reimbursement of all expenses to which it may be put and to

protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct in connection with any such action.

(n) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law. The Trustee shall not be under any liability for interest on any moneys received hereunder except such as may be agreed upon, other than interest derived from investments made or required to be made pursuant to Section 7.02.

(o) The Trustee shall not be responsible for the sufficiency of the Lease, its right to receive moneys pursuant to the Lease, or the value of or title to the Site and Facilities.

(p) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of a majority in aggregate principal amount of the Outstanding Certificates relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Trust Agreement.

(q) The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the Real Property, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

(r) The Trustee agrees to accept and act upon facsimile transmission of written instructions and/or directions pursuant to this Trust Agreement provided, however, that: (a) such executed instructions and/or directions shall be signed by a person as may be designated and authorized to sign for the party signing such instructions and/or directions, and (b) the Trustee shall have received a current incumbency certificate containing the specimen signature of such designated person.

(s) The Trustee shall have no responsibility or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of these Certificates.

Section 8.03. Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment and reimbursement by the District for reasonable fees for its services rendered hereunder and all advances, counsel fees (including expenses) and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services, as described in its proposal to the District. Upon an Event of Default, but only upon an Event of Default, the Trustee shall have a first lien with right of payment prior to payment on account of principal, premium, if any, and interest represented by any Certificate upon the amounts held hereunder for the foregoing fees, charges and expenses incurred by it respectively. The obligation to pay the fees and expenses hereunder shall survive termination of this Trust Agreement or removal, resignation or reorganization of the Trustee.

Section 8.04. Notice to the Certificate Owners of Default. If an Event of Default occurs of which the Trustee has been given or is deemed to have notice, as provided in Section 8.02(i), then the Trustee shall within 30 days give written notice thereof by first class mail, postage prepaid, to the Owner of each Outstanding Certificate, unless such Event of Default has been cured before the giving of such notice.

Section 8.05. Removal of Trustee. So long as no Event of Default (or any event which, if not cured, with the passage of time would become an Event of Default) occurs and continues, the District may, upon at least 30 days' prior written notice, remove the Trustee initially appointed, and any successor thereto, for good cause, by an instrument or concurrent instruments in writing delivered to the Trustee and the Corporation, and may appoint a successor or successors thereto; provided that any such successor shall be a bank, national banking association or trust company meeting the requirements set forth in Section 8.01.

Section 8.06. Resignation by Trustee. The Trustee and any successor Trustee may at any time resign by giving written notice by registered or certified mail to the District and the Corporation. Upon receiving such notice of resignation, the District shall promptly appoint a successor Trustee. Any resignation or removal of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. Upon such acceptance, the District shall mail notice thereof to the Owners at their respective addresses set forth on the Registration Books.

Section 8.07. Appointment of Successor Trustee. In the event of the removal or resignation of the Trustee pursuant to Sections 8.05 or 8.06, respectively, the District shall promptly appoint a successor Trustee meeting the requirements of Section 8.01. If the District for any reason whatsoever fails to appoint a successor Trustee within 30 days following the delivery to the Trustee of the instrument described in Section 8.05 or within 30 days following the receipt of notice by the District pursuant to Section 8.06, the Trustee may apply to a court of competent jurisdiction for the appointment of a successor Trustee meeting the requirements of Section 8.01. Any such successor Trustee appointed by such court shall become the successor Trustee hereunder notwithstanding any action by the District purporting to appoint a successor Trustee following the expiration of such thirty-day period.

Section 8.08. Merger or Consolidation. Any company or association into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided that such company or association shall be eligible under Section 8.01, shall be the successor to the Trustee and vested with all of the title to the trust

estate and all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

Section 8.09. Concerning any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also the Corporation and the District, an instrument in writing accepting such appointment hereunder and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors; but such predecessor shall, nevertheless, on the written request of the Corporation, or of its successor, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as the Trustee hereunder to its successor.

Should any instrument in writing from the Corporation be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Corporation.

The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article VIII, shall be filed or recorded by the successor Trustee in each recording office where the Assignment Agreement has been filed or recorded.

Section 8.10. Non-Liability of Trustee. The recitals, statements and representations by the District and the Corporation contained in this Trust Agreement or in the Certificates shall be taken and construed as made by and on the part of the District and the Corporation, as the case may be, and not by the Trustee, and the Trustee does not assume, and shall not have, any responsibility or obligation for the correctness of any thereof.

The Trustee makes no representation or warranty, express or implied as to the title, value, design, compliance with specifications or legal requirements, quality, durability, operation, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the District or Corporation of the Site and Facilities. In no event shall the Trustee be liable for special or consequential damages in connection with or arising from the Lease for the existence, furnishing or use of the Site and Facilities.

The Trustee shall not be: (a) responsible for the sufficiency or enforceability of the Lease or the assignment under the Assignment Agreement of its rights to receive Lease Payments; (b) deemed to have knowledge of any Event of Default unless and until it shall have actual knowledge thereof or except as provided in Section 8.02(i); or (c) accountable for the use or application by the District or Corporation of any funds which the Trustee has released under this Trust Agreement.

Section 8.11. Actions Through Agents. The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, affiliates, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty hereunder, and the Trustee shall not be answerable for the default or misconduct of any such attorney, agent, or receiver selected by it with reasonable care. The Trustee shall not

be answerable for the exercise of any discretion or power under this Trust Agreement or for anything whatever in connection with the funds and accounts established hereunder, except only for its own negligence or willful misconduct.

Section 8.12. Nature of Trust Engagement. The Trustee undertakes to perform such duties and only such duties as are specifically set forth in the Trust Agreement and no implied covenants or obligations shall be read into the Trust Agreement against the Trustee. In accepting the trusts hereby created, the Trustee acts solely as Trustee and not in its individual capacity. All persons, including without limitation the Owners, the District and the Corporation having any claim against the Trustee arising from the Trust Agreement shall look only to the funds and accounts hereunder for payment except as otherwise provided herein; *provided, however*, that nothing in this sentence is intended or shall be construed to apply to, or limit the source of payment of, claims against the Trustee arising from the negligence or intentional misconduct of the Trustee. Under no circumstances shall the Trustee be liable in its individual capacity for payment of the obligations represented by the Certificates.

The permissive right of the Trustee to do things enumerated in this Trust Agreement shall not be construed as a duty.

ARTICLE IX

Modification or Amendment

Section 9.01. Amendments Permitted. This Trust Agreement and the rights and obligations of the Owners of the Certificates may be modified or amended at any time by a supplemental agreement which shall become effective when the written consents of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding, exclusive of Certificates disqualified as provided in Section 14.03, has been filed with the Trustee. No such modification or amendment may:

(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 hereof, or

(c) modify any of the rights or obligations of the Trustee without its written assent thereto.

Any such supplemental agreement shall become effective as provided in Section 9.02.

This Trust Agreement and the rights and obligations of the Owners of the Certificates may be modified or amended at any time by a supplemental agreement, without the consent of any such Owners, but only to the extent permitted by law and only (a) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power herein reserved to the Corporation or the District, (b) to cure, correct or supplement any ambiguous or defective provision contained herein, (c) in regard to questions arising hereunder, as the parties hereto or thereto 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, (d) for the purpose of conforming to or accommodating any amendment to the Lease which is made in accordance with Section 7.6 thereof, (e) to facilitate any amendment to the Lease which is permitted to be made thereto pursuant to Section 7.6 thereof, or (f) if and to the extent permitted in the opinion of Special Counsel filed with the Trustee, the District and the Corporation, to delete or modify any of the provisions hereof or thereof relating to the exclusion from gross income of interest represented by the Certificates for federal income tax purposes. Any such supplemental agreement shall become effective upon execution and delivery by the parties hereto. Copies of any modification or amendment to the Trust Agreement, the Lease, the Site Lease or the Assignment Agreement shall be sent to any rating agency then rating the Certificates at least 10 days prior to the effective date thereof.

Section 9.02. Procedure for Amendment with Written Consent of Certificate Owners. This Trust Agreement may be amended by supplemental agreement as provided in this Section 9.02 in the event the consents of the Owners of the Certificates is required pursuant to Section 9.01. A copy of such supplemental agreement, together with a request to the Owners for their consent thereto, shall be mailed by the Trustee to each Owner of a Certificate

at his address as set forth on the Registration Books, but failure to mail copies of such supplemental agreement and request shall not affect the validity of the supplemental agreement when assented to as in this Section provided.

Such supplemental agreement shall not become effective unless there shall be filed with the Trustee the written consents of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding (exclusive of Certificates disqualified as provided in Section 14.03) and a notice shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Certificates for which such consent is given, which proof shall be such as is permitted by Section 2.09. Any such consent shall be binding upon the Owner of the Certificate giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed. Any such revocation received by the Trustee after notice has been mailed shall be of no force and effect.

After the Owners of the required percentage of Certificates shall have filed their consents to such supplemental agreement, the Trustee shall mail a notice to the Owners of the Certificates in the manner hereinbefore provided in this Section, stating in substance that such supplemental agreement has been consented to by the Owners of the required percentage of Certificates and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of such supplemental agreement or consents thereto). A record, consisting of the papers required by this Section to be filed with the Trustee, shall be conclusive proof of the matters therein stated. Such supplemental agreement shall become effective upon the mailing of such last-mentioned notice, and such supplemental agreement shall be deemed conclusively binding upon the parties hereto and the Owners of all Certificates at the expiration of 60 days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such 60-day period.

Section 9.03. Effect of Supplemental Agreement. From and after the time any supplemental agreement becomes effective pursuant to this Article IX, this Trust Agreement shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto and all Owners of Certificates Outstanding, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any supplemental agreement shall be deemed to be part of the terms and conditions of this Trust Agreement for any and all purposes.

Section 9.04. Endorsement or Replacement of Certificates Delivered After Amendments. The Trustee may determine that Certificates delivered after the effective date of any action taken as provided in this Article IX shall bear a notation, by endorsement or otherwise, in form approved by the Trustee, as to such action. In that case, upon demand on the Owner of any Certificate Outstanding at such effective date and presentation of his Certificate for the purpose at the Office of the Trustee, a suitable notation shall be made on such Certificate. The Trustee may determine that the delivery of substitute Certificates, so modified as in the opinion of the Trustee is necessary to conform to such Owners' action is necessary or desirable, which substitute Certificates shall thereupon be prepared, executed and delivered. In that case, upon demand on the Owner of any Certificate then Outstanding, such

substitute Certificate shall be exchanged at the Office of the Trustee, without cost to such Owner, for a Certificate of the same character then Outstanding, upon surrender of such Outstanding Certificate.

Section 9.05. Amendatory Endorsement of Certificates. The provisions of this Article IX shall not prevent any Certificate Owner from accepting any amendment as to the particular Certificates held by him, provided that proper notation thereof is made on such Certificates.

ARTICLE X

Other Covenants

Section 10.01. Compliance With and Enforcement of Lease. The District covenants and agrees with the Owners of the Certificates to perform all obligations and duties imposed on it under the Lease. The Corporation covenants and agrees with the Owners of the Certificates to perform all obligations and duties imposed on it under the Lease.

The District will not do or permit anything to be done, or omit or refrain from doing anything, in any case where any such act done or permitted to be done, or any such omission of or refraining from action, would or might be a ground for cancellation or termination of the Lease by the Corporation thereunder. The Corporation and the District, immediately upon receiving or giving any notice, communication or other document in any way relating to or affecting their respective estates, or either of them, in the Site and Facilities, which may or can in any manner affect such estate of the District, will deliver the same, or a copy thereof, to the Trustee.

Section 10.02. Observance of Laws and Regulations. The District will well and truly keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States, or of the State, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired by the District, including its right to exist and carry on business as a public agency, to the end that such rights, privileges and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired.

Section 10.03. Prosecution and Defense of Suits. The District shall promptly, upon request of the Trustee, or any Certificate Owner, from time to time take such action as may be necessary or proper to remedy or cure any defect in or cloud upon the title to the Site and Facilities, whether now existing or hereafter developing and shall prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and shall indemnify and save the Trustee and every Certificate Owner harmless from all loss, cost, damage and expense, including attorneys' fees, which they or any of them may incur by reason of any such defect, cloud, suit, action or proceeding.

Section 10.04. Recordation and Filing. The District shall record and file the Lease or a memorandum thereof, the Assignment Agreement and all such documents as may be required by law (and shall take all further actions which may be necessary), all in such manner, at such times and in such places as may be required by law in order fully to preserve, protect and perfect the security of the Trustee and the Owners.

Section 10.05. Further Assurances. The Corporation and the District will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Trust Agreement and the Lease, and for the better assuring and confirming unto the Owners of the Certificates the rights and benefits provided herein.

Section 10.06. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate.

Notwithstanding any other provision of this Trust Agreement, failure of the District to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, any holder or beneficial owner of the Certificates may, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

Section 10.07. Annual CDIAC Filing. The District shall supply the information and annual report to the California Debt and Investment Advisory Commission required under California Government Code Section 8855(k), as it may be amended, through the period following the final maturity of the Certificates. However, failure by the District to comply with this section shall not constitute a default hereunder and the District shall not be liable to any Owner or any other person or entity for any error in any such information.

ARTICLE XI

Limitation of Liability

Section 11.01. Limited Liability of District. Except for the payment of Lease Payments when due in accordance with the Lease and the performance of the other covenants and agreements of the District contained in the Lease and this Trust Agreement, the District shall have no pecuniary obligation or liability to any of the other parties or to the Owners of the Certificates with respect to this Trust Agreement or the terms, execution, delivery or transfer of the Certificates, or the distribution of Lease Payments to the Owners by the Trustee, except as expressly set forth herein.

Section 11.02. No Liability of the Corporation for Trustee Performance. Neither the District nor the Corporation shall have any obligation or liability to any of the other parties or to the Owners of the Certificates with respect to the performance by the Trustee of any duty imposed upon it under this Trust Agreement.

Section 11.03. Indemnification of Trustee. The District, to the extent permitted by law, shall indemnify, defend (using counsel satisfactory to the Trustee) and save the Trustee, its directors, officers, agents and employees harmless from and against all claims, losses, costs, expenses, liability and damages, including legal fees and expenses, arising out of

(a) the use, maintenance, condition or management of, or from any work or thing done on, the Site and Facilities by the District,

(b) any breach or default on the part of the District in the performance of any of their respective obligations under this Trust Agreement,

(c) the actions of any other party, including but not limited to the ownership, operation or use of the Site and Facilities by the District, or

(d) the Trustee's exercise and performance of its powers and duties hereunder.

No indemnification will be made under this Section 11.03 or elsewhere in this Trust Agreement for intentional misconduct or negligence under this Trust Agreement by the Trustee, its officers, agents, employees, successors or assigns. The District's obligations hereunder shall remain valid and binding notwithstanding maturity and payment of the Certificates and notwithstanding any resignation or removal of the Trustee.

Section 11.04. Opinion of Counsel. Before being required to take any action, the Trustee may, at the expense of the District, require an opinion of counsel acceptable to the Trustee, or an opinion of Special Counsel with respect to any federal tax matters, or a verified certificate of any party hereto, or both, concerning the proposed action. If it does so in good faith, Trustee shall be absolutely protected in relying on any such opinion or certificate obtained by the Trustee.

Section 11.05. Limitation of Rights to Parties and Certificate Owners. Nothing in this Trust Agreement or in the Certificates expressed or implied is intended or shall be construed to give any person other than the District, the Corporation, the Trustee, and the Owners of the Certificates, any legal or equitable right, remedy or claim under or in respect of this Trust Agreement or any covenant, condition or provision hereof; and all such covenants, conditions and provisions are and shall be for the sole and exclusive benefit of the District, the Corporation, the Trustee, and said Owners.

ARTICLE XII

Events of Default and Remedies of Certificate Owners

Section 12.01. Assignment of Rights. Pursuant to the Assignment Agreement the Corporation has transferred, assigned and set over to the Trustee certain of the Corporation's rights and duties in and to the Lease, including without limitation all of the Corporation's rights to exercise such rights and remedies conferred on the Corporation pursuant to the Lease as may be necessary or convenient (a) to enforce payment of the Lease Payments and any other amounts required to be deposited in the Lease Payment Fund or the Insurance and Condemnation Fund, and (b) otherwise to exercise the Corporation's rights and take any action to protect the interests of the Trustee or the Owners in an Event of Default.

Section 12.02. Remedies. If an Event of Default occurs, then and in each and every such case during the continuance of such Event of Default, the Trustee may, with the consent of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding upon being indemnified to its satisfaction shall, exercise any and all remedies available pursuant to law or granted pursuant to the Lease; *provided, however*, that notwithstanding anything herein or in the Lease 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.

Section 12.03. Application of Funds. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article XII or Article VIII of the Lease and any other funds held by the Trustee 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 incurred in and about the performance of its powers and duties under this Agreement and, next, to the payment of the costs and expenses of the Owners in declaring such Event of Default and in taking any remedial action with respect thereto, including reasonable compensation to its or their agents, attorneys and counsel; and

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 rate set forth in Section 4.4(c) of the Lease (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.

Section 12.04. Institution of Legal Proceedings. If one or more Events of Default happens and continues, the Trustee in its discretion may, 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 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 as the Trustee shall deem most effectual in support of any of its rights or duties hereunder.

Section 12.05. Non-waiver. Nothing in this Article XII or in any other provision of this 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. 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 this Article XII to the Trustee or to the Owners may be exercised from time to time and as often as shall be deemed expedient by the Trustee or the Owners.

Section 12.06. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Owners 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 hereunder or now or hereafter existing, at law or in equity or by statute or otherwise.

Section 12.07. Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Certificates, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however,* that the Trustee shall not 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.

Section 12.08. Limitation on Certificate Owners' Right to Sue. No Owner of any Certificate issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Trust Agreement, unless (a) such Owner shall have 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 shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of 60 days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Certificates of any remedy hereunder; it being understood and intended that no one or more Owners shall have any right in any manner whatever by his or their action to enforce any right under this Trust Agreement, except in the manner herein provided, and that all proceedings at law or in equity with respect to an Event of Default shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Certificates.

Section 12.09. Possession of Certificates by Trustee Not Required. All rights and remedies granted to or exercisable by the Trustee hereunder or under the Lease may be exercised by the Trustee without possession of any of the Certificates or the production thereof at the trial or other proceeding relative thereto, and any suit, action or proceeding instituted by the Trustee hereunder or under the Lease shall be brought in its name for the benefit of all of the Owners of such Certificates, subject to the provisions of this Trust Agreement.

ARTICLE XIII

Discharge

Section 13.01. Discharge Hereof. If and when the obligations represented by any or all Outstanding Certificates are 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 of and interest and prepayment premiums (if any) represented by such Certificates Outstanding selected for prepayment as and when the same become due and payable; or

(b) by depositing with the Trustee or any other fiduciary, under an escrow deposit and trust agreement, security for the payment of Lease Payments relating to such Certificates selected for prepayment as more particularly described in Section 9.1 of the Lease, said security to be held by the Trustee on behalf of the District to be applied by the Trustee or by such other fiduciary to pay or prepay such Lease Payments as the same become due, pursuant to Section 9.1 of the Lease -

and if such Certificates selected for prepayment are to be prepaid prior to the maturity thereof notice of such prepayment has been mailed pursuant to Section 3.03 or provision satisfactory to the Trustee has been made for the mailing of such notice, then, notwithstanding that such Certificates may not have been surrendered for payment, all rights hereunder of the Owners of such Certificates and all obligations of the Corporation, the Trustee and the District with respect to such Certificates shall cease and terminate, except only the obligations of the Trustee under Sections 2.07 and 2.08, 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 pursuant to paragraph (b) of this Section, to the Owners of such Certificates not so surrendered and paid all sums represented thereby when due and in the event of deposits pursuant to 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 this Section, 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.

To accomplish the discharge of the obligations represented by the Certificates pursuant to this Section 13.01, the District shall cause to be delivered (i) a report of an independent certified public accountant verifying the sufficiency of the escrow established to pay the Certificates in full on the maturity or earlier prepayment date, (ii) an escrow deposit agreement, and (iii) an opinion of Special Counsel to the effect that the Certificates are no longer Outstanding under this Trust Agreement. Each such report, agreement and opinion shall be acceptable in form and substance, and addressed, to the District and the Trustee.

Certificates shall be deemed "Outstanding" under the Trust Agreement unless and until they are in fact paid and retired or the above criteria are met.

Section 13.02. Payment of Certificates After Discharge of Trust Agreement.

Notwithstanding any provisions of this Trust Agreement, but subject to any applicable laws of the State of California relating to the escheat of funds or property, any moneys held by the Trustee in trust for the payment of the principal or interest represented by any Certificates and remaining unclaimed for one year after the principal represented by all of the Certificates has become due and payable (whether at maturity or upon call for prepayment or by acceleration as provided in this Trust Agreement), if such moneys were so held at such date, or one year after the date of deposit of such moneys if deposited after said date when all of the Certificates became due and payable, shall be repaid to the District free from the trusts created by this Trust Agreement, and all liability of the Trustee with respect to such moneys shall thereupon cease; *provided, however,* that before the repayment of such moneys to the District as aforesaid, the Trustee shall at the written request and cost of the District first mail, by first class mail postage prepaid, to the Owners of Certificates which have not yet been paid, at the respective addresses shown on the Registration Books, a notice, in such form as may be deemed appropriate by the Trustee with respect to the Certificates so payable and not presented and with respect to the provisions relating to the repayment to the District of the moneys held for the payment thereof. The District hereby indemnifies the Trustee against any claims of Owners of Certificates which have not yet been paid.

ARTICLE XIV

Administrative Provisions

Section 14.01. Records. Until the final maturity of the Certificates, the Trustee shall keep complete and accurate records of all moneys received and disbursed under this Trust Agreement, which shall be available for inspection by the District, the Corporation and any Owner, or the agent of any of them, at any reasonable time during regular business hours upon prior notice.

Section 14.02. Notices. Any notice, request, complaint, demand or other communication under this Trust Agreement shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by facsimile or other form of telecommunication, at its number set forth below. Notice shall be effective either (a) upon transmission by facsimile or other form of telecommunication, (b) 48 hours after deposit in the United States of America first class mail, postage prepaid, or (c) in the case of personal delivery or other form of telecommunication to any person, upon actual receipt. The Corporation, the District or the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the District: Pleasant Valley Recreation and Park District
1605 E. Burnley St.
Camarillo, CA 93010
Attention: General Manager
Fax: (805) 482-3468

If to the Corporation: CSDA Finance Corporation
1112 "I" Street, Ste 200
Sacramento, CA 95814
Attention: Administrator
Fax: (916) 442-7889

If to the Trustee: MUFG Union Bank, N.A.
445 S. Figueroa Street, Suite 401
Los Angeles, CA 90071
Attention: Corporate Trust Services
Fax: 213-972-5694
Email: AccountAdministration-CorporateTrust@unionbank.com and CashControlGroup-LosAngeles@unionbank.com

Section 14.03. Disqualified Certificates. In determining whether the Owners of the requisite aggregate principal amount of Certificates have concurred in any demand, request, direction, consent or waiver under this Trust Agreement, Certificates which are owned or held by or for the account of the District (but excluding Certificates held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of any such determination, *provided, however*, that for the purpose of determining whether the Trustee shall be protected in relying on any such demand, request, direction, consent or waiver, only Certificates which the Trustee knows to be so owned or held shall be disregarded. Upon request

of the Trustee, the District shall specify in a certificate to the Trustee those Certificates disqualified pursuant to this Section and the Trustee may conclusively rely on such certificate

Section 14.04. Governing Law. This Trust Agreement shall be construed and governed in accordance with the laws of the State of California, without giving effect to principles of conflicts of law of the State of California.

Section 14.05. Binding Effect; Successors. This Trust Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. Whenever in this Trust Agreement either the Corporation, the District or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Trust Agreement contained by or on behalf of the Corporation, the District or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 14.06. Corporation and District Representatives. Whenever under the provisions of this Trust Agreement the Corporation or the District is required or permitted to take some action, including but not limited to the giving of any approval or the execution of some request, direction or other instrument, such action shall be made on behalf of the Corporation by a Corporation Representative and on behalf of the District by a District Representative, and any party hereto shall be fully authorized to rely upon any such action by a Corporation Representative or a District Representative.

Section 14.07. Execution in Counterparts. This Trust Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

Section 14.08. Delivery of Cancelled Certificates. Whenever in this Trust Agreement provision is made for the surrender to or cancellation by the Trustee of any Certificates, the Trustee shall cancel and destroy such Certificates and shall deliver a certificate of destruction with respect thereto to the District.

Section 14.09. Headings. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Trust Agreement. All references herein to "Articles", "Sections", and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Trust Agreement; and the words "herein", "hereof", "hereunder" and other words of similar import refer to this Trust Agreement as a whole and not to any particular Article, Section or subdivision hereof.

Section 14.10. Waiver of Notice. Whenever in this Trust Agreement the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 14.11. Separability of Invalid Provisions. In case any one or more of the provisions contained in this Trust Agreement or in the Certificates shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision of this Trust Agreement, and this Trust Agreement shall be construed as if such invalid or illegal or unenforceable provision had never

been contained herein. The parties hereto hereby declare that they would have entered into this Trust Agreement and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the delivery of the Certificates pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases of this Trust Agreement may be held illegal, invalid or unenforceable.

* * * * *

IN WITNESS WHEREOF, the parties have executed this Trust Agreement as of the date and year first above written.

MUFG UNION BANK, N.A.,
as Trustee

By _____
Authorized Officer

CSDA FINANCE CORPORATION

By _____
President

Attest:

Secretary

PLEASANT VALLEY RECREATION AND
PARK DISTRICT

By _____
General Manager

Attest:

Secretary of the Board

**EXHIBIT A
FORM OF CERTIFICATE OF PARTICIPATION**

**REFUNDING CERTIFICATES OF PARTICIPATION
(PARK FACILITIES PROJECT)**

**Evidencing the Direct, Undivided Fractional Interest of the
Owner Hereof in Lease Payments to be Made by the**

**PLEASANT VALLEY RECREATION AND PARK DISTRICT
(Ventura County, California)**

**As the Rental for Certain Property Pursuant to a Lease Agreement with the
CSDA FINANCE CORPORATION**

RATE OF INTEREST: MATURITY DATE: ORIGINAL ISSUE DATE: CUSIP:
 _____ % November 1, _____ _____, 2017

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: *** DOLLARS***

THIS IS TO CERTIFY THAT the Registered Owner identified above, or registered assigns, as the registered owner (the "Registered Owner") of this Refunding Certificate of Participation (the "Certificate") is the owner of a direct, undivided fractional interest in lease payments (the "Lease Payments") payable under the Lease Agreement dated as of March 1, 2017 (the "Lease") by and between the CSDA Finance Corporation, a nonprofit public benefit corporation duly organized and existing under the Nonprofit Public Benefit Corporation Law of the State of California (the "Corporation"), and the Pleasant Valley Recreation and Park District, a recreation and park district duly organized and existing under the laws of the State of California (the "District"), to refinance the acquisition and construction of recreation and park facilities consisting generally of a regional sports park to be known as the "Village at the Park". The Lease Payments and certain other rights and interests under the Lease have been assigned to MUFG Union Bank, N.A., as trustee (the "Trustee"), having a corporate trust office in Los Angeles, California (the "Trust Office").

The Registered Owner of this Certificate is entitled to receive, subject to the terms of the Lease, on the Maturity Date identified above, or any earlier prepayment date, the Principal Amount identified above representing a direct, undivided fractional share of the portion of the Lease Payments designated as principal, and to receive on May 1, 2017, and semiannually thereafter on May 1 and November 1 of each year (the "Interest Payment Dates") until payment in full of said principal, the Registered Owner's direct, undivided fractional share of the Lease Payments designated as interest coming due during the interest period immediately preceding each of the Interest Payment Dates. Interest represented hereby shall be payable from the Interest Payment Date next preceding the date of execution of this Certificate unless (a) this Certificate is executed after the close of business on the 15th day of the month immediately

preceding an Interest Payment Date and on or before such Interest Payment Date, in which event interest shall be payable from such Interest Payment Date, or (b) this Certificate is executed on or before April 15, 2017, in which event interest shall be payable from the Original Issue Date identified above. The Registered Owner's share of the portion of the Lease Payments designated as interest is the result of the multiplication of the aforesaid share of the portion of the Lease Payments designated as principal by the Rate of Interest per annum identified above, calculated on the basis of a 360-day year comprised of twelve 30-day months. Principal represented hereby is payable in lawful money of the United States of America upon surrender hereof at the Trust Office, and interest represented hereby is payable by check mailed by first class mail by the Trustee on each Interest Payment Date to the Registered Owner at such Owner's address as it appears on the registration books of the Trustee as of the close of business on the 15th day of the preceding month.

This Certificate has been executed and delivered by the Trustee pursuant to the terms of a Trust Agreement by and among the Trustee, the Corporation and the District, dated as of March 1, 2017 (the "Trust Agreement"). Reference is hereby made to the Lease and the Trust Agreement (copies of which are on file at the Trust Office) for a description of the terms on which the Certificates are delivered, the rights thereunder of the owners of the Certificates, the rights, duties and immunities of the Trustee and the rights and obligations of the District under the Lease, to all of the provisions of the Lease and the Trust Agreement the Registered Owner of this Certificate, by acceptance hereof, assents and agrees.

The District is obligated under the Lease to pay the Lease Payments for certain real property (the "Site and Facilities") from any source of available funds, subject to certain exceptions as set forth in the Lease. The obligation of the District to pay the Lease 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 the Lease Payments does not constitute a debt of the District, the County of Ventura, the State of California or any of its political subdivisions, and does not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

The Certificates maturing on or before November 1, 20__, are not subject to optional prepayment prior to their respective stated maturities. The Certificates maturing on or after November 1, 20__, 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 November 1, 20__, from prepayments of the Lease Payments made at the option of the District, at a prepayment price equal to the principal amount to be prepaid, together with accrued interest represented thereby to the date fixed for prepayment, without premium.

The Certificates maturing on November 1, 20__, are also subject to mandatory sinking fund prepayment by lot on November 1 in each year beginning November 1, 20__, 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:

Prepayment Date (November 1)	Principal Amount of Term Certificates To Be Prepaid
---------------------------------	---

The Certificates maturing on November 1, 20__, are also subject to mandatory sinking fund prepayment by lot on November 1 in each year beginning November 1, 20__, 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:

Prepayment Date (November 1)	Principal Amount of Term Certificates To Be Prepaid
---------------------------------	---

The Certificates are subject to mandatory prepayment, in whole or in part (in inverse order of maturity and by lot within a maturity) on any Interest Payment Date, from the net proceeds of insurance or eminent domain proceedings credited toward the prepayment of the Lease Payments under the Lease, 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.

As provided in the Trust Agreement, notice of prepayment shall be mailed by the Trustee by first class mail, postage prepaid, not less than 30 nor more than 60 days before the prepayment date, to the registered owners of the Certificates to be prepaid, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for prepayment or the cessation of accrual of interest represented thereby. If this Certificate is called for prepayment and payment is duly provided therefor as specified in the Trust Agreement, interest represented hereby shall cease to accrue from and after the date fixed for prepayment.

The District shall have the right to rescind any notice of optional or mandatory prepayment from the net proceeds of insurance or eminent domain proceedings by written notice to the Trustee on or prior to the date fixed for prepayment. Any notice of prepayment shall be cancelled and annulled if for any reason funds are not available on the date fixed for prepayment for the payment in full of the Certificates then called for prepayment, and such cancellation shall not constitute an Event of Default under the Trust Agreement.

This Certificate is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Trust Office or such other place as designated by the Trustee, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the Trust Agreement and upon surrender and cancellation of this Certificate. Upon such transfer a new Certificate or Certificates, of authorized denomination or denominations, representing the same aggregate principal amount and representing the same rate of interest, will be delivered to the transferee in exchange herefor. The District, the

Corporation and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, whether or not this Certificate is overdue, and the District, the Corporation and the Trustee shall not be affected by any notice to the contrary.

To the extent and in the manner permitted by the terms of the Trust Agreement, the provisions of the Trust Agreement may be amended by the parties thereto with the written consent of the owners of a majority in aggregate principal amount of the Certificates then outstanding, and may be amended without such consent under certain circumstances; provided that no such amendment shall extend the fixed maturity of any Certificate or reduce the interest or principal represented thereby, without the express consent of the owner of such Certificate.

The Trustee has no obligation or liability to registered owners of the Certificates to make payments of principal or interest with respect to the Certificates, except from funds held by the Trustee under the Trust Agreement. The Trustee's primary obligations are to administer, for the benefit of the registered owners of the Certificates, the various funds and accounts established under the Trust Agreement.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized agent of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

The District has certified, recited and declared that all things, conditions and acts required by the laws of the State of California, the Lease and the Trust Agreement to exist, to have happened and to have been performed precedent to and in the delivery of the Certificates, do exist, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, this Certificate has been executed and delivered by MUFG Union Bank, N.A., as trustee, acting pursuant to the Trust Agreement.

Execution Date: _____, 2017

MUFG UNION BANK, N.A., as Trustee

By _____
Authorized Signatory

ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within-registered Certificate and do(es) hereby irrevocably constitute(s) and appoint(s)

_____, attorney, to
transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

SIGNATURE:

Notice: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

Notice: The signature on this assignment must correspond with the name(s) as written on the face of the within Certificate in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT B
FORM OF COSTS OF ISSUANCE FUND REQUISITION

\$ _____
Refunding Certificates of Participation
(Park Facilities Project)

WRITTEN REQUISITION NO. ___ FOR
DISBURSEMENT FROM COSTS OF ISSUANCE FUND

The undersigned hereby states and certifies that:

1. the undersigned is the duly appointed, qualified and acting _____ of the Pleasant Valley Recreation and Park District, a recreation and park district duly organized and existing under the Constitution and laws of the State of California (the "District"), and as such, is familiar with the facts herein certified and is authorized and qualified to certify the same;

2. the undersigned is a duly designated "District Representative" as such term is defined in that certain Trust Agreement, dated as of March 1, 2017 (the "Trust Agreement"), by and among the District, MUFJ Union Bank, N.A., as trustee thereunder (the "Trustee"), and the CSDA Finance Corporation (the "Corporation");

3. under Section 4.03 of the Trust Agreement, the Trustee is hereby requested to disburse this date, from the Costs of Issuance Fund established under the Trust Agreement, to the payees set forth on Attachment I attached hereto and by this reference incorporated herein, at the addresses identified thereon, the amount set forth opposite such payee for payment of Costs of Issuance, as evidenced by invoices that are attached to Attachment I, and all such payments shall be made by check or wire transfer in accordance with payment instructions contained in Attachment 1 or the invoice submitted in accordance therewith and the Trustee shall have no duty or obligation to authenticate such payment instructions or the authorization thereof;

4. the amounts to be disbursed constitute Costs of Issuance, those amounts are required to be disbursed pursuant to a contract entered into therefor by or on behalf of the Corporation or the District, or were necessarily and reasonably incurred, and those amounts are not being paid in advance of the time, if any, fixed for payment;

5. no amount set forth in this requisition was included in any requisition requesting disbursement of Costs of Issuance previously filed with the Trustee pursuant to Section 4.03 of the Trust Agreement;

6. any capitalized terms used herein and not otherwise defined have the meanings ascribed thereto in the Trust Agreement.

Dated: _____, 2017

PLEASANT VALLEY RECREATION
AND PARK DISTRICT

By: _____
Name: _____
Title: _____

ATTACHMENT I

<u>Payee Name and Payment Instructions</u>	<u>Purpose of Obligation</u>	<u>Amount</u>

ESCROW AGREEMENT

Relating to the Payment and Prepayment of:

\$12,775,000

CERTIFICATES OF PARTICIPATION

(Park Facilities Project)

Series 2008

Evidencing the Direct, Undivided Fractional Interests of the

Owners Thereof in Lease Payments to be Made by the

PLEASANT VALLEY RECREATION AND PARK DISTRICT

(Ventura County, California)

to the CSDA FINANCE CORPORATION

This ESCROW AGREEMENT (this "Agreement"), made and entered into as of March 1, 2017, by and among CSDA FINANCE CORPORATION, a nonprofit public benefit corporation duly organized and existing under the Nonprofit Public Benefit Corporation Law of the State of California (the "Corporation"), PLEASANT VALLEY RECREATION AND PARK DISTRICT, a recreation and park district duly organized and existing under the Constitution and laws of the State of California (the "District") and MUFU UNION BANK, N.A., a national banking association organized and existing under the laws of the United States of America, as escrow agent (the "Escrow Agent") and as Prior Trustee (as hereinafter defined).

BACKGROUND:

WHEREAS, for the purpose of financing the acquisition and construction of recreation and park facilities consisting generally of a regional sports park and related publicly owned improvements, the District caused execution and delivery of \$12,775,000 initial principal amount of Certificates of Participation (Park Facilities Project) Series 2008 (the "Prior Certificates") pursuant to a Trust Agreement, dated as of July 1, 2008 (the "2008 Trust Agreement"), by and among Union Bank of California, N.A. (now known as MUFU Union Bank, N.A.), as trustee (the "Prior Trustee"), the District and the Corporation; and

WHEREAS, the Prior Certificates represent undivided fractional interests in lease payments made by the District for the use and occupancy of certain real property and improvements pursuant to a Lease Agreement, dated as of July 1, 2008 (the "2008 Lease Agreement"), by and between the District, as lessor, and the Corporation, as lessee; and

WHEREAS, the Prior Certificates were insured by Assured Guaranty Municipal Corporation (the "Prior Certificates Insurer"); and

WHEREAS, in order to take advantage of prevailing market conditions and realize savings for the benefit of the District, the District wishes to refinance its lease payment obligations under the 2008 Lease Agreement and to cause the prepayment of the Prior Certificates; and

WHEREAS, the Corporation was formed for the purposes of, among other things, aiding in financing and refinancing the acquisition, construction and improvement of public capital facilities for California special districts which are members of the California Special Districts Association, including the District; and

WHEREAS, in order to refinance the 2008 Lease Agreement and prepay the Prior Certificates, the District has caused the Trustee to execute and deliver the \$_____ aggregate principal amount of Refunding Certificates of Participation (Park Facilities Project) (the "Certificates"); and

WHEREAS, the Prior Certificates maturing on or before September 1, 2018, are not subject to optional prepayment prior to their respective stated maturities, while the Prior Certificates maturing on or after September 1, 2019 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 September 1, 2018, from prepayments of the Lease Payments made at the option of the District, at a prepayment price equal to the principal amount to be prepaid, together with accrued interest represented thereby to the date fixed for prepayment, without premium; and

WHEREAS, the District, the Corporation and the Escrow Agent wish to enter into this Agreement for the purpose of providing the terms and conditions relating to the deposit and application of amounts sufficient for the payment and prepayment of the Prior Certificates as provided herein; and

NOW, THEREFORE, in consideration of the above premises and of the mutual promises and covenants herein contained and for other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

Section 1. Appointment of Escrow Agent. The District hereby appoints the Escrow Agent as escrow agent for all purposes of this Agreement and in accordance with the terms and provisions of this Agreement, and the Escrow Agent hereby accepts such appointment.

Section 2. Establishment of Escrow Fund. There is hereby created the Escrow Fund to be held by the Escrow Agent, separate and apart from any funds or accounts of the Escrow Agent, the Corporation or the District, as an irrevocable escrow securing payment and prepayment of principal of and interest on the Prior Certificates as hereinafter set forth.

All cash and Defeasance Securities (as defined herein) in the Escrow Fund are hereby irrevocably pledged as a special fund for the payment and prepayment of the Prior Certificates in accordance with the terms hereof. If at any time the Escrow Agent receives actual knowledge that the cash and amounts in the Escrow Fund will not be sufficient to make any payment required by Section 4 hereof, the Escrow Agent will notify the District of such fact and the District will immediately cure such deficiency from any source of legally available funds.

As used herein, the term "Defeasance Securities" means the federal securities set forth on Exhibit A hereto and hereby incorporated herein.

Section 3. Deposit into Escrow Fund; Investment of Amounts.

(a) Concurrently with the execution and delivery of the Certificates, the Corporation and/or the District will cause to be transferred to the Escrow Agent for deposit into the Escrow Fund, the amount of \$_____, derived as follows:

(i) from MUFG Union Bank, N.A., as trustee for the Certificates (the "2017 Trustee") out of the proceeds of the Certificates, the amount of \$_____; and

(ii) from the Prior Trustee, out of the reserve accounts established for the Prior Certificates, the amount of \$_____.

(b) With respect to the aggregate \$_____ deposited into the Escrow Fund, the Escrow Agent will:

(i) invest \$_____ of the moneys deposited in the Defeasance Securities described in Exhibit A hereto; and

(ii) hold the remaining \$_____ in cash uninvested.

The Defeasance Securities and cash will be deposited with and held by the Escrow Agent in the Escrow Fund solely for the uses and purposes set forth herein. The Escrow Agent will have no lien upon or right of set off against the Defeasance Securities and cash at any time on deposit in the Escrow Fund.

Section 4. Instructions as to Application of Deposit. The total amount of Defeasance Securities and cash deposited in the Escrow Fund pursuant to Section 3 will be transferred by the Escrow Agent to the Prior Trustee for payment and prepayment of the Prior Certificates in accordance with the 2008 Trust Agreement on the date(s) and in the amounts set forth on Exhibit B hereto. Any amounts remaining in the Escrow Fund following the full prepayment of all of the Prior Certificates will be transferred by the Escrow Agent to the 2017 Trustee, for deposit to the Lease Payment Fund established and held by the 2017 Trustee with respect to the Certificates.

Section 5. Election to Redeem; Notices. The District hereby irrevocably elects to redeem the Prior Certificates maturing on and after September 1, 2019 on September 1, 2018 (the "Prepayment Date"), in accordance with the 2008 Trust Agreement.

The Prior Trustee is hereby directed to give notice of optional prepayment of the Prior Certificates maturing on and after September 1, 2019 in the form attached as Exhibit D hereto in accordance with the 2008 Trust Agreement, at the expense of the District.

In addition, the Escrow Agent is directed to give a Notice of Defeasance of all of the Prior Certificates on the issuance date of the Certificates, substantially in the form attached hereto as Exhibit C, to the Municipal Securities Rulemaking Board (MSRB)'s Electronic Municipal Market Access (EMMA) system accessible at the emma.msrb.org website.

Section 6. Application of Certain Terms of Prior Agreement. All of the terms of the 2008 Trust Agreement relating to the payment and prepayment of the Prior Certificates are incorporated in this Agreement as if set forth in full herein.

Section 7. Compensation to Escrow Agent. From proceeds of the Prior Certificates or other lawfully available sources, the District will pay the Escrow Agent full compensation for its duties under this Agreement, including out-of-pocket costs such as publication costs, redemption expenses, legal fees and other costs and expenses relating hereto and, in addition, all fees, costs and expenses relating to the purchase of any Defeasance Securities after the date hereof. Under no circumstances will amounts deposited in or credited to the Escrow Fund be deemed to be available for said purposes.

Section 8. Immunities and Liabilities of Escrow Agent.

(i) The Escrow Agent undertakes to perform only such duties as are expressly and specifically set forth in this Agreement and no implied duties or obligations will be read into this Agreement against the Escrow Agent.

(ii) The Escrow Agent will not have any liability hereunder except to the extent of its own gross negligence or willful misconduct. The Escrow Agent will have no duty or responsibility under this Agreement in the case of any default in the performance of the covenants or agreements contained in the Prior Trust Agreements.

(iii) The Escrow Agent may consult with counsel of its own choice (which may be counsel to the District) and the opinion of such counsel will be full and complete authorization to take or suffer in good faith any action in accordance with such opinion of counsel.

(iv) The Escrow Agent will not be responsible for any of the recitals or representations contained herein.

(v) The Escrow Agent will not be liable for the accuracy of any calculations provided as to the sufficiency of the moneys or Defeasance Securities deposited with it to pay the principal of, and interest on, the Prior Certificates.

(vi) The Escrow Agent will not be liable for any action or omission of the District or the Corporation under this Agreement or the Prior Trust Agreements.

(vii) Whenever in the administration of this Agreement the Escrow Agent deems it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or willful misconduct on the part of the Escrow Agent, be deemed to be conclusively proved and established by a certificate of an authorized representative of the District, and such certificate will, in the absence of negligence or willful misconduct on the part of the Escrow Agent, be full warrant to the Escrow Agent for any action taken or suffered by it under the provisions of this Agreement upon the faith thereof.

(viii) The Escrow Agent may conclusively rely, as to the truth and accuracy of the statements and correctness of the opinions and the calculations provided, and will be protected and indemnified, in acting, or refraining from acting, upon any written notice, instruction, request, certificate, document or opinion furnished to the Escrow Agent signed or presented by the proper party, and it need not investigate any fact or matter stated in such notice, instruction, request, certificate or opinion.

(ix) The Escrow Agent may at any time resign by giving written notice to the District of such resignation. The District will promptly appoint a successor Escrow Agent by the resignation date. Resignation of the Escrow Agent will be effective upon acceptance of appointment by a successor Escrow Agent. If the District does not promptly appoint a successor, the Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor Escrow Agent, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Escrow Agent. After receiving a notice of resignation of an Escrow Agent, the District may appoint a temporary Escrow Agent to replace the resigning Escrow Agent until the District appoints a successor Escrow Agent. Any such temporary Escrow Agent so appointed by the

District will immediately and without further act be superseded by the successor Escrow Agent so appointed.

(x) The District covenants to indemnify and hold harmless the Escrow Agent against any loss, liability or expense, including legal fees, in connection with the performance of any of its duties hereunder, except the Escrow Agent will not be indemnified against any loss, liability or expense resulting from its gross negligence or willful misconduct.

Section 9. Amendment. This Agreement may be amended by the parties hereto only as follows:

(i) without the consent of the owners of the Prior Certificates or the Prior Certificates Insurer, but only if such amendment is made (a) to cure, correct or supplement any ambiguous or defective provision contained herein, (b) to pledge additional security to the payment and prepayment of the Prior Certificates, or (c) to deposit additional monies for the purposes of this Agreement; or

(ii) with the consent of 100% of the owners of the Prior Certificates outstanding, and only if there will have been filed with the District, the Corporation, the Prior Certificates Insurer, and the Escrow Agent a written opinion of Jones Hall, A Professional Law Corporation, as special counsel, stating that any such amendment will not materially adversely affect the interests of the owners of the Prior Certificates, and that any such amendment will not cause the portion of lease payments representing interest payable with respect to the Prior Certificates to become includable in the gross income of the owners thereof for federal income tax purposes.

No amendment shall effect a substitution of securities held by the Escrow Agent under this Agreement, unless the Prior Certificates Insurer shall have been provided a verification report by an independent certified public accountant, and given its prior written consent to such substitution (such consent not to be unreasonably withheld, conditioned or delayed).

Section 10. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

Section 11. Applicable Law. This Agreement will be governed by and construed in accordance with the laws of the State of California.

Section 12. Severability. In the event any provision of this Agreement will be held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly authorized officers all as of the date first above written.

**PLEASANT VALLEY RECREATION AND
PARK DISTRICT**

By: _____
General Manager

CSDA FINANCE CORPORATION

By _____
President

**MUFG UNION BANK, N.A., as Escrow
Agent and as Prior Trustee**

By: _____
Authorized Officer

EXHIBIT A
DEFEASANCE SECURITIES

<u>Type of Security</u>	<u>Maturity Date</u>	<u>Par Amount</u>	<u>Rate</u>	<u>Total Cost</u>
-------------------------	----------------------	-------------------	-------------	-------------------

<u>Purchase Date</u>	<u>Cost of Securities</u>	<u>Cash Deposit</u>	<u>Total Escrow Cost</u>
----------------------	---------------------------	---------------------	--------------------------

EXHIBIT B

**SCHEDULE OF PAYMENT AND PREPAYMENT
OF PRIOR CERTIFICATES**

Period Ending	Principal	Interest	Principal Redeemed	Total
March 1, 2017	--	\$	--	\$
September 1, 2017	\$175,000		--	
March 1, 2018	--		--	
September 1, 2018	195,000			

EXHIBIT C

NOTICE OF DEFEASANCE

**\$12,775,000
CERTIFICATES OF PARTICIPATION
(Park Facilities Project)
Series 2008**

**Evidencing the Direct, Undivided Fractional Interests of the
Owners Thereof in Lease Payments to be Made by the
PLEASANT VALLEY RECREATION AND PARK DISTRICT
(Ventura County, California)
to the CSDA FINANCE CORPORATION**

Final Maturity Date: September 1, 2038

NOTICE IS HEREBY GIVEN, by the Pleasant Valley Recreation and Park District (the "District") with respect to the captioned certificates of participation (the "Certificates"), that it has defeased the Certificates set forth below as of _____, 2017. ***This notice is not a notice of redemption or prepayment of any of the Certificates.***

The Certificates that have been defeased consist of the following:

<u>Maturity Date</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP No.</u> <u>(728658)†</u>
2017	\$175,000	4.200%	AJ4
2018	195,000	4.250	AK1
2019	220,000	4.300	AL9
2020	245,000	4.375	AM7
2021	275,000	4.450	AN5
2022	300,000	4.550	AP0
2023	335,000	4.650	AQ8
2024	365,000	4.700	AR6
2025	400,000	4.750	AS4
2026	440,000	4.800	AT2
2027	475,000	4.875	AU9
2028	520,000	4.950	AV7

\$3,330,000 5.000% Term Certificate due September 1, 2033, CUSIP† No. 728658 AW5

\$4,855,000 5.125% Term Certificate due September 1, 2038, CUSIP† No. 728658 AX3

† CUSIP data are provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by S&P Capital IQ. The District and the Trustee shall not be responsible for the selection or use of the CUSIP numbers listed above, nor is any representation made as to the accuracy of the CUSIP numbers listed above or as printed on any Bond; the CUSIP numbers are included solely for the convenience of the owners of the Certificates.

Dated: _____

MUFG UNION BANK, N.A.,
as Trustee for the Certificates and as Escrow Agent

EXHIBIT D

NOTICE OF OPTIONAL PREPAYMENT

\$12,775,000

CERTIFICATES OF PARTICIPATION

(Park Facilities Project)

Series 2008

Evidencing the Direct, Undivided Fractional Interests of the

Owners Thereof in Lease Payments to be Made by the

PLEASANT VALLEY RECREATION AND PARK DISTRICT

(Ventura County, California)

to the CSDA FINANCE CORPORATION

Final Maturity Date: September 1, 2038

NOTICE IS HEREBY GIVEN, by the Pleasant Valley Recreation and Park District (the "District") with respect to the captioned certificates of participation (the "Certificates"), that it has elected to prepay all of the outstanding Certificates maturing on and after September 1, 2019 on September 1, 2018.

The Certificates that will be optionally prepaid on September 1, 2018 are as follows:

<u>Maturity Date</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP No.</u> <u>(728658)†</u>
2019	\$220,000	4.300%	AL9
2020	245,000	4.375	AM7
2021	275,000	4.450	AN5
2022	300,000	4.550	AP0
2023	335,000	4.650	AQ8
2024	365,000	4.700	AR6
2025	400,000	4.750	AS4
2026	440,000	4.800	AT2
2027	475,000	4.875	AU9
2028	520,000	4.950	AV7

\$3,330,000 5.000% Term Certificate due September 1, 2033, CUSIP† No. 728658 AW5

\$4,855,000 5.125% Term Certificate due September 1, 2038, CUSIP† No. 728658 AX3

† CUSIP data are provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by S&P Capital IQ. The District and the Trustee shall not be responsible for the selection or use of the CUSIP numbers listed above, nor is any representation made as to the accuracy of the CUSIP numbers listed above or as printed on any Bond; the CUSIP numbers are included solely for the convenience of the owners of the Certificates.

Dated: _____, 2018

MUFG UNION BANK, N.A.,
as Trustee for the Certificates and as Escrow Agent

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

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2017

NEW ISSUE - BOOK-ENTRY ONLY

RATINGS: S&P: "____"
See "RATING"

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Special Counsel, subject, however to certain qualifications described herein, under existing law, the portion of 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 such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, although for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest is taken into account in determining certain income and earnings. In the further opinion of Special Counsel, such interest is exempt from California personal income taxes. See "TAX MATTERS."

\$ _____ *

Pleasant Valley Recreation and Park District
2017 Refunding Certificates of Participation
(Park Facilities Project)

Dated: Date of Delivery

Due: November 1, as shown on inside cover

Authority for Execution and Delivery. The Certificates of Participation captioned above (the "Certificates") are being executed and delivered under a Trust Agreement dated as of March 1, 2017 (the "Trust Agreement") among the Pleasant Valley Recreation and Park District (the "District"), the CSDA Finance Corporation (the "Corporation") and MUFG Union Bank, N.A., as trustee (the "Trustee"). See "THE CERTIFICATES – Authority for Execution and Delivery."

Purposes. The Certificates are being executed and delivered to (i) prepay and defease certain outstanding certificates of participation executed and delivered in 2008 in order to finance the acquisition and construction of certain recreation and park improvements owned by the District, and (ii) pay certain costs of executing and delivering the Certificates. See "FINANCING PLAN."

Security for the Certificates. The Certificates evidence and represent direct, undivided fractional interests in certain payments (the "Lease Payments"), to be made by the District under a Lease Agreement dated as of March 1, 2017 (the "Lease Agreement"), between the District and the Corporation, under which the Corporation will lease certain real property to the District in consideration of the payment by the District of the Lease Payments. The Corporation, for the benefit of the Owners of the Certificates, has assigned, among other things, its right to receive Lease Payments to the Trustee. The District is not funding a reserve fund for the payment of Lease Payment or the Certificates. See "SECURITY FOR THE CERTIFICATES."

Terms of the Certificates. The Certificates will be executed and delivered in denominations of \$5,000 principal amount or integral multiples thereof. Interest with respect to the Certificates accrues from their date of delivery and is payable semiannually on November 1 and May 1 of each year, commencing May 1, 2017. See "THE CERTIFICATES – General Certificate Terms."

Book-Entry Only. The Certificates will be executed and delivered as fully registered certificates in book-entry form only, initially registered in the name of Cede & Co., New York, New York, as nominee of The Depository Trust Company ("DTC"), New York, New York. Purchasers will not receive physical certificates representing their interest in the Certificates. The principal and premium (if any) on and interest with respect to the Certificates will be payable by the Trustee to DTC for subsequent disbursement to DTC participants, so long as DTC or its nominee remains the registered owner of the Certificates. See "THE CERTIFICATES – Book-Entry System."

Prepayment. The Certificates are subject to optional prepayment, mandatory sinking fund prepayment and extraordinary mandatory prepayment from the net proceeds of insurance or condemnation proceedings prior to their scheduled payment dates. See "THE CERTIFICATES – Prepayment of the Certificates."

This cover page contains information for general reference only, and is not a summary of the security or terms of this issue. Investors must read the entire Official Statement, including the section entitled "RISK FACTORS," for a discussion of special factors which should be considered, in addition to the other matters set forth in this Official Statement, in considering the investment quality of the Certificates. Capitalized terms used on this cover page and not otherwise defined have the meanings set forth in this Official Statement.

MATURITY SCHEDULE

See inside front cover

NEITHER THE CERTIFICATES NOR THE OBLIGATION OF THE DISTRICT TO MAKE LEASE PAYMENTS CONSTITUTES A DEBT OF THE DISTRICT OR OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, 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.

The Certificates are offered when, as and if sold, executed, delivered to and received by the Underwriter, subject to the approval as to their legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Special Counsel. Jones Hall is also serving as Disclosure Counsel to the District. Certain legal matters will be passed upon for the Corporation and the District by the District's general counsel, and for the Underwriter by Stradling Yocca Carlson & Rauth, P.C., Newport Beach, California. It is anticipated that the Certificates in book-entry form, will be available for delivery to DTC in New York, New York, on or about _____, 2017.

[RAYMOND JAMES LOGO]

The date of this Official Statement is _____, 2017.

* Preliminary; subject to change.

MATURITY SCHEDULE*

\$ _____ Serial Certificates

(Base CUSIP†: _____)

<u>Maturity Date</u> <u>(November 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP†</u>
---	-----------------------------------	--------------------------------	--------------	--------------	---------------

* Preliminary; subject to change.

† Copyright 2017, American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, managed by Standard & Poor's Capital IQ, and are provided for convenience of reference only. Neither the District nor the Underwriter assumes any responsibility for the accuracy of these CUSIP data

**PLEASANT VALLEY RECREATION AND PARK DISTRICT,
CALIFORNIA**

Board of Directors

Neal Dixon, *Chairman*
Mark Malloy, *Vice Chairman*
Bob Kelley, *Secretary*
Elaine Magner, *Director*
Mike Mishler, *Director*

District Administration

Mary Otten, *General Manager*
Leo Young, *Administrative Services Manager*
Mitchell Cameron, *Administrative Assistant*

Special Counsel and Disclosure Counsel
Jones Hall, A Professional Law Corporation
San Francisco, California

Municipal Advisor
C.M. de Crinis & Co., Inc.
Glendale, California

Trustee and Escrow Agent
MUFG Union Bank, N.A.
Los Angeles, California

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

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

Use of Official Statement. This Official Statement is submitted in connection with the sale of the 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 to be construed as a contract with the purchasers of the Certificates.

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, 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.

Limit of Offering. 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 herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Certificates by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

Limited Scope of Information. The District has obtained certain information set forth herein from sources that are believed to be reliable, but this information is not guaranteed as to accuracy or completeness. 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 or any other parties described in this Official Statement since the date hereof.

All summaries of or references to the documents referred to in this Official Statement are made subject to the provisions of such documents and do not purport to be complete statements of any or all of such provisions. All capitalized terms used herein, unless noted otherwise, have the meanings given them in APPENDIX A.

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

Stabilization of Prices. In connection with this offering, the Underwriter may over-allot or effect transactions that stabilize or maintain the market price of the Certificates at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the Certificates to certain dealers and others at prices lower than the public offering prices set forth on the cover page hereof and said public offering prices may be changed from time to time by the Underwriter.

District Internet Site. The District maintains a website, but the information presented on the website is not a part this Official Statement and should not be relied upon in making an investment decision with respect to the Certificates.

NO REGISTRATION. THE CERTIFICATES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXCEPTION FROM THE REGISTRATION REQUIREMENTS CONTAINED IN SUCH ACT. THE CERTIFICATES HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
INTRODUCTION	1	Largest Property Owners.....	29
FINANCING PLAN	3	Tax Levies and Delinquencies.....	30
Prepayment Plan	3	Impact of State Budgets	30
Estimated Sources and Uses of Funds	4	Employee Retirement System	30
THE CERTIFICATES	5	Deferred Compensation Savings Plans.....	32
Authority for Execution and Delivery	5	Other Post-Employment Benefits	33
General Certificate Terms	5	Long-Term General Fund Obligations	34
Prepayment of the Certificates*	6	Direct and Overlapping Governmental	
Book-Entry System	8	Obligations	35
Registration, Transfer and Exchange	8	Investments	36
SCHEDULE OF CERTIFICATE PAYMENTS..	10	CONSTITUTIONAL AND STATUTORY	
THE SITE AND FACILITIES.....	11	LIMITATIONS ON TAXES AND	
General.....	11	APPROPRIATIONS.....	37
Modification of Site and Facilities	11	Article XIII A of the California Constitution....	37
Substitution of Site and Facilities	11	Article XIII B of the California Constitution....	37
Release of Site and Facilities	12	Article XIII C and XIII D of the California	
SECURITY FOR THE CERTIFICATES.....	14	Constitution	38
General.....	14	Proposition 1A	39
Lease Payments.....	14	Proposition 22.....	40
Source of Payments; Budget and		Unitary Property.....	42
Appropriation	15	Future Initiatives	42
Limited Obligation.....	16	RISK FACTORS.....	43
Additional Payments.....	16	No Pledge of Taxes	43
No Reserve Fund	16	Additional Obligations of the District.....	43
Termination Following Total Condemnation	16	Default	44
Application of Net Proceeds of Insurance		Termination.....	44
and Condemnation	16	Property Taxes	45
Covenants to Maintain Insurance	18	Environmental Matters.....	46
Additional Rental	19	Limitations on Remedies	47
THE DISTRICT.....	20	Impact of Decline in District Revenues.....	47
General Information.....	20	Loss of Tax-Exemption.....	48
Board of Directors.....	20	Federal Income Tax Changes	48
Employee Relations.....	20	Secondary Market for Certificates	49
DISTRICT FINANCIAL INFORMATION.....	21	TAX MATTERS	50
Accounting Practices	21	CERTAIN LEGAL MATTERS	51
Financial Statements	21	CONTINUING DISCLOSURE	51
General Fund Budget	24	UNDERWRITING	52
General Fund Balances and Reserve		NO LITIGATION	52
Policy.....	25	VERIFICATION OF MATHEMATICAL	
Major Revenues	25	COMPUTATIONS.....	52
Ad Valorem Property Taxation	26	PROFESSIONAL FEES	53
District Share of Property Taxes.....	27	RATINGS.....	53
Assessed Valuations	27		
APPENDIX A		SUMMARY OF PRINCIPAL LEGAL DOCUMENTS	
APPENDIX B		GENERAL INFORMATION ABOUT THE PLEASANT VALLEY RECREATION AND PARK	
		DISTRICT AND THE COUNTY OF VENTURA	
APPENDIX C		AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016	
APPENDIX D		PROPOSED FORM OF FINAL OPINION	
APPENDIX E		FORM OF CONTINUING DISCLOSURE CERTIFICATE	
APPENDIX F		BOOK ENTRY PROVISIONS	

OFFICIAL STATEMENT

\$ _____ *

**Pleasant Valley Recreation and Park District
2017 Refunding Certificates of Participation
(Park Facilities Project)**

The purpose of this Official Statement (which includes the cover page and the attached Appendices) is to provide information concerning the execution and delivery of the certificates of participation captioned above (the "**Certificates**"), evidencing and representing direct, undivided fractional interests of the registered owners thereof in certain lease payments (described herein) to be made by the Pleasant Valley Recreation and Park District (the "**District**") to the CSDA Finance Corporation (the "**Corporation**").

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

Capitalized terms used but not defined in this Official Statement have the meanings set forth in APPENDIX A.

INTRODUCTION

Authority for Execution and Delivery. The Certificates are being executed and delivered under a Trust Agreement dated as of March 1, 2017 (the "**Trust Agreement**"), among the District, the Corporation and MUFG Union Bank, N.A., as trustee (the "**Trustee**").

Purposes. The Certificates are being executed and delivered to (i) prepay and defease certain outstanding certificates of participation executed and delivered in 2008 in order to finance the acquisition and construction of certain recreation and park improvements publicly owned and operated by the District, and (ii) pay certain costs of executing and delivering the Certificates. See "FINANCING PLAN."

Security for the Certificates. In order to provide funds to refinance the 2008 Certificates, the Corporation and the District have entered into a Site and Facilities Lease dated as of March 1, 2017 (the "**Site and Facilities Lease**"), whereby the District will lease to the Corporation the land and improvements which constitute the "Village at the Park Sports Complex" (as described more herein, the "**Site and Facilities**"), and the Corporation and the District have entered into a Lease Agreement dated as of March 1, 2017 (the "**Lease Agreement**"), under which the Corporation will lease the Site and Facilities back to the District in consideration of the payment by the District of semiannual lease payments (the "**Lease Payments**"). See "THE SITE AND FACILITIES."

The Corporation will assign its right to receive the Lease Payments to the Trustee under an Assignment Agreement dated as of March 1, 2017 (the "**Assignment Agreement**"), between

* Preliminary; subject to change.

the Corporation and the Trustee, in consideration of which the Trustee has agreed to execute and deliver the Certificates. The Certificates evidence and represent direct, undivided fractional interests of the Certificate Owners in the Lease Payments. See "SECURITY FOR THE CERTIFICATES."

No Reserve Fund. The District is not funding a reserve fund for the payment of Lease Payments or the Certificates. See "SECURITY FOR THE CERTIFICATES – No Reserve Fund."

Prepayment. The Certificates are subject to optional prepayment, mandatory sinking fund prepayment and extraordinary mandatory prepayment from the net proceeds of insurance or condemnation proceedings prior to their scheduled payment dates. See "THE CERTIFICATES – Prepayment of the Certificates."

Abatement. 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 use and possession of the Site and Facilities or any portion thereof. If the Lease Payments are abated under the Lease Agreement, the Certificate Owners would receive less than the full amount of principal of and interest represented by the Certificates. To the extent proceeds of rental interruption insurance are available, Lease Payments (or a portion thereof) may be made from those proceeds during periods of abatement. See "SECURITY FOR THE CERTIFICATES – Abatement" and "RISK FACTORS – Abatement."

Legal Opinion. Upon delivery of the Certificates, Jones Hall, A Professional Law Corporation, San Francisco, California, Special Counsel ("**Special Counsel**") will release its final approving legal opinion with respect to the Certificates, regarding the validity and tax-exempt status of the Certificates, in the form attached hereto as APPENDIX D.

Risk Factors. The Certificates are payable only from Lease Payments made by the District to the Corporation and assigned to the Trustee under the Trust Agreement. For a discussion of some of the risks associated with the purchase of the Certificates, see "RISK FACTORS."

Limited Obligations. NEITHER THE CERTIFICATES NOR THE OBLIGATION OF THE DISTRICT TO MAKE LEASE PAYMENTS CONSTITUTES A DEBT OF THE DISTRICT OR OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, 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.

FINANCING PLAN

Prepayment Plan

In July 2008 the District caused the execution and delivery of certain certificates of participation captioned "Pleasant Valley Recreation and Park District Certificates of Participation (Park Facilities Project) Series 2008" in the original principal amount of \$12,775,000 (the "**2008 Certificates**"), the proceeds of which were applied to finance the acquisition and construction of recreation and park facilities consisting generally of a regional sports park and related publicly owned improvements (which constitutes the Site and Facilities – See "THE SITE AND FACILITIES" below). The 2008 Certificates are secured by and payable from lease payments made by the District under a Lease Agreement dated as of July 1, 2008 (the "**2008 Lease Agreement**"), by and between the District and the Corporation.

The 2008 Certificates are currently outstanding in the aggregate principal amount of \$12,130,000, all of which is expected to be defeased and discharged, on an advance basis, with the net proceeds of the Certificates as of the date of issuance of the Certificates. The 2008 Certificates maturing on and after September 1, 2019 are subject to optional prepayment on September 1, 2018, and will be prepaid on September 1, 2018 at a prepayment price equal to the principal amount thereof, together with interest coming due and payable on the prepayment date, without premium.

In order to accomplish the prepayment plan, the net proceeds of the Certificates will be deposited in an escrow fund (the "**Escrow Fund**") to be established under an Escrow Agreement dated as of March 1, 2017, by and among the District, the Corporation and MUFG Union Bank, N.A., as escrow agent and as trustee for the 2008 Certificates (the "**Escrow Agent**"). The amounts deposited in the Escrow Fund will be used to purchase non-callable direct obligations of the United States of America or other non-callable obligations permitted by the trust agreement for the 2008 Certificates, the principal of and interest on which (together with any uninvested amount) will be sufficient to enable the Escrow Agent to pay the prepayment price of the 2008 Certificates. Such amounts shall be held in trust by the Escrow Agent for the holders of the 2008 Certificates. *Amounts in the Escrow Fund will not be available for payment of the Lease Payments or the Certificates.*

Causey, Demgen & Moore P.C., as verification agent, will verify that the amounts in the Escrow Fund will be sufficient to prepay the 2008 Certificates, as described herein. See "VERIFICATION OF MATHEMATICAL COMPUTATIONS" below.

Estimated Sources and Uses of Funds

The proceeds to be received from the sale of the Certificates are anticipated to be applied as follows:

SOURCES:

Principal Amount of Certificates	\$
Net Premium/(Net Discount)	
TOTAL SOURCES	<hr/> \$

USES:

Deposit into Escrow Fund [1]	\$
Costs of Issuance [2]	
Underwriter's Discount	
TOTAL USES	<hr/> \$

[1] To be used to defease and prepay the 2008 Certificates. See "– Prepayment Plan" above.

[2] Includes fees of Special Counsel, Disclosure Counsel, the Municipal Advisor, S&P, the Trustee and the Escrow Agent, the Verification Agent, title insurance premium, printing costs, and other costs of executing and delivering the Certificates.

THE CERTIFICATES

This section provides summaries of the Certificates and certain provisions of the Trust Agreement. See "APPENDIX A – Summary of Principal Legal Documents" for a more complete summary of the Trust Agreement. Capitalized terms used but not defined in this section have the meanings given in APPENDIX A.

Authority for Execution and Delivery

The Certificates are being executed and delivered under the Trust Agreement, a resolution of the District's Board of Directors adopted on March 1, 2017, and a resolution of the Corporation's Board of Directors adopted on February 21, 2017.

General Certificate Terms

Certificate Terms. The Certificates will be dated as of the date of original delivery, will bear interest at the rates per annum and will mature on the dates and in the amounts set forth on the inside front cover of this Official Statement. The Certificates will be executed and delivered in fully registered form without coupons in denominations of \$5,000 principal amount or any integral multiple of \$5,000, except that no Certificate will represent principal payable in more than one year.

Interest with respect to the Certificates accrues from their date of delivery and is payable semiannually on November 1 and May 1 of each year, commencing May 1, 2017 (each, an "Interest Payment Date").

Book-Entry Only System. The Certificates, when executed and delivered, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"). So long as DTC, or Cede & Co. as its nominee, is the registered owner of all Certificates, all payments with respect to the Certificates will be made directly to DTC, and disbursement of such payments to the DTC Participants (defined below) will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners (defined below) will be the responsibility of the DTC Participants, as more fully described hereinafter. See "– Book-Entry System" below.

Calculation of Interest. Interest represented by the Certificates will be payable from the Interest Payment Date next preceding the date of execution thereof, unless:

- (a) it is executed following a Record Date and on or before the next succeeding Interest Payment Date, in which event interest represented thereby is payable from such Interest Payment Date,
- (b) it is executed on or before the first Record Date, in which event interest represented thereby is payable from the Closing Date.

Provided, however, that if, as of the date of any Certificate, interest represented by such Certificate is in default, interest represented thereby will be payable from the Interest Payment Date to which interest has previously been paid or made available for payment with respect to such Certificate.

Record Date. The Trust Agreement defines the “Record Date” with respect to the Certificates as the close of business on the 15th calendar day of the month preceding each Interest Payment Date, whether or not such 15th calendar day is a Business Day.

Payments of Interest and Principal. Payment of interest represented by any Certificate on any Interest Payment Date will be made to the person appearing on the Registration Books as the Owner thereof as of the close of business on the Record Date immediately preceding such Interest Payment Date, such interest to be paid by check mailed on the applicable Interest Payment Date to such Owner, by first class mail postage prepaid, at such Owner's address as it appears on the Registration Books.

At the written request of the Owner of Certificates in an aggregate principal amount of at least \$1,000,000, which written request is on file with the Trustee prior to the Record Date preceding any Interest Payment Date, the Trustee will pay interest represented by such Certificates coming due and payable on such Interest Payment Date by wire transfer in immediately available funds to such account in the United States as is specified in such written request.

The principal, interest and prepayment premium, if any, represented by any Certificate at maturity or upon prepayment are payable in lawful money of the United States of America upon surrender of such Certificate at the Office of the Trustee.

Notwithstanding the foregoing, while the Certificates are held in the book-entry only system of DTC, all such payments of principal, premium (if any) of, and interest with respect to, the Certificates will be made to Cede & Co. as the registered owner of the Certificates, for subsequent disbursement to Participant and beneficial owners. See “APPENDIX F – BOOK ENTRY PROVISIONS.”

Prepayment of the Certificates*

Optional Prepayment. The Certificates maturing on or before November 1, 20__, are not subject to optional prepayment prior to their respective stated maturities. The Certificates maturing on or after November 1, 20__, 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 November 1, 20__, from prepayments of the Lease Payments made at the option of the District pursuant to the Lease Agreement, at a prepayment price equal to the principal amount to be prepaid, together with accrued interest represented thereby to the date fixed for prepayment, without premium.

Extraordinary Mandatory Prepayment From Net Proceeds of Insurance or Condemnation. The Certificates are subject to mandatory prepayment, in whole or in part, on any Interest Payment Date, in inverse order of maturity and by lot within a maturity, from the Net Proceeds of insurance or eminent domain proceedings credited toward the prepayment of the Lease Payments 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.

Mandatory Sinking Fund Prepayment. The Certificates maturing on November 1, 20__, are also subject to mandatory sinking fund prepayment by lot on November 1 in each

* Preliminary; subject to change.

year beginning November 1, 20___, 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:

Prepayment Date <u>(November 1)</u>	Principal Amount of Term Certificates <u>To Be Prepaid</u>
--	--

Selection of Certificates for Prepayment. Whenever provision is made in the Trust Agreement for the prepayment of Certificates and less than all Outstanding Certificates are called for prepayment, the Trustee will select Certificates pursuant to instructions provided by the District, and within maturities by lot. For the purposes of such selection, Certificates will be deemed to be composed of \$5,000 portions, and any such portion may be separately prepaid. The Trustee will promptly notify the District and the Corporation in writing of the Certificates or portions thereof so selected for prepayment.

Notice of Prepayment. When optional prepayment or extraordinary mandatory prepayment from the Net Proceeds of insurance or condemnation proceedings is authorized or required under the Trust Agreement, the Trustee will give notice of the prepayment of the Certificates on behalf and at the expense of the District.

The Trustee will mail notice of prepayment by first-class mail with postage prepaid, to the Securities Depositories and to the Municipal Securities Rulemaking Board, and to the Owners of Certificates designated for prepayment at their respective addresses appearing on the Registration Books, at least 30 days but not more than 60 days prior to the prepayment date.

Neither the failure to receive any such notice nor any defect in any notice so mailed will 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.

However, while the Certificates are subject to DTC's book-entry system, the Trustee will be required to give notice of prepayment only to DTC as provided in the letter of representations executed by the District and received and accepted by DTC. DTC and the Participants will have sole responsibility for providing any such prepayment notice to the beneficial owners of the Certificates to be prepaid. Any failure of DTC to notify any Participant, or any failure of Participants 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 set forth in the Trust Agreement.

Rescission of Prepayment. The District has the right to rescind any notice of the optional prepayment of Certificates by written notice to the Trustee on or prior to the dated fixed for prepayment. Any notice of optional prepayment will be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for prepayment for the payment in full of the Certificates then called for prepayment, and such cancellation will not constitute an

Event of Default. The District and the Trustee have no liability to the Owners or any other party related to or arising from such rescission of prepayment. The Trustee will mail notice of such rescission of prepayment to the respective Owners of the Certificates designated for prepayment at their respective addresses appearing on the Registration Books, and to the Securities Depositories and the Municipal Securities Rulemaking Board.

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

If, on the date of prepayment, moneys for the prepayment of all the Certificates to be prepaid, together with interest represented thereby to the date of prepayment, are held by the Trustee so as to be available therefor on such date of prepayment, then, from and after the date of prepayment, interest represented by the Certificates will cease to accrue and become payable. All moneys held by the Trustee for the prepayment of Certificates will be held in trust for the account of the Owners of the Certificates so to be prepaid, and will be held by the Trustee in cash uninvested.

Purchase of Certificates in Lieu of Prepayment. In lieu of prepayment of Certificates as provided in the Trust Agreement, amounts held by the Trustee for such prepayment may, at the written request of the District Representative received by the Trustee at least 75 days prior to the selection of Certificates for prepayment, 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.

Book-Entry System

DTC will act as securities depository for the Certificates. The Certificates will be executed and delivered as fully-registered Certificates registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Certificate will be executed and delivered for each maturity of the Certificates, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See "APPENDIX F- BOOK ENTRY PROVISIONS".

The District and the Trustee cannot and do not give any assurances that DTC, DTC Participants or others will distribute payments of principal, interest or premium with respect to the Certificates paid to DTC or its nominee as the registered owner, or will distribute any prepayment notices or other notices, to the Beneficial Owners, or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. The District and the Trustee are not responsible or liable for the failure of DTC or any DTC Participant to make any payment or give any notice to a Beneficial Owner with respect to the Certificates or an error or delay relating thereto.

Registration, Transfer and Exchange

The provisions of the Trust Agreement regarding the registration, exchange and transfer of the Certificates apply only during any period in which the Certificates are not subject to DTC's book-entry system. While the Certificates are subject to DTC's book-entry system, their

registration, 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.

Registration. The Trustee will keep or cause to be kept sufficient records for the registration and registration of transfer of the Certificates, which will at all reasonable times be open to inspection by the District and the Corporation during regular business hours and upon prior notice. Upon presentation for such purpose, the Trustee will, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books, Certificates as provided in the Trust Agreement.

Transfer of Certificates. The registration of any Certificate may, in accordance with its terms, be transferred upon the Registration Books by the person in whose name it is registered, in person or by duly authorized attorney, upon surrender of such Certificate for cancellation at the Office of the Trustee, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. Whenever any Certificate or Certificates is surrendered for registration of transfer, the Trustee will execute and deliver a new Certificate or Certificates representing the same maturity, interest rate and aggregate principal amount, in any authorized denominations. The District will pay all costs of the Trustee incurred in connection with any such transfer, except that the Trustee may require the payment by the Certificate Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

Exchange of Certificates. Certificates may be exchanged at the Office of the Trustee, for a like aggregate principal amount of Certificates representing other authorized denominations of the same interest rate and maturity. The District will pay all costs of the Trustee incurred in connection with any such exchange, except that the Trustee will require the payment by the Certificate Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

Limitations on Transfer or Exchange. The Trustee may refuse to transfer or exchange either (i) any Certificate during the period established by the Trustee for the selection of Certificates for prepayment, or (ii) the portion of any Certificate which the Trustee has selected for prepayment pursuant to the provisions of the Trust Agreement.

SCHEDULE OF CERTIFICATE PAYMENTS

The table below shows the payments of principal and interest due with respect to the Certificates, which correspond to the annual Lease Payments, assuming no optional or extraordinary prepayments. Lease Payments are due to the Trustee on the 5th business day preceding each Interest Payment Date.

Rental Period Ending November 1	Principal	Interest	Total Debt Service
---------------------------------------	-----------	----------	-----------------------

THE SITE AND FACILITIES

General

Lease Payments will be made by the District under the Lease Agreement for the use and occupancy of the Site and Facilities, which consists of the District's "Village at the Park Sports Complex" located in the Village at the Park residential development in the City. The complex was built in large part with the proceeds of the 2008 Certificates. The site on which the complex is located is an approximately 55-acre parcel located on Lightwood Street in the City, and is the largest regional sports park in the City. It contains 4 baseball diamonds (for baseball or softball), 25 soccer fields, a 1-mile walking/biking trail, and a playground. Other amenities include sports field lighting, off-street parking for approximately 300 vehicles, snack bars, meeting rooms, and 3 sets of public restrooms. The Site and Facilities are bordered on the west by Westpark Court, on the north by California State Highway 101, and on the east by Village at the Park Drive.

Based on the appraised value of the land obtained at the time of its purchase, as well as the construction costs to construct the of the Village at the Park Sports Complex, the District estimates the value of the Site and Facilities is not less than \$19.2 million. The District does not have a separate insured value of the Site and Facilities.

Modification of Site and Facilities

Under the Lease Agreement, the District has the right (at its own expense) to remodel the Site and Facilities, or to make additions, modifications and improvements thereto. All additions, modifications and improvements to the Site and Facilities will thereafter comprise part thereof and be subject to the provisions of the Lease Agreement.

Such additions, modifications and improvements will not in any way damage the Site and Facilities, or cause the Site and Facilities to be used for purposes other than those authorized under the provisions of state and federal law; and the Site and Facilities, upon completion of any additions, modifications and improvements made thereto pursuant to the Lease Agreement, will 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 Site and Facilities for labor or materials furnished in connection with any remodeling, additions, modifications, improvements, repairs, renewals or replacements made by the District pursuant to the Lease Agreement; provided that if any such lien is established and the District first notifies or causes to be notified the Corporation of the District's intention to do so, the District may in good faith contest any lien filed or established against the Site and Facilities, 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 will provide the Corporation with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Corporation. The Corporation will cooperate fully in any such contest, upon the request and at the expense of the District.

Substitution of Site and Facilities

Under the Lease Agreement, the District has, and is granted, the option at any time and from time to time to during the Term of the Lease Agreement, to substitute other land, facilities,

improvements or other property (the "**Substitute Property**") for the Site and Facilities or any portion thereof (a "**Former Property**"), provided that the District must satisfy all of the requirements set forth in the Lease Agreement that are conditions precedent to such substitution, and which include (among others) the following:

(a) The District must notify each rating agency then rating the Certificates in writing of such substitution, which notice will contain the certification that all conditions set forth in the Lease Agreement are met with respect to such substitution.

(b) The District must take all actions and will execute all documents required to subject such Substitute Property to the terms and provisions of the Lease Agreement which adds thereto a description of such Substitute Property and deletes therefrom the description of such Former Property.

(c) The District must provide to the Corporation and the Trustee a certificate of a District Representative which states that the annual fair rental value of such Substitute Property is no less than the maximum annual Lease Payments and anticipated Additional Rental Payments remaining unpaid under the Lease Agreement at the time of the proposed substitution.

(d) Substitution of the Substitute Property for the Former Property shall not cause the District to violate any of its covenants, representations and warranties made in the Lease or in the Trust Agreement, including with respect to tax-exempt status of the Certificates.

(e) The District shall cause to be filed with the Trustee an Opinion of Special Counsel substantially to the effect that such substitution will not (i) affect the obligation of the District to continue to pay Lease Payments in the amounts and at the times and in the manner required by the Lease, or (ii) cause the interest components of the Lease Payments to become includable in gross income for purposes of federal or State of California personal income taxation

From and after the date on which all of the foregoing conditions precedent to such substitution are satisfied, the Term of the Lease Agreement will cease with respect to the Former Property and will be continued with respect to the Substitute Property, and all references in the Lease Agreement to the Former Property will apply with full force and effect to the Substitute Property. The District will not be entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such substitution.

See APPENDIX A for additional conditions to the substitution of property under the Lease Agreement.

Release of Site and Facilities

Under the Lease Agreement, District has the option at any time and from time to time to during the term of the Lease Agreement to remove any portion of the Site and Facilities from the Lease Agreement and the Site and Facilities Lease (the "**Released Property**") provided that the District has satisfied all of the requirements of the Lease Agreement that are conditions precedent to such release, and which include (among others) the following:

(a) The District must cause to be filed with the Trustee an Opinion of Special Counsel substantially to the effect that such removal will not affect the

obligation of the District to continue to pay Lease Payments in the amounts and at the times and in the manner required by the Lease Agreement.

- (b) The District will file with the Corporation and the Trustee a certificate of a District Representative which states that the annual fair rental value of the remaining Site and Facilities, taken into consideration the removal of the applicable portion of the Site and Facilities, is no less than the maximum annual Lease Payments and anticipated Additional Rental Payments remaining unpaid under the Lease Agreement at the time of such removal.

See APPENDIX A for additional conditions to the release of property from the Lease Agreement and the Site and Facilities Lease.

SECURITY FOR THE CERTIFICATES

This section provides summaries of the security and sources of payment for the Certificates and certain provisions of the Trust Agreement and Lease Agreement. See APPENDIX A for a more complete summary of the Trust Agreement and Lease Agreement. Capitalized terms used but not defined in this section have the meanings given in APPENDIX A.

General

Lease Payments. Each Certificate evidences and represents a direct, undivided fractional interest of the Owner thereof in the Lease Payments to be made by the District under the Lease Agreement.

Assignment to Trustee. Under the Assignment Agreement, the Corporation will transfer, assign and set over to the Trustee, for the benefit of the Owners of all Outstanding Certificates, substantially all of the Corporation's rights under the Lease Agreement and the Site and Facilities Lease, including without limitation:

(a) the right to receive and collect all of the Lease Payments from the District under the Lease Agreement,

(b) the right to receive and collect any proceeds of any insurance maintained thereunder, or any eminent domain award (or proceeds of sale under threat of eminent domain) paid with respect to the Site and Facilities, and

(c) the right to exercise such rights and remedies conferred on the Corporation pursuant to the Lease Agreement as may be necessary or convenient (i) to enforce payment of the Lease Payments and any other amounts required to be deposited in the Lease Payment Fund or the Insurance and Condemnation Fund established under the Trust Agreement, or (ii) otherwise to protect the interests of the Owners in the event of a default by the District under the Lease Agreement.

All rights assigned by the Corporation will be administered by the Trustee in accordance with the provisions of the Trust Agreement and for the benefit of the Owners of the Certificates.

Under the Lease Agreement, the District acknowledges that all Lease Payments have been assigned by the Corporation to the Trustee in trust under the Assignment Agreement, for the benefit of the Owners of the Certificates, and the District consents to such assignment. The Corporation directs the District, and the District agrees to pay to the Trustee at its Office, all Lease Payments (including prepayments thereof).

Lease Payments

Obligation to Make Lease Payments. Under the Lease Agreement (subject to the provisions of the Lease Agreement regarding abatement and prepayment), the District will pay to the Corporation, its successors and assigns, the Lease Payments (denominated into components of principal and interest) for the Site and Facilities in the respective amounts specified in the Lease Agreement, to be due and payable in immediately available funds on the Lease Payment Dates immediately preceding each of the respective Interest 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.

Credits and Offsets. 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, 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.

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.

Effect of Prepayment. If the District prepays all Lease Payments in full under the Lease Agreement, the District's obligations under the Lease Agreement will thereupon cease and terminate, including but not limited to the District's obligation to pay Lease Payments under the Lease Agreement.

If the District prepays the Lease Payments in part but not in whole under the Lease Agreement, the principal components of the remaining Lease Payments will be reduced on a pro rata basis in integral multiples of \$5,000; and the interest component of each remaining Lease Payment will be reduced by the aggregate corresponding amount of interest which would otherwise be payable with respect to the Certificates thereby prepaid pursuant to the applicable provisions of the Trust Agreement.

Rate on Overdue Payments. If the District fails to make any of the payments required in the Lease Agreement, the payment in default will continue as an obligation of the District until the amount in default is fully paid, and the District agrees to pay the amount in default with interest thereon, from the date of default to the date of payment, at the rate then in effect with respect to the Certificates.

Fair Rental Value. The Lease Payments and Additional Rental Payments during each Fiscal Year will constitute the total rental for the Site and Facilities for such Fiscal Year, and will be paid by the District in each Fiscal Year for and in consideration of the right of the use and occupancy of, and the continued quiet use and enjoyment of the Site and Facilities during each Fiscal Year.

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

Source of Payments; Budget and Appropriation

The Lease Payments and Additional Rental Payments will be payable from any source of available funds of the District, subject to the Lease Agreement.

The District covenants to take such action 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. Annually, the District will furnish to the Trustee a certificate of the District Representative stating that the

Lease Payments have been included in the final budget of the District for the current Fiscal Year, to the full extent required hereunder, such certificate to be filed within 30 days after the adoption of such budget and in any event no later than November 1 in the calendar year in which the District adopts such budget.

The covenants on the part of the District contained in the Lease Agreement will be deemed to be and will be construed to be duties imposed by law, and it will be 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 this Lease agreed to be carried out and performed by the District.

Limited Obligation

THE OBLIGATION OF THE DISTRICT TO MAKE LEASE PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE DISTRICT OR OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, 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.

Additional Payments

In addition to the Lease Payments, the District will pay when due all costs and expenses incurred by the Corporation to comply with the provisions of the Trust Agreement (collectively, "**Additional Rental Payments**"), 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 other amounts due to the Trustee pursuant to the Trust Agreement. All Additional Rental Payments will be payable as additional amounts of rental under the Lease Agreement in consideration of the right of the District to the use and occupancy of the Site and Facilities.

No Reserve Fund

The District is not funding a reserve fund for the payment of Lease Payments or the Certificates.

Termination Following Total Condemnation

If all of the Site and Facilities has been taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, and the Trustee transfers the Net Proceeds to the Lease Payment Fund to be credited toward the prepayment of the Lease Payments pursuant to the Lease Agreement and applied to the corresponding prepayment of Certificates in the manner provided in the Lease Agreement (as required by the Trust Agreement), then the Lease Agreement will terminate following the termination of the Trust Agreement in accordance with the Lease Agreement.

Application of Net Proceeds of Insurance and Condemnation

Application of Net Proceeds of Insurance Award. Under the Trust Agreement, any Net Proceeds of insurance collected by the District in the event of accident to or destruction of

the Site and Facilities will be paid to the Trustee pursuant to 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 will thereupon establish. These amounts will be applied and disbursed by the Trustee as follows:

If the District determines and notifies the Trustee in writing of its determination, within 45 days following the date of such deposit, that the replacement, repair, restoration, modification or improvement of the Site and Facilities is not economically feasible or in the best interests of the District, then such Net Proceeds will be promptly transferred by the Trustee to the Lease Payment Fund and applied to the prepayment of Lease Payments pursuant to the Lease Agreement and the corresponding prepayment of Certificates pursuant to the Lease Agreement but only to the extent the remaining fair market value of the Sites is equal to or exceeds the remaining Certificates.

In the event of damage or destruction of the Site and Facilities 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.

All Net Proceeds deposited in the Insurance and Condemnation Fund and not so transferred to the Lease Payment Fund will be applied to the prompt replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Site and Facilities by the District, upon receipt of written requisitions of the District stating with respect to each payment to be made the information specified by the Trust Agreement.

Any balance of the Net Proceeds remaining after the District files a written certificate with the Trustee stating that such work has been completed will be paid to the District.

Application of Net Proceeds of Eminent Domain Award. Under the Trust Agreement, if all or any part of the Site and Facilities is taken by eminent domain proceedings (or sold to a government threatening to exercise the power of eminent domain) the Net Proceeds therefrom will be deposited with the Trustee in the Insurance and Condemnation Fund, which the Trustee will thereupon establish pursuant to the Lease Agreement, and will be applied and disbursed by the Trustee as follows:

If the District has given 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 Site and Facilities, 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 Site and Facilities, and the District has given written notice to the Trustee of such determination, the Trustee will transfer such proceeds to the Lease Payment Fund to be credited toward the payment of the Lease Payments as they become due and payable.

If the District has given 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 Site and Facilities, 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 Site and Facilities, the Trustee will pay to the District, or to its order, from those proceeds such amounts as the District may expend for such repair or rehabilitation, upon the filing of requisitions of the District Representative meeting the requirements of the Lease Agreement.

If (i) less than all of the Site and Facilities is taken in such eminent domain proceedings or sold to a government threatening the use of eminent domain powers, and if the District has given written notice to the Trustee of its determination that such eminent domain proceedings have materially affected the interest of the District in the Site and Facilities, or the ability of the District to meet any of its financial obligations under the Lease Agreement, or (ii) all of the Site and Facilities has been taken in such eminent domain proceedings, then the Trustee will transfer such proceeds to the Lease Payment Fund to be credited toward the prepayment of the Lease Payments pursuant to the Lease Agreement and applied to the corresponding prepayment of Certificates in the manner provided in the Lease Agreement.

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

Covenants to Maintain Insurance

Public Liability and Property Damage Insurance. Under the Lease Agreement, the District will maintain or cause to be maintained throughout the Term of the Lease Agreement, but only if and to the extent available from reputable insurers at reasonable cost in the opinion of the District, a standard comprehensive general insurance policy or policies in protection of the Corporation, District, and their respective members, officers, agents, employees and assigns. Said policy or policies will 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 Site and Facilities. Such policy or policies must 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 self-insurance by the District, subject to the provisions of the Lease Agreement, or in the form of the participation by the District in a joint powers agency or other program providing pooled insurance.

The Net Proceeds of such liability insurance will be applied by the District toward extinguishment or satisfaction of the liability with respect to which paid.

Fire and Extended Coverage Insurance. Under the Lease Agreement, the District will procure and maintain, or cause to be procured and maintained, throughout the Term of the Lease Agreement, insurance against loss or damage to any Facilities leased thereunder by fire and lightning, with extended coverage and vandalism and malicious mischief insurance. Said extended coverage insurance will, as nearly as practicable, cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. Such insurance shall include earthquake coverage only 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 will be in an aggregate amount at least equal to the lesser of (i) 100% of the replacement cost of the Site and Facilities insured thereunder, or (ii) the aggregate principal

amount of the Outstanding Certificates. All policies of such insurance may be subject to deductible clauses of not to exceed \$100,000 for any one loss.

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 self-insurance by the District, subject to the provisions of the Lease Agreement, or in the form of the participation by the District in a joint powers agency or other program providing pooled insurance. The Net Proceeds of such insurance will be applied as provided in the Lease Agreement.

Rental Interruption Insurance. Under the Lease Agreement, the District will procure and maintain, or cause to be procured and maintained, throughout the Term of the Lease Agreement, rental interruption or use and occupancy insurance to cover loss, total or partial, of the use of any portion of the Site and Facilities constituting buildings or other improvements as a result of any of the hazards covered in the insurance required by the Lease Agreement. Such insurance will be in an amount at least equal to the maximum Lease Payments coming due and payable during any two consecutive Fiscal Years.

Such insurance may be maintained (i) as part of or in conjunction with any other insurance coverage carried by the District, except that it may not be maintained in whole or in part in the form of self-insurance by the District, subject to the provisions of the Lease Agreement, or (ii) in the form of the participation by the District in a joint powers agency or other program providing pooled insurance. The Net Proceeds of such insurance, if any, will be applied as provided in the Lease Agreement.

Additional Rental

The District may amend the Lease Agreement, without the consent of the Trustee or any of the Certificate Owners, to obligate the District to pay additional amounts of rental thereunder for the use and occupancy of the Site and Facilities or any portion thereof, but only if (A) such additional amounts of rental do not cause the total rental payments made by the District hereunder to exceed the fair rental value of the Site and Facilities, as set forth in a certificate of a District Representative filed with the Trustee and the Corporation, (B) the District obtains and files with the Trustee and the Corporation a certificate of a District Representative which states that the estimated fair market value of the Site and Facilities is not less than the aggregate unpaid principal components of the Lease Payments and the aggregate principal components of such additional amounts of rental, and (C) such additional amounts of rental are pledged or assigned for the payment of any bonds, notes, leases or other obligations the proceeds of which will be applied to finance the construction or acquisition of land, facilities or other improvements which the District is authorized to construct or acquire.

THE DISTRICT

General Information

The boundaries of the District encompass an area of approximately 45 square miles in and around the City of Camarillo in Ventura County (the "County"). The District was originally formed in 1962.

Board of Directors

The District is governed by a five-member Board of Directors (the "Board"), each member of which is elected to a four-year term. Elections for positions to the Board are held every two years, alternating between two and three available positions. The current members of the Board together with the expiration of their terms are as follows:

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Neal Dixon	Chairman	December 2020
Mark Malloy	Vice Chairman	December 2020
Bob Kelley	Secretary	December 2018
Elaine Magner	Director	December 2018
Mike Mishler	Director	December 2020

Employee Relations

The District employs 38 full-time employees and 106 part-time employees. 24 full-time employees and 7 part-time Employees of the District are represented by bargaining units. The District characterizes its relationship with its employees as positive.

Risk Management

The District is a member of the Park and Recreation District Employee Compensation with the California Association for Park and Recreation Insurance ("CAPRI").

CAPRI is comprised of 63 members and is organized under a Joint Exercise Powers Agreement. The purpose of CAPRI is to arrange and administer programs of insurance, risk management, and loss prevention for the pooling of self-insured losses and to purchase excess insurance coverage. CAPRI is governed by a separate board of directors, which is comprised of seven directors elected from the member districts. The board controls the operations of CAPRI, including selection of management and approval of operating budgets.

General and auto liability, public officials and employees' liability programs have total risk financing insurance limits of \$1,000,000 with various deductibles of \$2,000 to \$20,000 per occurrence. Excess insurance has been purchased by the District above the self-insurance limits. In addition to the above, the District also has the following insurance coverage:

- All-Risks property loss coverage including boiler and machinery coverage, is subject to a \$2,000 deductible per occurrence payable by the District.
- Flood and earthquake coverage with an annual aggregate limit of \$5,000,000 per occurrence for earthquakes and \$10,000,000 for flood for all member districts. The deductible for all loss or damage arising from the risks of flood is \$20,000 and/or

earthquake is \$50,000 per occurrence or 5% of the value of the building, contents and/or structure, whichever is greater.

- Workers' compensation insurance up \$350,000 limits.

Settled claims have not exceeded any coverage amounts in any of the last three fiscal years and there were no reductions in the District's insurance coverage during the years ending June 30, 2016, 2015, and 2014. Liabilities are recorded when it is probably that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities included an amount for claims that have been incurred but not reported ("**IBNR**"). There were no IBNR claims payable as of June 30, 2016, 2015, and 2014.

DISTRICT FINANCIAL INFORMATION

Accounting Practices

The accounting practices of the District conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board ("**GASB**") and the American Institute of Certified Public Accountants.

Government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances for these funds presents increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financings uses) in net current assets.

All governmental funds use the modified accrual basis of accounting, under which revenue is recorded in the fiscal year in which the resources are measurable and become available. For more information on the District's accounting method, see Note 1, Section B of "APPENDIX C – Audited Financial Statements of the District."

Financial Statements

The District's Audited Financial Statements for the fiscal year ending June 30, 2016 (the "**Financial Statements**"), were prepared by Moss, Levy & Hartzheim LLP, Certified Public Accountants, Santa Maria, California (the "**Auditor**") and are attached hereto as APPENDIX C. The Financial Statements should be read in their entirety. *The District has not requested nor did the District obtain permission from the Auditor to include the Financial Statements as an appendix to this Official Statement. Accordingly, the Auditor has not performed any post-audit review of the financial condition or operations of the District for fiscal year 2015-2016. In addition, the Auditor has not reviewed this Official Statement.*

Audited financial statements for the District for the fiscal year ended June 30, 2016 and prior fiscal years are on file with the District and available for public inspection at the General Manager's office. Copies of such financial statements will be mailed to prospective investors and their representatives upon written request to the District.

The following table shows the audited income and expense statements for the District's general fund for the last five fiscal years. Recent adopted budgets of the District are set forth in Table 3.

Table 1
PLEASANT VALLEY RECREATION AND PARK DISTRICT
Statement of General Fund
Revenues, Expenditures and Changes in Fund Balance

	<u>Audited</u> <u>2011-12</u>	<u>Audited</u> <u>2012-13</u>	<u>Audited</u> <u>2013-14</u>	<u>Audited</u> <u>2014-15</u>	<u>Audited</u> <u>2015-16</u>
Revenues:					
Property taxes	\$5,495,079	\$5,210,601	\$5,392,670	\$5,624,820	\$6,084,387
Charges for services:					
Registration and other fees	799,029	790,203	813,959	755,989	737,542
Facility and other rental fees	381,404	366,074	390,180	397,248	479,640
Operating grants and contributions	86,059	128,365	98,042	91,803	103,917
Capital grants and contributions	8,192	191,021	136,864	3,088,618	10,015
Investment earnings	20,472	8,531	5,257	5,317	30,254
Other revenues	45,833	75,402	88,939	110,957	107,617
Total revenues	6,836,068	6,770,197	6,925,911	10,074,752	7,553,372
Expenditures:					
Salaries and benefits	4,288,441	4,211,192	3,564,070	3,396,578	3,470,145
Materials and services	3,277,181	3,187,849	3,220,489	2,914,668	2,601,685
Capital outlay	1,589,991	621,824	47,894	342,839	198,897
Debt service: principal	--	62,000	131,000	146,000	175,674
Debt service: interest	--	--	--	73,577	66,973
Total expenditures	9,155,613	8,082,865	6,963,453	6,873,662	6,531,374
Excess of revenues over (under) expenditures	(2,319,545)	(1,312,668)	(37,542)	3,201,090	1,039,998
Other financing sources (uses):					
Transfers in	--	--	--	110,967	112,506
Transfers out	--	(92,850)	(21,352)	--	--
Total other financing sources (uses)	--	(92,850)	(21,352)	110,967	112,506
Net change in fund balance	(2,319,545)	(1,405,518)	(58,894)	3,312,057	1,152,504
Fund balance - July 1	5,555,430	3,235,885	1,830,367	1,771,473	5,069,980
Fund balance - June 30	\$3,235,885	\$1,830,367	\$1,771,473	\$5,083,530	\$6,222,484

Source: Pleasant Valley Recreation and Park District Audited Financial Statements.

The following table shows the general fund balance sheets of the District as of June 30 for each of the last five Fiscal Years.

**Table 2
PLEASANT VALLEY RECREATION AND PARK DISTRICT
General Fund Balance Sheet**

	Audited 2011-12	Audited 2012-13	Audited 2013-14	Audited 2014-15	Audited 2015-16
ASSETS:					
Cash and investments	\$3,783,726	\$2,039,322	\$1,940,482	\$5,403,299	\$6,621,779
Accrued interest receivable	10,817	2,476	2,425	1,750	2,140
Accounts receivable	77,767	41,520	64,114	85,562	63,422
Property taxes and assessments receivable	218,091	108,567	112,747	122,078	107,775
Due from other fund	140,468	92,850	21,352	--	--
Prepaid expenditures	48,476	13,850	11,621	14,225	280
Total assets	4,279,345	2,298,585	2,152,741	5,626,914	6,795,396
LIABILITIES:					
Accounts payable and accrued expenditures	902,192	243,826	237,182	298,681	329,955
Accrued salaries and benefits	125,946	181,673	103,446	154,314	102,617
Due to other fund	--	--	--	35,967	--
Deposits	--	12,719	20,454	24,422	26,140
Deferred revenue	15,322	--	--	--	--
Unearned revenue	--	30,000	20,186	30,000	114,200
Total liabilities	1,043,460	468,218	381,268	543,384	572,912
Fund Balances:					
Nonspendable:	48,476	--	--	--	--
Prepaid	--	13,850	11,621	14,225	280
Restricted:					
Specified park projects reserve	--	--	--	--	--
Committed:					
Accrued interest payable	--	--	--	--	--
Assigned:	2,399,126	--	--	--	--
Compensated absences	--	374,524	369,338	306,693	419,499
Post-employment benefits payable	--	53,080	81,299	104,282	128,574
Pension-related debt	--	1,820,000	1,689,000	1,543,000	1,385,000
Unassigned	788,283	(431,087)	(379,785)	3,115,330	4,289,131
Total fund balances	3,235,885	1,830,367	1,771,473	5,083,530	6,222,484
Total liabilities and fund balances	\$4,279,345	\$2,298,585	\$2,152,741	\$5,626,914	\$6,795,396

Source: Pleasant Valley Recreation and Park District Audited Financial Statements.

General Fund Budget

Budget Process. The District is required to maintain a balanced budget each year, in which the sum of expenditures and the ending fund balance cannot exceed the sum of revenues and the carry-over fund balance from the previous year. The District adopts a budget on or before August 30 of each year. The budget is prepared by the District's staff, reviewed by the General Manager and submitted to the Board for approval.

General Fund Budget Comparisons. The table below sets forth a comparison of the adopted General Fund budget for fiscal year 2016-17 (adopted by the Board on July 6, 2016) with audited actual results for fiscal year 2015-16.

Table 3
PLEASANT VALLEY RECREATION AND PARK DISTRICT
General Fund Adopted Budgets
For Fiscal Years 2015-16 and 2016-17

	<u>Adopted Budget 2015-16</u>	<u>Audited Actual 2015-16</u>	<u>Adopted Budget 2016-17</u>
Revenues:			
Property taxes	\$5,761,223	\$6,084,387	\$5,892,376
Charges for services:			
Registration and other fees	685,494	737,542	679,388
Facility and other rental fees	363,150	479,640	336,700
Operating grants and contributions	92,350	103,917	79,220
Capital grants and contributions	--	10,015	--
Investment earnings	4,335	31,951	17,364
Other revenues	79,254	107,618	67,958
Total revenues	<u>6,985,806</u>	<u>7,553,372</u>	<u>7,073,006</u>
Expenditures:			
Salaries and benefits	3,513,432	3,470,145	3,968,552
Materials and services	2,786,164	2,601,685	2,835,181
Capital outlay	479,000	198,897	547,990
Debt service: principal	146,000	175,674	186,424
Debt service: interest	253,045	66,973	73,144
Total expenditures	<u>7,177,641</u>	<u>6,513,374</u>	<u>7,611,291</u>
Excess of revenues over (under) expenditures	(191,835)	1,039,998	(538,285)
Other financing sources (uses):			
Capital lease proceeds	--	66,130	--
Transfers in	--	46,376	--
Total other financing sources (uses)	<u>--</u>	<u>112,506</u>	<u>--</u>
Net change in fund balance	(191,835)	1,152,504	(538,285)
Fund balance - July 1	5,083,530	5,069,980	6,222,484
Fund balance - June 30	<u>\$4,891,695</u>	<u>\$6,222,484</u>	<u>5,684,199</u>

Source: Pleasant Valley Recreation and Park District.

General Fund Balances and Reserve Policy

The "General Fund" is the District's primary operating fund. As of June 30, 2016, the fund balance in the District's General Fund was \$6,222,484, as compared to \$5,083,530 as of June 30, 2015. The fund balance is made up of the various subaccounts, as shown in Table 2 above.

The following table shows general fund balances for the previous five fiscal years.

Table 4
Pleasant Valley Recreation and Park District
General Fund Balances
For Fiscal Years 2011-12 through 2015-16

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
Fund Balances:					
Nonspendable – prepaids	\$ 48,476	\$ 13,850	\$ 11,621	\$ 14,225	\$ 280
Assigned ⁽¹⁾	<u>2,399,126</u>	<u>2,247,604</u>	<u>2,139,637</u>	<u>1,953,975</u>	<u>1,933,073</u>
Unassigned	788,283	(431,087)	(379,785)	3,115,330	4,289,131
Total Fund Balances:	\$ 3,235,885	\$ 1,830,367	\$ 1,771,473	\$ 5,083,530	\$ 6,222,484

(1) Assigned fund balances consist of compensated absences, post-employment benefits payable and pension-related debt.
Source: *Pleasant Valley Recreation and Park District Audited Financial Statements*.

The Board has set a General Fund reserve policy that requires an operating reserve equal to 5% of the annual operating budget set aside to be used during the months of November and December when the District needs funds to meet accounts payables and payroll obligations. This is known as the Dry Period Reserve. The reserve policy also designates certain amounts be set aside for the District's Vehicle Fleet, Computer Fleet, Designated Project/Special Use Reserve, Capital Improvement Reserve and PVRPD Repair/Operations & Administrative Operation Reserve in a total aggregate amount of up to \$675,000 annually. The cumulative accrual cap of \$2,661,000 is for all reserve funds including the Dry Period Reserve.

Major Revenues

The District derives its general fund revenues from a variety of sources including ad valorem property taxes, grants and contributions, charges for services provided by the District and other miscellaneous revenues. Assessment revenues are excluded from the summary shown in the table below.

As shown in the table below, over the course of the last five fiscal years, property taxes have generally been the largest source of revenue, averaging slightly more than 72.75% of the total during this period.

Table 5
Pleasant Valley Recreation and Park District
Major Revenue Sources as a
Percentage of Total General Fund Revenues
For Fiscal Years 2011-12 through 2015-16

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
Revenues:					
Property Taxes	80.38%	76.96%	77.86%	55.83%	80.56%
Charges for Services [1]	17.27	17.08	17.39	11.45%	16.11%
Investment Earnings	0.30	0.13	0.08	0.05%	0.40%
Operating Grants and Contributions	1.26	1.90	1.42	0.91%	1.38%
Capital Grants and Contributions [2]	0.12	2.82	1.98	30.66%	0.13%
Other Revenues	<u>0.67</u>	<u>1.11</u>	<u>1.28%</u>	<u>1.10%</u>	<u>1.42%</u>
Total Revenues [3]	100.00%	100.00%	100.00%	100.00%	100.00%

[1] Charges include recreation, aquatic and community program fees, rental fees for picnic areas and indoor facilities, and various other fees.

[2] Capital grants and contributions include revenues restricted to meeting the operational or capital requirements of a particular function of the District. This line item increased significantly in Fiscal Year 2014-15 due to a park land dedication fee charged to developers in lieu of dedicating a new park. This was a one-time item and is not anticipated to re-occur.

[3] Totals may not add due to rounding.

Source: Pleasant Valley Recreation and Park District

Ad Valorem Property Taxation

Taxes are levied by the County for each fiscal year on taxable real and personal property which is situated in the District as of the preceding January 1. For assessment and collection purposes, property is classified either as "secured" or "unsecured" and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State-assessed public utilities property and real property having a tax lien which is sufficient, in the opinion of the County Assessor, to secure payment of the taxes. Other property is assessed on the "unsecured roll."

Property taxes on the secured roll are due in two installments, on August 1 and March 1 of each fiscal year. If unpaid, such taxes become delinquent on December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. Property on the secured roll with respect to which taxes are delinquent becomes tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of a penalty of 1.5% per month to the time of redemption, plus costs and a redemption fee. If taxes are unpaid for a period of five years or more, the property is subject to sale by the County Treasurer.

Property taxes on the unsecured roll are due as of the January 1 lien date and become delinquent, if unpaid, on August 31. A 10% penalty attaches to delinquent unsecured taxes. If unsecured taxes are unpaid at 5:00 p.m. on October 31, an additional penalty of 1.5% attaches to them on the first day of each month until paid. The taxing authority has four ways of collecting delinquent unsecured personal property taxes: (1) bringing a civil action against the taxpayer; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the County Clerk and County Recorder's office in order to obtain a lien on certain property of the taxpayer; and (4) seizing and selling personal property, improvements, or possessory interests belonging or assessed to the assessee.

District Share of Property Taxes

The District receives an allocation of the ad valorem property taxes collected by the County within the District's boundaries. The amount allocated to the District is based on a statutory formula. Each year, the District's allocation includes the amount received in the prior year, plus an amount calculated based upon the change in assessed values within the District for the current year. For Fiscal Year 2016-17, the District's percentage was equal to ___%.

Assessed Valuations

The assessed valuation of property in the District is established by the Ventura 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 XIII A 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.

The following table shows a history of assessed valuation in the District.

Table 6A
Pleasant Valley Recreation and Park District
Assessed Valuation History

	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>
2008-09	\$10,847,185,165	\$576,295	\$869,796,811	\$11,717,558,271
2009-10	10,634,421,762	576,295	944,886,768	11,579,884,825
2010-11	10,560,337,926	576,295	932,400,828	11,493,315,049
2011-12	10,608,514,812	562,356	852,120,310	11,461,197,478
2012-13	10,516,050,334	562,356	790,848,127	11,307,460,817
2013-14	10,827,126,190	562,356	766,567,102	11,594,255,648
2014-15	11,439,050,839	562,356	722,051,235	12,161,664,430
2015-16	12,074,837,305	412,342	747,404,017	12,822,653,664
2016-17	12,620,875,148	412,342	765,728,246	13,387,015,736

Source: California Municipal Statistics, Inc.

The table below summarizes the per parcel assessed valuation for single family homes in the District in 2016-17.

**Table 6B
Pleasant Valley Recreation and Park District
Per Parcel Assessed Valuation of Single Family Homes
Fiscal Year 2016-17**

	<u>No. of Parcels</u>	<u>2016-17 Assessed Valuation</u>	<u>Average Assessed Valuation</u>	<u>Median Assessed Valuation</u>		
Single Family Residential	16,459	\$7,594,845,704	\$461,440	\$424,240		
2016-17 Assessed Valuation	No. of Parcels ⁽¹⁾	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
\$0 - \$49,999	61	0.371%	0.371%	\$ 1,934,206	0.025%	0.025%
\$50,000 - \$99,999	1,175	7.139	7.510	89,547,442	1.179	1.205
\$100,000 - \$149,999	707	4.296	11.805	87,077,224	1.147	2.351
\$150,000 - \$199,999	739	4.490	16.295	129,280,896	1.702	4.053
\$200,000 - \$249,999	968	5.881	22.176	220,236,181	2.900	6.953
\$250,000 - \$299,999	1,386	8.421	30.597	380,508,886	5.010	11.963
\$300,000 - \$349,999	1,347	8.184	38.781	436,719,654	5.750	17.713
\$350,000 - \$399,999	1,252	7.607	46.388	469,135,303	6.177	23.890
\$400,000 - \$449,999	1,272	7.728	54.116	541,002,326	7.123	31.014
\$450,000 - \$499,999	1,383	8.403	62.519	656,292,021	8.641	39.655
\$500,000 - \$549,999	1,271	7.722	70.241	666,064,901	8.770	48.425
\$550,000 - \$599,999	1,045	6.349	76.590	599,894,746	7.899	56.324
\$600,000 - \$649,999	771	4.684	81.275	481,231,040	6.336	62.660
\$650,000 - \$699,999	633	3.846	85.121	428,067,877	5.636	68.296
\$700,000 - \$749,999	471	2.862	87.982	341,235,872	4.493	72.789
\$750,000 - \$799,999	443	2.692	90.674	342,158,439	4.505	77.294
\$800,000 - \$849,999	300	1.823	92.497	246,518,546	3.246	80.540
\$850,000 - \$899,999	194	1.179	93.675	169,673,101	2.234	82.774
\$900,000 - \$949,999	157	0.954	94.629	144,968,612	1.909	84.683
\$950,000 - \$999,999	105	0.638	95.267	102,240,356	1.346	86.029
\$1,000,000 and greater	779	4.733	100.000	1,061,058,075	13.971	100.000
Total	16,459	100.000%		\$7,594,845,704	100.000%	

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

Largest Property Owners

The following table shows the twenty largest owners of taxable property in the District as determined by secured assessed valuation in fiscal year 2016-17.

Table 7
Pleasant Valley Recreation and Park District
Largest Local Secured Property Owners
Fiscal Year 2016-17

	Property Owner	Primary Land Use	2016-17 Assessed Valuation	% of Total [1]
1.	Chelsea GCA Realty Partners	Shopping Center	\$194,467,592	1.54%
2.	CPG Partners LP	Shopping Center	86,275,712	0.68
3.	Spanish Hills Apartments LLC	Apartments	76,826,857	0.61
4.	Stag Camarillo 1 & 2 LP	Industrial	55,331,125	0.44
5.	Donahue Schriber Realty Group	Shopping Center	50,806,421	0.40
6.	Avalon Mission Oaks LP	Apartments	49,121,173	0.39
7.	Elacora Springville LLC	Residential Development	47,477,044	0.38
8.	ESJ Centers LLC	Commercial	42,732,141	0.34
9.	PEGH Investments LLC	Industrial	41,978,223	0.33
10.	WNG Camarillo 165 LLC	Apartments	41,134,590	0.33
11.	ARV Las Posas LP	Office Building	35,992,770	0.29
12.	Las Posas Plaza LP	Shopping Center	35,415,918	0.28
13.	Essex Camino Ruiz Apart LP	Apartments	35,356,200	0.28
14.	Sphear Investments LLC	Shopping Center	31,331,384	0.25
15.	Avalonbay Communities Inc.	Apartments	31,104,987	0.25
16.	BRE SSP Property Owner LLC	Hotel	26,072,142	0.21
17.	CNL Retirement Camarillo, Lessor	Office Building	25,381,251	0.20
18.	Brixmor Holdings 1 SPE LLC	Shopping Center	24,291,575	0.19
19.	Lamplighter Camarillo MHC LP	Mobile Home Park	24,280,534	0.19
20.	MA Camarillo LLC	Industrial	23,782,937	0.19
			<u>\$979,160,576</u>	<u>7.76%</u>

[1] 2016-17 Local Secured Assessed Valuation: \$12,620,875,148.
Source: California Municipal Statistics, Inc.

The two largest taxpayers are Chelsea GCA Realty Partners and CPG Partners LP, which are affiliates of the Chelsea Property Group. These entities own shopping centers in the District, including the Camarillo Premium Outlets, which first opened in February 1995 and has expanded six times, including in 2009, when the 242,000-square foot addition known as Camarillo Promenade was completed. The property currently includes about 674,000 square feet of retail space and 160 stores, including Neiman Marcus Last Call, Saks Fifth Avenue Off 5th, and Barneys New York. Chelsea Property Group is a real estate investment trust headquartered in New Jersey and is the leading owner, developer, and manager of Premium Outlet® centers in the U.S. and Asia. In 2004, Chelsea Property Group was acquired by Simon Property Group, the largest real estate investment trust and shopping mall owner in the U.S. and a Standard & Poor's 500 company. Since then, Chelsea Property Group has operated as a subsidiary of Simon Property Group.

Tax Levies and Delinquencies

The following table shows a five-year history for property tax collections and delinquencies for the secured tax charges levied and collected by the County on the property within the District.

**Table 8
Pleasant Valley Recreation and Park District
Secured Tax Charges and Delinquency Rates**

Fiscal Year	Secured Tax Charge [1]	Secured Tax Delinquencies	Current Year % Delinquencies
2011-12	\$4,920,838	\$71,868	1.46%
2012-13	4,867,436	67,652	1.39
2013-14	5,009,887	46,013	0.92
2014-15	5,276,595	43,994	0.83
2015-16	5,651,113	77,159	1.37

[1] Represents the 1% general fund apportionment collected by the County.
Source: California Municipal Statistics, Inc.

Impact of State Budgets

General. Information about the fiscal year 2016-17 revised State budget and other State budgets is regularly available at various State-maintained websites. An impartial analysis of the budget is posted by the Legislative Analyst Office at www.lao.ca.gov. In addition, various State official statements, many of which contain a summary of the current and past State budgets, may be found at the website of the State Treasurer, www.treasurer.ca.gov. *The information referred to in this paragraph is prepared by the respective State agency maintaining each website and not by the District or Underwriter, and the District and Underwriter take no responsibility for the continued accuracy of the Internet addresses or for the accuracy or timeliness of information posted there, and such information is not incorporated in this Official Statement by these references.*

Future State Budgets. The District cannot predict what actions will be taken in future years by the State Legislature and the Governor to address the State's current or 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. 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 budget. Decrease in such revenues may have an adverse impact on the District's ability to pay the Certificates. See "RISK FACTORS – Impact of State Budget on District Revenues."

Employee Retirement System

This caption contains certain information relating to California Public Employees' Retirement System ("CalPERS"). Information in this section is derived largely from the most recent audited financial statements of the District. See Note 8 to the audited financial statements of the District attached as APPENDIX C for additional details.

Plan Description. All qualified permanent and probationary employees are eligible to participate in the District's Miscellaneous Employee Pension Plans (the "Plans"), cost-sharing multiple employer defined benefit plans administered by CalPERS. Benefit provisions under the Plans are established by State statute and District resolution.

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 credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The provisions and benefits of each plan that were in effect at June 30, 2016, are summarized as follows:

Miscellaneous Plan

Hire Date	Prior to March 12, 2011	March 12, 2011 through December 31, 2012	On or after January 1, 2013
Benefit formula	2.5% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life	Monthly for life
Retirement age	50	50-65	52-67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates	8%	7%	6.250%
Required employer contribution rates	9.067% + \$173,679	6.709% + \$393	6.250%

Net Pension Liability. At June 30, 2016, the District reported a liability of \$3,550,158 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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 Pension Plan participants, actuarially determined. At June 30, 2015, the District's proportion was 0.12940% and at June 30, 2014 the District's proportion was 0.11325%, an increase of 0.01615%.

Recent Actions Taken by CalPERS. In recent years, the CalPERS' Board of Administration (the "CalPERS Board") has approved certain policy changes to the CalPERS plans that have resulted in increased required contributions from plan participants, including the District. For example, at its April 17, 2013 meeting, the CalPERS Board approved a recommendation to change the CalPERS amortization and smoothing policies. After the change, CalPERS will employ an amortization and smoothing policy that will pay for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period. The new amortization and smoothing policy was used for the first time in the June 30, 2013, actuarial valuations in setting employer contribution rates for Fiscal Year 2015-16. On February 18, 2014, the CalPERS Board approved new demographic actuarial assumptions based on a 2013 study of recent experience. On November 18, 2015, the CalPERS Board 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. The policy establishes a mechanism to reduce the discount rate by a minimum of 0.05 percentage points to a maximum of 0.25 percentage points in years when investment returns outperform the existing discount rate, currently 7.5%, by at

least four percentage points. On December 21, 2016, the CalPERS Board voted to reduce the current 7.5% discount rate to 7.0% over the subsequent three years.

Additional changes resulting in further increased required contributions from the District may occur in the future. More information about the assumptions used by CalPERS to calculate plan participants' contributions can be accessed through CalPERS' web site at its website address: <https://www.calpers.ca.gov>. *The reference to this Internet website is provided for reference and convenience only. The information contained within the website may not be current, has not been reviewed by the District or the Underwriter and is not incorporated in this Official Statement by reference.*

GASB Statement No. 68. In June 2012, the GASB adopted new standards (GASB Statement No. 68, or "**GASB 68**") with respect to accounting and financial reporting by state and local government employers for defined benefit pension plans. The new standards revise the accounting treatment of defined benefit pension plans, changing the way expenses and liabilities are calculated and how state and local government employers report those expenses and liabilities in their financial statements. Major changes include: (i) the inclusion of unfunded pension liabilities on the government's balance sheet (previously, such unfunded liabilities were typically included as notes to the government's financial statements); (ii) pension expense incorporates more rapid recognition of actuarial experience and investment returns and is no longer based on the employer's actual contribution amounts; (iii) lower actuarial discount rates that are required to be used for underfunded plans in certain cases for purposes of the financial statements; (iv) closed amortization periods for unfunded liabilities that are required to be used for certain purposes of the financial statements; and (v) the difference between expected and actual investment returns to will be recognized over a closed five-year smoothing period. The reporting requirements took effect in fiscal year 2014-15. Based on the adoption of the new accounting standards, beginning with the fiscal year 2014-15 actuarial valuation, the annual required contribution and the annual pension expense will be different. GASB 68 is a change in accounting reporting and disclosure requirements, but it does not change the District's pension plan funding obligations.

Information shown in this section that has been sourced from a CalPERS Actuarial Valuation Report has not been prepared in accordance with GASB 68. For a presentation of additional information that is required by GASB 68, see the District's Audited Financial Statements for the Fiscal Year Ended June 30, 2016, which is attached as APPENDIX C.

Deferred Compensation Savings Plans

The District participates in two 457 Deferred Compensation Programs (each, a "**457 Program**"). Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death or unforeseeable emergency.

Full-Time Employees. Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District, and are not subject to claims of the District's general creditors. Market values of the 457 Program for full time employee's assets held in trust by ICMA Retirement Corporation and MetLife at June 30, 2016, were \$769,332 and \$70,535, respectively. Since the District has little administrative involvement and does not perform the investing function for these plans, the assets and related liabilities are not shown on the statement of net position of the District.

Part-Time Employees. Part-time employees are covered by a deferred compensation plan in accordance with Internal Revenue Code Section 457. This 457 Program for part-time employees is a non-elective deferred compensation arrangement for the benefit of employees who are not covered by another retirement system maintained by the District. Under this 457 Program for part-time employees, an eligible participant accrues a monthly benefit that is equal to one-twelfth of an amount to 2% of the Participant's average annual compensation times years of service up to 30 years. Distributions from this 457 Program for part-time employees are made only when the participant has separated from service and the participant's accrued benefits are non-forfeitable.

In 2011, the assets of this 457 Program for part-time employees were transferred to the Part-Time Employees Retirement Trust Fund, with the District remaining the trustee of this plan, and held as a fiduciary fund of the District.

Other Post-Employment Benefits

Plan Description. The District offers post-employment medical benefits (the "Plan") to retired employees who satisfy the eligibility rules (5 years of service). Dependents are also eligible to receive benefits. Retirees may enroll in any plan available through the District's CalPERS medical program. The contribution requirements of Plan members and the District are established and may be amended by the Board of Directors. The District will reimburse the retiree for retiree and/or retiree's dependent health insurance premiums (medial) up to a maximum of \$122 per month. At June 30, 2016, there were 27 eligible employees, with six retirees currently receiving benefits.

Funding Policy. The District accounts for this benefit on a pay-as-you go basis. Postemployment expenditures are made from the General Fund which is maintained on the modified accrual basis of accounting. For the fiscal year ended June 30, 2016, the District paid \$13,214 in contributions.

Annual OPEB Cost and Net Obligation. The annual required contribution ("ARC") represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the District's annual OPEB cost for the current fiscal year, the amount actually contributed to the Plan, and changes in the District's net OPEB obligation for the postemployment healthcare benefits:

OPEB Components for Fiscal Year 2015-16

	Net OPEB Obligation (Asset)
Annual required contribution	\$ 37,897
Interest on net OPEB obligation	4,199
Adjustment to annual required contribution	<u>(4,590)</u>
Annual OPEB cost (expense)	37,506
Contribution made	<u>(13,214)</u>
Increase (decrease in net OPEB obligation)	24,292

Net OPEB Obligation - beginning of year	104,282
Net OPEB Obligation - end of year	<u>\$ 128,574</u>

Source: Pleasant Valley Recreation and Park District Audited Financial Statements for Fiscal Year Ended June 30, 2015.

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2016, were as follows:

Fiscal Year Ended June 30,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
2014	\$38,250	47.05%	\$81,299
2015	35,353	33.90	104,282
2016	37,506	29.17	128,574

Funded Status and Funding Progress. As of July 1, 2014, the actuarial accrued liability for benefits was \$512,376, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the Plan) was \$1,994,641, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 25.7%.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and the plan members) and includes the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The actuarial methods and assumptions used include technique that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value assets, consistent with the long-term perspective of the calculations.

Based on the historical and expected returns of the District's short-term investment portfolio, a discount rate of 4.0 percent was used. In addition, the entry age normal cost method was used. The amortization period is 30 years, level percent of payroll.

Long-Term General Fund Obligations

The District has certain long-term obligations payable from the General Fund, including the 2008 Certificates and a 2012 refunding loan agreement issued to refinance the District's CalPERS side-fund liability. For additional details, see APPENDIX C.

2008 Certificates. In July 2008, the District issued the 2008 Certificates, which consist of \$12,775,000 original principal amount of Certificates of Participation, Series 2008. Interest is payable semi-annually on March 1 and September 1 of each year while principal payments are made on September 1 of each year, commencing September 1, 2009 with interest rates ranging from 6.500% to 4.125%. The principal amount of the 2008 Certificates outstanding as of June 30, 2016 was \$12,280,000. The 2008 Certificates are expected to be refunded in full by the Certificates.

2012 Refunding Loan Agreement. In August 2012, the District refinanced a pension-related obligation owed to CalPERS due to a change in the District's plan (CalPERS side-fund

liability) via the issuance of its 2012 CalPERS Refunding Loan Agreement with Umpqua Bank. The CalPERS side-fund liability was equal to \$1,881,661 and by refinancing the District lowered the interest rate from 7.75% to 4.45%. Principal and interest are payable semi-annually on August 31 and February 28 each year through February 28, 2023. The principal amount of the 2012 refinancing debt outstanding as of June 30, 2016 was \$1,385,000.

Notes Payable - Software. The District has previously issued notes to finance the acquisition of new accounting software. The balance of the notes as of June 30, 2016, amounted to \$48,455, and will be repaid in full in 2018.

Compensated Absences and Other Employee-Related Obligations. The District permits full time employees to accumulate earned vacation, sick leave and compensated time off. The long-term portion of accumulated unpaid employee compensated absences for the District as of June 30, 2016, amounted to \$419,499. The District also accounts for its OPEB liability and net pension liability as a long-term debt obligation in its financial statements. The District's long-term liability as of June 30, 2016 for the OPEB obligations was \$128,574 and for its net pension liability was \$3,550,158.

Direct and Overlapping Governmental Obligations

Set forth below is a direct and overlapping debt report (the “**Debt Report**”) prepared by California Municipal Statistics, Inc. and dated January 1, 2017. 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 that public agency’s general fund or other revenues of that public agency.

**Table 9
Pleasant Valley Recreation and Park District
Statement of Direct and Overlapping Debt
Dated as of January 1, 2017**

2016-17 Assessed Valuation: \$13,387,015,736

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 1/1/17</u>
Metropolitan Water District	0.501%	\$ 465,626
Ventura Community College District	10.873	31,623,481
Oxnard Union High School District	33.666	52,738,468
Mesa Union School District	35.391	2,498,605
Pleasant Valley School District	91.960	28,139,760
Somis Union School District	5.909	226,906
West Camarillo Community Facilities District No. 1	100.000	6,520,000
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		\$122,212,846
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>		
Ventura County Certificates of Participation	10.870%	\$37,696,617
Ventura County Superintendent of Schools	10.870	1,091,348

Oxnard Union High School District General Fund Obligations	33.666	1,624,721
Pleasant Valley School District Certificates of Participation	91.960	565,554
City of Camarillo General Fund Obligations	99.381	6,146,715
Pleasant Valley Recreation and Park District Certificates of Participation	100.000	12,130,000
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		\$59,254,955
<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</u>		\$55,750,000
COMBINED TOTAL DEBT		\$237,217,801 ⁽¹⁾
<u>Ratios to 2016-17 Assessed Valuation:</u>		
Overlapping Tax and Assessment Debt	0.91%	
Combined Direct Debt (\$12,130,000)	0.09%	
Combined Total Debt	1.77%	
<u>Ratio to Redevelopment Incremental Valuation (\$845,905,421):</u>		
Overlapping Tax Increment Debt	6.59%	

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

Investments

The General Manager of the District invests funds in accordance with the investment policy adopted by the Board. All investments are required to comply with the laws set forth in the 53600 series of the California Government Code. Specific investments that are permitted include: Securities of the U.S. Government; Banker's Acceptances; Commercial Paper; Negotiable Certificates of Deposit; Repurchase Agreements; Certificates of Deposits; Local Agency Investment Fund ("LAIF"); and Savings Deposits. With the exceptions of U.S. Government Treasury securities and the State LAIF, no more than 30% of the District's total investment portfolio may be invested in a single security type or with a single financial institution.

Most of the District's funds are currently invested with the Ventura County Investment Pool and in certificates of deposit, with a small amount in LAIF and money market funds. As of June 30, 2016, the District had a carrying value of its investments equal to \$3,990,785, distributed as follows: in the Ventura County Investment Pool an amount equal to \$2,831,296, in certificates of deposit an amount equal to \$1,153,044, in money market funds an amount equal to \$1,340, and in LAIF an amount equal to \$5,105.

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS

There are a number of provisions in the State Constitution that limit the ability of the District to raise and expend tax revenues.

Article XIII A of the California Constitution

Article XIII A of the State Constitution, known as Proposition 13, was approved by the voters in June 1978 and has been amended on occasions, including most recently on November 7, 2000 to reduce the voting percentage required for the passage of school bonds. Section I(a) of Article XIII A limits the maximum ad valorem tax on real property to 1% of "full cash value," and provides that such tax will be collected by the counties and apportioned according to State statutes. Section I(b) of Article XIII A provides that the 1% limitation does not apply to ad valorem taxes levied to pay interest or redemption charges on any (1) indebtedness approved by the voters prior to July 1, 1978, (2) bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by the voters voting on the proposition and (3) bonded indebtedness incurred by a school district, community college district or county office of education for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities or the acquisition or lease of real property for school facilities, approved by 55 percent of the voters voting on the proposition.

Section 2 of Article XIII A defines "full cash value" to mean the county assessor's valuation of real property as shown on the 1975-76 Fiscal Year tax bill, or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred. The full cash value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or to reflect a reduction in the consumer price index or comparable data for the taxing jurisdiction, or may be reduced in the event of declining property value caused by substantial damage, destruction or other factors. Legislation implementing Article XIII A provides that, notwithstanding any other law, local agencies may not levy any ad valorem property tax except to pay debt service on indebtedness approved by the voters as described above. Such legislation further provides that each county will levy the maximum tax permitted by Article XIII A, which is \$1.00 per \$100 of assessed market value.

Since its adoption, Article XIII A has been amended a number of times. These amendments have created a number of exceptions to the requirement that property be reassessed when it is purchased, newly constructed or undergoes a change in ownership. These exceptions include certain transfers of real property between family members, certain purchases of replacement dwellings for persons over age 55 and by property owners whose original property has been destroyed in a declared disaster, and certain improvements to accommodate disabled persons and for seismic upgrades to property. These amendments have resulted in marginal reductions in the property tax revenues of the City.

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

Article XIII B of the California Constitution

In addition to the limits Article XIII A imposes on property taxes that may be collected by local governments, certain other revenues of the State and most local governments are subject

to an annual "appropriations limit" imposed by Article XIIB which effectively limits the amount of such revenues those entities are permitted to spend. Article XIIB, approved by the voters in July 1979, was modified substantially by Proposition 111 in 1990. The appropriations limit of each government entity applies to "proceeds of taxes," which consist of tax revenues, State subventions and certain other funds, including proceeds from regulatory licenses, user charges or other fees to the extent that such proceeds exceed "the cost reasonably borne by such entity in providing the regulation, product or service." "Proceeds of taxes" excludes tax refunds and some benefit payments such as unemployment insurance. No limit is imposed on the appropriation of funds which are not "proceeds of taxes," such as reasonable user charges or fees, and certain other non-tax funds. Article XIIB also does not limit appropriation of local revenues to pay debt service on bonds existing or authorized by January 1, 1979, or subsequently authorized by the voters, appropriations required to comply with mandates of courts or the federal government, appropriations for qualified capital outlay projects, and appropriation by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990 levels. The appropriations limit may also be exceeded in case of emergency; however, the appropriations limit for the next three years following such emergency appropriation must be reduced to the extent by which it was exceeded, unless the emergency arises from civil disturbance or natural disaster declared by the Governor, and the expenditure is approved by two-thirds of the legislative body of the local government.

The State and each local government entity has its own appropriations limit. Each year, the limit is adjusted to allow for changes, if any, in the cost of living, the population of the jurisdiction, and any transfer to or from another government entity of financial responsibility for providing services.

Proposition 111 requires that each agency's actual appropriations be tested against its limit every two years. If the aggregate "proceeds of taxes" for the preceding two-year period exceeds the aggregate limit, the excess must be returned to the agency's taxpayers through tax rate or fee reductions over the following two years.

The District is subject to and is operating in conformity with Article XIIB.

Article XIIC and XIID of the California Constitution

General. On November 5, 1996, the voters of the State approved Proposition 218, known as the "Right to Vote on Taxes Act." Proposition 218 adds Articles XIIC and XIID to the California Constitution and contains a number of interrelated provisions affecting the ability of the City to levy and collect both existing and future taxes, assessments, fees and charges.

On November 2, 2010, California voters approved Proposition 26, entitled the "Supermajority Vote to Pass New Taxes and Fees Act." Section 1 of Proposition 26 declares that Proposition 26 is intended to limit the ability of the State Legislature and local government to circumvent existing restrictions on increasing taxes by defining the new or expanded taxes as "fees." Proposition 26 amended Articles XIIC and XIID of the State Constitution. The amendments to Article XIIC limit the ability of the State Legislature to impose higher taxes (as defined in Proposition 26) without a two-thirds vote of the Legislature. The amendments to Article XIIC define "taxes" that are subject to voter approval as "any levy, charge, or exaction of any kind imposed by a local government," with certain exceptions.

Taxes. Article XIII C requires that all new local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes of the District (“general taxes”) require a majority vote; taxes for specific purposes (“special taxes”), even if deposited in the District’s General Fund, require a two-thirds vote.

Property-Related Fees and Charges. Article XIII D also adds several provisions making it generally more difficult for local agencies to levy and maintain property-related fees, charges, and assessments for municipal services and programs. These provisions include, among other things, (i) a prohibition against assessments which exceed the reasonable cost of the proportional special benefit conferred on a parcel, (ii) a requirement that assessments must confer a “special benefit,” as defined in Article XIII D, over and above any general benefits conferred, (iii) a majority protest procedure for assessments which involves the mailing of notice and a ballot to the record owner of each affected parcel, a public hearing and the tabulation of ballots weighted according to the proportional financial obligation of the affected party, and (iv) a prohibition against fees and charges which are used for general governmental services, including police, fire or library services, where the service is available to the public at large in substantially the same manner as it is to property owners.

Reduction or Repeal of Taxes, Assessments, Fees and Charges. Article XIII C also removes limitations on the initiative power in matters of reducing or repealing local taxes, assessments, fees or charges. No assurance can be given that the voters of the City will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges currently comprising a substantial part of the District’s General Fund.

Burden of Proof. Article XIII C provides that 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.” Similarly, Article XIII D provides that in “any legal action contesting the validity of a fee or charge, the burden shall be on the agency to demonstrate compliance” with Article XIII D.

Judicial Interpretation of Proposition 218. The interpretation and application of Articles XIII C and XIII D will ultimately be determined by the courts with respect to a number of the matters discussed herein, and it is not possible at this time to predict with certainty the outcome of such determination.

Impact on District’s General Fund. The approval requirements of Articles XIII C and XIII D reduce the flexibility of the District to raise revenues for the General Fund, and no assurance can be given that the District will be able to impose, extend or increase the taxes, fees, charges or taxes in the future that it may need to meet increased expenditure needs.

Proposition 1A

Proposition 1A, proposed by the Legislature in connection with the State’s fiscal year 2004-05 Budget, approved by the voters in November 2004 and generally effective in fiscal year 2006-07, provides that the State may not reduce any local sales tax rate, limit existing local government authority to levy a sales tax rate or change the allocation of local sales tax revenues, subject to certain exceptions. Proposition 1A generally prohibits the State from shifting to schools or community colleges any share of property tax revenues allocated to local governments for any fiscal year, as set forth under the laws in effect as of November 3, 2004.

Any change in the allocation of property tax revenues among local governments within a county must be approved by two-thirds of both houses of the Legislature.

Proposition 1A provides, however, that beginning in fiscal year 2008-09, the State may shift to schools and community colleges up to 8% of local government property tax revenues, which amount must be repaid, with interest, within three years, if the Governor proclaims that the shift is needed due to a severe state financial hardship, the shift is approved by two-thirds of both houses and certain other conditions are met. 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

Proposition 22, entitled “The Local Taxpayer, Public Safety and Transportation Protection Act,” was approved by the voters of the State in November 2010. Proposition 22 amended the state Constitution to eliminate or reduce the State’s authority to (i) temporarily shift property taxes from cities, counties and special districts to schools, (ii) use vehicle license fee revenues to reimburse local governments for State-mandated costs (the State will have to use other revenues to reimburse local governments), (iii) redirect property tax increment from redevelopment agencies to any other local government, (iv) use State fuel tax revenues to pay debt service on State transportation bonds, or (v) borrow or change the distribution of State fuel tax revenues. This Proposition was intended to, among other things, stabilize local government revenue sources by restricting the State’s control over local property taxes. Notwithstanding the passage of Proposition 22, the State successfully dissolved redevelopment agencies.

Proposition 26

On November 2, 2010, the voters of the State approved Proposition 26 (“Proposition 26”), which revises certain provisions of Articles XIII A and XIII C of the California Constitution. Proposition 26 re-categorizes many State and local fees as taxes, requires local governments to obtain two-thirds voter approval for taxes levied by local governments, and requires the State to obtain the approval of two-thirds of both houses of the State Legislature to approve State laws that increase taxes. Furthermore, pursuant to Proposition 26, any increase in a fee beyond the amount needed to provide the specific service or benefit is deemed to be a tax and the approval thereof will require a two-thirds vote. In addition, for State-imposed charges, any tax or fee adopted after January 1, 2010, with a majority vote which would have required a two-thirds vote if Proposition 26 were effective at the time of such adoption is repealed as of November 2011 absent the re-adoption by the requisite two-thirds vote.

Proposition 26 amends Article XIII C of the State Constitution to state that a “tax” means a levy, charge or exaction of any kind imposed by a local government, except: (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, including late payment fees, fees imposed under administrative citation ordinances, parking violations, etc.; (6) a charge imposed as a condition of property development; or (7) assessments and property related fees imposed in accordance with the provisions of Article XIII D. Fees, charges and payments that are made pursuant to a voluntary contract that are not "imposed by a local government" are not considered taxes and are not covered by Proposition 26.

Proposition 26 applies to any levy, charge or exaction imposed, increased, or extended by local government on or after November 3, 2010. Accordingly, fees adopted prior to that date are not subject to the measure until they are increased or extended or if it is determined that an exemption applies.

If the local government specifies how the funds from a proposed local tax are to be used, the approval will be subject to a two-thirds voter requirement. If the local government does not specify how the funds from a proposed local tax are to be used, the approval will be subject to a 50% voter requirement. Proposed local government fees that are not subject to Proposition 26 are subject to the approval of a majority of the governing body. In general, proposed property charges will be subject to a majority vote of approval by the governing body although certain proposed property charges will also require approval by a majority of property owners.

Proposition 62

A statutory initiative ("Proposition 62") was adopted by the voters voting in the State at the November 4, 1986 General Election which (1) requires that any tax for general governmental purposes imposed by local governmental entities be approved by resolution or ordinance adopted by two-thirds vote of the governmental agency's legislative body and by a majority of the electorate of the governmental entity, (2) requires that any special tax (defined as taxes levied for other than general governmental purposes) imposed by a local governmental entity be approved by a two-thirds vote of the voters within that jurisdiction, (3) restricts the use of revenues from a special tax to the purposes or for the service for which the special tax was imposed, (4) prohibits the imposition of ad valorem taxes on real property by local governmental entities except as permitted by Article XIII A, (5) prohibits the imposition of transaction taxes and sales taxes on the sale of real property by local governmental entities and (6) requires that any tax imposed by a local governmental entity on or after March 1, 1985 be ratified by a majority vote of the electorate within two years of the adoption of the initiative or be terminated by November 15, 1988.

Following its adoption by the voters, various provisions of Proposition 62 were declared unconstitutional at the appellate court level. On September 28, 1995, however, the California Supreme Court, in *Santa Clara City Local Transportation Authority v. Guardino*, upheld the constitutionality of the portion of Proposition 62 requiring a two-thirds vote in order for a local government or district to impose a special tax, and, by implication, upheld a parallel provision requiring a majority vote in order for a local governmental or district to impose any general tax. The *Santa Clara* decision did not address the question of whether or not it should be applied retroactively.

In response to the *Santa Clara* decision, the California Legislature adopted Assembly Bill 1362, which provided that the *Santa Clara* decision should apply only prospectively to any tax that was imposed or increased by an ordinance or resolution adopted after December 14, 1995. Assembly Bill 1362 was vetoed by the Governor, hence the application of the *Santa Clara* decision on a retroactive basis remains unclear.

Proposition 62, as an initiative statute, does not have the same level of authority as a constitutional initiative, but is analogous to legislation adopted by the State Legislature, except that it may be amended only by a vote of the State's electorate. However, Proposition 218, as a constitutional amendment and supersedes many of the provisions of Proposition 62.

Unitary Property

AB 454 (Chapter 921, Statutes of 1986) provides that revenues derived from most utility property assessed by the State Board of Equalization ("**Unitary Property**"), commencing with the 1988-89 fiscal year, will be allocated as follows: (i) each jurisdiction will receive up to 102% of its prior year State-assessed revenue; and (ii) if county-wide revenues generated from Unitary Property are less than the previous year's revenues or greater than 102% of the previous year's revenues, each jurisdiction will share the burden of the shortfall or benefit of the excess revenues by a specified formula. This provision applies to all Unitary Property except railroads, whose valuation will continue to be allocated to individual tax rate areas.

The provisions of AB 454 do not constitute an elimination of the assessment of any State-assessed properties nor a revision of the methods of assessing utilities by the State Board of Equalization. Generally, AB 454 allows valuation growth or decline of Unitary Property to be shared by all jurisdictions in a county.

Future Initiatives

Articles XIII A, XIII B, XIII C and XIII D and Propositions 1A, 62 and 22 were adopted as measures that qualified for the ballot through California's initiative process. From time to time other initiative measures could be adopted, further affecting the City's revenues.

RISK FACTORS

The following describes certain special considerations and risk factors affecting the payment of and security for the Certificates. The following discussion is not meant to be an exhaustive list of the risks associated with the purchase of any Certificates and does not necessarily reflect the relative importance of the various risks. Potential investors in the Certificates are advised to consider the following special factors along with all other information in this Official Statement in evaluating the Certificates. There can be no assurance that other considerations will not materialize in the future.

No Pledge of Taxes

General. 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 District, the State of California or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

The District is currently liable on other obligations payable from general revenues, which are described above under "DISTRICT FINANCIAL INFORMATION."

Limitations on Taxes and Fees. Certain taxes, assessments, fees and charges presently imposed by the District could be subject to the voter approval requirements of Article XIIC and Article XIID of the State Constitution. Based upon the outcome of an election by the voters, such fees, charges, assessments and taxes might no longer be permitted to be imposed, or may be reduced or eliminated and new taxes, assessments fees and charges may not be approved.

The District has assessed the potential impact on its financial condition of the provisions of Article XIIC and Article XIID of the State Constitution respecting the imposition and increase of taxes, fees, charges and assessments and does not believe that an election by the voters to reduce or eliminate the imposition of certain existing fees, charges, assessments and taxes would substantially affect its financial condition. However, the District believes that if the initiative power was exercised so that all local taxes, assessments, fees and charges that may be subject to Article XIIC and Article XIID of the State Constitution are eliminated or substantially reduced, the financial condition of the District, including its General Fund, could be materially adversely affected.

Although the District does not currently anticipate that the provisions of Article XIIC and Article XIID of the State Constitution would adversely affect its ability to pay Lease Payments and its other obligations payable from the General Fund, no assurance can be given regarding the ultimate interpretation or effect of Article XIIC and Article XIID of the State Constitution on the District's finances. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS."

Additional Obligations of the District

The District has existing obligations payable from its General Fund. See "DISTRICT FINANCIAL INFORMATION." 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.

The Lease Payments and other payments due under the Lease Agreement (including payment of costs of repair and maintenance of the Site and Facilities) are payable from funds lawfully available to the District. If the amounts that the District is obligated to pay in a fiscal year exceed the District's revenues for such year, the District may choose to make some payments rather than making other payments, including Lease Payments and Additional Payments, based on the perceived needs of the District. The same result could occur if, because of California Constitutional limits on expenditures, the District is not permitted to appropriate and spend all of its available revenues or is required to expend available revenues to preserve the public health, safety and welfare.

Default

Whenever any event of default referred to in the Lease Agreement happens and continues, the Corporation is authorized under the terms of the Lease Agreement to exercise any and all remedies available under law or granted under the Lease Agreement. See APPENDIX A for a detailed description of available remedies in the case of a default under the Lease Agreement.

In the event of a default, there is no remedy of acceleration of the total Lease Payments due over the term of the Lease Agreement. The Trustee is not empowered to sell the Site and Facilities and use the proceeds of such sale to prepay the Certificates or pay principal and interest represented by the Certificates.

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, or to re-enter and re-lease the Site and Facilities to a third party to the extent permitted by law. Any such suit for money damages would be subject to limitations on legal remedies against municipalities 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. To the extent the Trustee attempted to re-enter and re-lease the Site and Facilities, given that the Site and Facilities consist of a sports complex, there is no assurance that a third party could be found.

Termination

Under certain circumstances related to damage, destruction, or a taking pursuant to eminent domain which, in any such case, causes a substantial interference with the use and possession of the Site and Facilities, the District's obligation to make Lease Payments will be subject to full or partial abatement and could result in the Trustee having inadequate funds to pay the principal and interest on the Certificates as and when due. See "SECURITY FOR THE CERTIFICATES – Termination" and "APPENDIX A – SUMMARY OF PRINCIPAL LEGAL DOCUMENTS."

Although the District is required under the Lease Agreement to maintain property and liability insurance and rental interruption insurance with respect to the Site and Facilities, the required insurance coverage is subject to certain conditions and restrictions. See "SECURITY FOR THE CERTIFICATES – Covenants to Maintain Insurance." However, there is no

assurance that the District will receive proceeds of any insurance in time to make Lease Payments when due.

Property Taxes

Levy and Collection. The largest source of revenues to the District's General Fund comes from property taxes levied by the County and apportioned, in part, to the District. See "DISTRICT FINANCIAL INFORMATION – Major Revenues." 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, or any substantial delinquencies in the payment of property taxes, could reduce the District's property tax revenues, and accordingly, could have an adverse impact on the ability of the District to make Lease Payments when due.

Reduction in Inflationary Rate. Article XIII A 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 LIMITATIONS ON TAXES AND APPROPRIATIONS." Such measure is computed on a calendar year basis. Because Article XIII A 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%. Since Article XIII A was approved, the annual adjustment for inflation has fallen below the 2% limitation in certain years.

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 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 XIII A 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 XIII A.

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.

Environmental Matters

Land in the District is subject to various natural and man-made disasters that could lead to a loss of use of the Site and Facilities by the District and/or reduce the ability of the District to make lease payments. These risks include, but are not limited to, earthquakes, floods, fires, mudslides and other calamities.

Seismic Risks. Like many areas of California, the District is subject to seismic activity. There are known fault splays in the communities encompassing the District, and the District could be at risk from strong ground motion and secondary effects, such as liquefaction, from a number of nearby seismically active faults, including the Simi/Santa Rosa Fault and the San Andreas Fault.

The District is obligated under the Lease Agreement to maintain earthquake insurance on the Site and Facilities only if available at reasonable cost from reputable insurers in the reasonable opinion of the District.

The level of the District's property tax revenues, and consequently, the ability of the District to make lease payments, could be substantially reduced as a result of a major earthquake proximate to the District. In addition, substantial damage to the Site and Facilities due to an earthquake could entitle the District to abate the Lease Payments under the Lease. See "–Termination" above.

Floods. According to the Safety Element of the City of Camarillo General Plan, portions of the District are located within the 100-year flood hazard zones mapped by FEMA and designated as "flood prone." Under the General Plan, existing buildings must be elevated to a 50-year flood plain level and new buildings must be elevated above the 100-year flood plain level. The Site and Facilities are not located within a 100-year flood plain. The District does not maintain flood insurance on the Site and Facilities.

Wildland-Interface Fire Risks. The City of Camarillo General Plan states that the County is one of the most hazardous fire areas in the country. In October 2007, 20 major fires burned in southern California, including three of major concern in the County. A moderate to extreme brush fire hazard continues to exist in areas of the District.

The level of the District's property tax revenues, and consequently, the ability of the District to make lease payments, could be substantially reduced as a result of wildland-interface

fire in or immediately surrounding the District. In addition, substantial damage to the Site and Facilities due to a wildfire could entitle the District to abate the Lease Payments under the Lease. See “–Abatement” above.

Limitations on Remedies

The ability of the District to comply with its covenants under the Lease Agreement may be adversely affected by actions and events outside of the control of the District, and may be adversely affected by actions taken (or not taken) by voters, property owners, taxpayers or payers of assessments, fees and charges. See “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS.”

Furthermore, any remedies available to the owners of the Certificates upon the occurrence of an event of default under the Lease Agreement or the Trust Agreement are in many respects dependent upon judicial actions, which are often subject to discretion and delay and could prove both expensive and time consuming to obtain.

In addition to the limitations on remedies contained in the Lease Agreement and the Trust Agreement, the rights and obligations under the Certificates, the Lease Agreement and the Trust Agreement, may be subject to the following: the United States Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors’ rights generally, now or hereafter in effect; usual 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 Federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State of California and its governmental bodies in the interest of serving a significant and legitimate public purpose.

Bankruptcy proceedings, 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.

Impact of Decline in District Revenues

The Lease Payments will be payable from any source of available funds of the District, subject to the Lease Agreement. The District covenants to take such action 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.

To the extent the District experiences a significant decline in revenues available to the District, this decline could have a material adverse impact on the District’s ability to make Lease Payments. For example, historically, property tax revenues have constituted the largest source of revenue available to the District’s General Fund. A decline in property tax revenues to the District, which could happen for a number of reasons (see “–Property Taxes” above), could have a negative impact on the District’s ability to make the Lease Payments.

Although not part of its General Fund, the District also levies and collects an annual assessment on all parcels within an assessment district formed by the District pursuant to the Landscaping and Lighting Act of 1972. The assessments received by the District are used for

the purposes authorized by the assessment district, generally consisting of the maintenance of the District's parks and related improvements. The District cannot give any assurance that the assessment district levies will not be challenged and, if challenged, reduced or eliminated, pursuant to Proposition 218 (see "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS – Article XIII C and XIII D of the California Constitution"). If this occurred, the decline in revenues available to the District from the assessments may cause the District to fund certain operations and maintenance from its General Fund, thereby leaving less General Fund amounts available for payment of Lease Payments.

Loss of Tax-Exemption

As discussed under the caption "TAX MATTERS," interest represented by the Certificates could become includable in gross income for purposes of federal income taxation, retroactive to the date the Certificates were executed and delivered, as a result of future acts or omissions of the District in violation of its covenants in the Lease Agreement and the Trust Agreement. Should such an event of taxability occur, the Certificates are not subject to prepayment and will remain outstanding until maturity or until prepaid under other provisions set forth in the Trust Agreement.

Federal Income Tax Changes

During recent years, legislative proposals have been introduced in the United States Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Certificates. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Certificates. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Certificates and their market value.

No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Certificates. For example, in connection with federal deficit reduction, job creation and tax law reform efforts, proposals have been and others are likely to be made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of the portion of lease payments designated as and comprising interest and received by the owners of obligations that are similar to the Certificates. There can be no assurance that any such legislation or proposal will be enacted, and if enacted, what form it may take. The introduction or enactment of any such legislative proposals may affect, perhaps significantly, the market price for, or marketability of, the Certificates.

Impact of State Budget on District Revenues

At various times, including recently, the State has experienced significant financial and budgetary stress. State budgets are affected by national and local economic conditions and other factors over which the District has no control. The State's financial condition and budget policies affect communities and local public agencies throughout the State. 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 budget.

For example, declining revenues and fiscal difficulties which arose in the State commencing in Fiscal Year 2008-09 led the State to undertake a number of budgeting

strategies, which had subsequent impacts on local agencies within the State. These techniques included the issuance of IOUs in lieu of warrants (checks), the enactment of statutes deferring amounts owed to public schools, until a later date in the fiscal year, or even into the following fiscal year (known as statutory deferrals), trigger reductions, which were budget cutting measures which were implemented or could have been implemented if certain State budgeting goals were not met, among others, and the dissolution of local redevelopment agencies in part to make available additional funding for local agencies.

Although starting with Fiscal Year 2013-14, recent State budgets have been balanced and balanced budgets are projected for the foreseeable future, largely attributable to improvements in the economy, the additional revenues generated due to the passage of Proposition 30 at the November 6, 2012 statewide election and the extension of Proposition 30's increased income tax rates via the passage of Proposition 55 at the November 8, 2016 statewide election, as well as other spending cuts, there can be no certainty that budget-cutting strategies such as those used in prior years will not be used in the future should the State budget again be stressed and if projections included in such budget do not materialize.

Secondary Market for Certificates

There can be no guarantee that there will be a secondary market for the Certificates or, if a secondary market exists, that any Certificates can be sold for any particular price. Prices of issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price.

No assurance can be given that the market price for the Certificates will not be affected by the introduction or enactment of any future legislation (including without limitation amendments to the Internal Revenue Code), or changes in interpretation of the Internal Revenue Code, or any action of the Internal Revenue Service, including but not limited to the publication of proposed or final regulations, the issuance of rulings, the selection of the Certificates for audit examination, or the course or result of any Internal Revenue Service audit or examination of the Certificates or obligations that present similar tax issues as the Certificates.

TAX MATTERS

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Special Counsel, subject, however to the qualifications set forth below, under existing law, the portion of 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 such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, provided, however, that, for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining certain income and earnings.

The opinions set forth in the preceding paragraph are subject to the condition that the District comply with all requirements of the Tax Code that must be satisfied subsequent to the execution and delivery of the Certificates. The District has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest with respect to the Certificates in gross income for federal income tax purposes to be retroactive to the date of execution and delivery of the Certificates.

If the initial offering price to the public (excluding bond houses and brokers) at which a Certificate is sold is less than the amount payable at maturity thereof, then such difference constitutes "original issue discount" for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public (excluding bond houses and brokers) at which a Certificate is sold is greater than the amount payable at maturity thereof, then such difference constitutes "original issue premium" for purposes of federal income taxes and State of California personal income taxes. *De minimis* original issue discount and original issue premium is disregarded.

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

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the Certificate (said term being the shorter of the Certificate's maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the Certificate for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a Certificate is amortized each year over the term to maturity of the Certificate on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates).

Amortized Certificate premium is not deductible for federal income tax purposes. Owners of premium Certificates, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such Certificates.

In the further opinion of Special Counsel, the portion of lease payments designated as and comprising interest and received by the owners of the Certificates is exempt from California personal income taxes.

Owners of the Certificates should also be aware that the ownership or disposition of, or the accrual or receipt of interest with respect to, 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.

CERTAIN LEGAL MATTERS

The legal opinion of Special Counsel, approving the validity of the Certificates, in substantially the form attached hereto as APPENDIX D, will be made available to purchasers at the time of original delivery of the Certificates. Special Counsel will, as Disclosure Counsel, also deliver a disclosure letter to the District and the Underwriter regarding the contents of this Official Statement. Certain matters will be passed upon for the District by the District's general counsel, and for the Underwriter by its counsel.

CONTINUING DISCLOSURE

The District will covenant for the benefit of owners of the Certificates to provide certain financial information and operating data relating to the District and its general fund (the "**Annual Report**") and to provide notices of the occurrence of certain listed events ("**Event Notices**"). All Annual Reports and Event Notices are required to be filed electronically with the Municipal Securities Rulemaking Board (the "**MSRB**"). Each Annual Report will be filed within nine months after the end of the District's fiscal year (currently March 31 based on the District's fiscal year end of June 30), commencing March 31, 2017.

These covenants have been made in order to assist the Underwriter in complying with Securities Exchange Commission Rule 15c2-12(b)(5), as amended (the "**Rule**"). The specific nature of the information to be contained in the Annual Report and the Event Notices is set forth in APPENDIX E.

During the past five years, the District has failed to meet its continuing disclosure obligations as follows:

- The District's audited financial statements for Fiscal Years 2010-11 through 2014-15 were not filed as required.
- The required operating information of the District for Fiscal Years 2010-11 through 2014-15, including annual budget information, was not filed as required.

- Certain rating changes to the insurer that insures the 2008 Certificates were not filed as required.

All of the foregoing instances of non-compliance were remedied by the District with filings made in August and September 2016. The District has retained Digital Assurance Certification, LLC (DAC) to act as dissemination agent with respect to the Certificates.

UNDERWRITING

Raymond James & Associates, Inc. (the "**Underwriter**"), has entered into a Purchase Agreement with the District under which the Underwriter has agreed to purchase the Certificates at a price of \$ _____ (equal to the par amount of the Certificates (\$ _____), plus/less an original issue premium/discount of \$ _____, and less an Underwriter's discount of \$ _____.

The Underwriter will be obligated to take and pay for all the Certificates if any are taken. The Underwriter intends to offer the Certificates to the public at the offering prices shown on the inside cover page of this Official Statement. After the initial public offering, the Underwriter may vary the public offering prices from time to time.

NO LITIGATION

The District is not aware of any litigation pending or threatened questioning the existence or powers of the District, the authority of the District to enter into the Site and Facilities Lease or the Lease Agreement, or the execution and delivery of the Certificates.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

Causey, Demgen & Moore P.C., Denver, Colorado, a firm of independent public accountants (the "**Verification Agent**") will deliver to the District, on or before the closing date of the Certificates, its attestation report indicating that it has verified, in accordance with standards established by the American Institute of Certified Public Accountants, the information and assertions provided by the Municipal Advisor and/or Underwriter on behalf of the District. Included in the scope of its verification will be a verification of the mathematical accuracy of (a) the mathematical computations of the adequacy of the amounts deposited into the Escrow Fund, together with investment earnings thereon, to pay the principal and accrued interest with respect to the 2008 Certificates being paid and prepaid with the proceeds of the Certificates; and (b) the mathematical computations supporting the conclusion of Special Counsel that the Certificates are not "arbitrage bonds" under the Tax Code.

The verification performed by the Verification Agent will be solely based upon data, information and documents provided to the Verification Agent by the Municipal Advisor and/or Underwriter on behalf of the District. The Verification Agent's report of its verification will state that the Verification Agent has no obligation to update the report because of events occurring, or data or information coming to its attention, subsequent to the date of the report.

PROFESSIONAL FEES

In connection with the execution and delivery of the Certificates, fees payable to the following professionals involved in the offering are contingent upon the issuance and delivery of the Bonds:

- Jones Hall, A Professional Law Corporation, as Special Counsel and Disclosure Counsel;
- Stradling Yocca Carlson & Rauth, P.C., as Underwriter's Counsel;
- C.M. de Crinis & Co., Inc., as municipal advisor; and
- MUFG Union Bank, N.A., as Trustee and Escrow Agent.

RATINGS

S&P Global Ratings, a division of Standard & Poor's Financial Services LLC ("S&P"), has assigned its municipal bond rating of "___" to the Certificates. This rating reflects only the views of S&P, and an explanation of the significance of this rating, and any outlook assigned to or associated with this rating, should be obtained from S&P. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. The District has provided certain additional information and materials to the rating agency (some of which does not appear in this Official Statement).

There is no assurance that this rating will continue for any given period of time or that this rating will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of the rating agency, circumstances so warrant. Any such downward revision or withdrawal of any rating on the Certificates may have an adverse effect on the market price or marketability of the Certificates.

EXECUTION

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

**PLEASANT VALLEY RECREATION AND
PARK DISTRICT**

By: _____
General Manager

APPENDIX A
SUMMARY OF PRINCIPAL LEGAL DOCUMENTS

APPENDIX B

**GENERAL INFORMATION ABOUT THE CITY OF CAMARILLO
AND THE COUNTY OF VENTURA**

The following information concerning the City of Camarillo and the County of Ventura are included only for the purpose of supplying general information regarding the areas in and around the District.

Population

The following table shows population data for the City, the County and the State for the last five years.

**CITY OF CAMARILLO, VENTURA COUNTY
AND STATE OF CALIFORNIA
Population Estimates- as of January 1**

Calendar Year	City of Camarillo	Ventura County	State of California
2012	67,037	834,253	37,881,357
2013	68,087	840,867	38,239,207
2014	68,424	846,705	38,567,459
2015	68,861	850,491	38,907,642
2016	69,924	856,508	39,255,883

Source: State Department of Finance estimates.

Employment and Industry

The District is included in the Oxnard-Thousand Oaks-Ventura Metropolitan Statistical Area (“MSA”). The unemployment rate in Ventura County was 5.0 percent in November 2016, down from a revised 5.3 percent in October 2016, and below the year-ago estimate of 5.6 percent. This compares with an unadjusted unemployment rate of 5.0 percent for California and 4.4 percent for the nation during the same period.

The table below provides information about employment rates and employment by industry type for the County for calendar years 2011 through 2015.

**VENTURA COUNTY
Annual Average Civilian Labor Force, Employment and Unemployment,
Employment by Industry
(March 2015 Benchmark)**

	2011	2012	2013	2014	2015
Civilian Labor Force ⁽¹⁾	431,700	435,400	435,000	432,600	429,800
Employment	387,500	395,700	400,800	403,900	405,300
Unemployment	44,200	39,600	34,300	28,700	24,400
Unemployment Rate	10.2%	9.1%	7.9%	6.6%	5.7%
<u>Wage and Salary Employment: ⁽²⁾</u>					
Agriculture	25,200	27,100	27,400	26,500	26,500
Mining and Logging	1,300	1,300	1,200	1,300	1,000
Construction	11,300	11,800	12,600	13,700	14,200
Manufacturing	30,600	29,900	29,900	30,600	30,400
Wholesale Trade	12,500	12,600	12,900	12,800	12,600
Retail Trade	36,300	37,300	38,500	39,200	39,700
Transportation, Warehousing, Utilities	5,500	5,700	5,900	6,000	6,000
Information	4,900	5,200	5,200	5,300	5,100
Finance and Insurance	16,200	15,400	14,500	14,200	13,500
Real Estate and Rental and Leasing	4,200	4,200	4,400	4,500	4,200
Professional and Business Services	33,300	34,900	36,300	35,100	34,700
Educational and Health Services	36,300	38,200	40,400	41,600	42,700
Leisure and Hospitality	31,400	32,800	33,800	34,800	35,900
Other Services	9,200	9,400	9,700	9,800	9,600
Federal Government	7,400	7,200	7,000	6,900	7,100
State Government	2,700	2,700	2,700	2,800	2,900
Local Government	34,300	33,700	33,900	34,400	35,300
Total all Industries ⁽³⁾	302,600	309,300	316,200	319,400	321,300

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
 (2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
 (3) Totals may not add due to rounding.
 Source: State of California Employment Development Department.

Major Employers

The following table lists the major employers within the County as of October 2016, in alphabetical order.

VENTURA COUNTY Major Employers October 2016

Employer Name	Location	Industry
Air National Guard	Port Hueneme	State Government-National Security
Amgen Inc	Thousand Oaks	Biological Specimens-Manufacturers
Anthem Blue Cross	Westlake Village	Insurance
Baxter Healthcare	Westlake Village	Physicians & Surgeons Equip & Supls-Mfrs
Boskovich Farms Inc	Oxnard	Fruits & Vegetables-Growers & Shippers
Cal Atlantic Homes	Westlake Village	Home Builders
City of Simi Valley	Simi Valley	Government Offices-City, Village & Twp
Coleman Welding	Ventura	Steel-Structural (mfrs)
Community Memorial Health Syst	Ventura	Hospitals
Dole Berry Co	Oxnard	Fruits & Vegetables-Growers & Shippers
Haas Automation Inc	Oxnard	Machinery-Manufacturers
Harbor Freight Tools USA Inc	Camarillo	Tools-New & Used
I Yogi Technical Support	Oak Park	Computers-Service & Repair
Los Robles Hospital & Med Ctr	Thousand Oaks	Hospitals
Moorpark College	Moorpark	Schools-Universities & Colleges Academic
Nancy Reagan Breast Ctr	Simi Valley	Diagnostic Imaging Centers
Naval Air Warfare Ctr Weapons	Point Mugu Nawc	Federal Government-National Security
Naval Construction Battalion	Point Mugu Nawc	Government Offices-US
Ojai Valley Inn & Spa	Ojai	Inns
Oxnard College	Oxnard	Schools-Universities & Colleges Academic
Sheriff's Department-Jails	Ventura	Government Offices-County
Simi Valley City Manager	Simi Valley	Government Offices-City, Village & Twp
Simi Valley Hospital	Simi Valley	Hospitals
St John's Regional Medical Ctr	Oxnard	Hospitals
Ventura County Offices of Edu	Camarillo	Schools

Source: State of California Employment Development Department, extracted from *The America's Labor Market Information System (ALMIS) Employer Database, 2017 1st Edition.*

Effective Buying Income

"Effective Buying Income" is defined as personal income less personal tax and nontax payments, a number often referred to as "disposable" or "after-tax" income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor's income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as "disposable personal income."

The following table summarizes the total effective buying income and median household effective buying income for the City, the County, the State and the United States for the period 2011 through 2015. Effective buying income data is not yet available for calendar year 2016.

CITY OF CAMARILLO AND VENTURA COUNTY Effective Buying Income As of January 1, 2011 through 2015

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2011	City of Camarillo	\$1,895,653	\$62,046
	Ventura County	19,920,950	58,300
	California	814,578,458	47,062
	United States	6,438,704,664	41,253
2012	City of Camarillo	\$2,078,023	\$62,659
	Ventura County	21,829,752	59,284
	California	864,088,828	47,307
	United States	6,737,867,730	41,358
2013	City of Camarillo	\$2,050,615	\$64,931
	Ventura County	21,077,443	60,285
	California	858,676,636	48,340
	United States	6,982,757,379	43,715
2014	City of Camarillo	\$2,109,210	\$65,031
	Ventura County	21,468,990	60,911
	California	901,189,699	50,072
	United States	7,357,153,421	45,448
2015	City of Camarillo	\$2,385,643	\$74,056
	Ventura County	24,412,090	67,179
	California	981,231,666	53,589
	United States	7,757,960,399	46,738

Source: The Nielsen Company (US), Inc.

Commercial Activity

A summary of historic taxable sales within the City during the past five years for which data is available is shown in the following table. Annual figures are not yet available for calendar year 2015 or 2016.

CITY OF CAMARILLO
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2010	1,252	\$901,152	2,201	\$1,137,100
2011	1,262	989,854	2,198	1,229,646
2012	1,283	1,028,065	2,231	1,253,976
2013	1,290	1,077,600	2,210	1,301,651
2014	1,344	1,089,098	2,251	1,332,082

Source: California State Board of Equalization, Taxable Sales in California (Sales & Use Tax).

A summary of historic taxable sales within the County during the past five years for which data is available is shown in the following table. Annual figures are not yet available for calendar year 2015 or 2016.

VENTURA COUNTY
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2010	14,134	\$7,546,960	22,422	\$10,225,488
2011	13,788	8,156,404	22,032	11,020,181
2012	13,992	8,700,010	22,206	11,958,260
2013	14,285	9,101,436	22,234	12,824,296
2014	14,903	9,401,053	22,851	13,366,628

Source: California State Board of Equalization, Taxable Sales in California (Sales & Use Tax).

Construction Activity

The following table shows a five-year summary of the valuation of building permits issued in the City and the County. Annual figures are not yet available for calendar year 2016.

CITY OF CAMARILLO Building Permit Valuation (Valuation in Thousands of Dollars)

	2011	2012	2013	2014	2015
Permit Valuation					
New Single-family	\$431.0	\$149.0	\$305.9	\$19,235.9	\$38,726.8
New Multi-family	0.0	0.0	23,229.0	36,703.5	0.0
Res. Alterations/Additions	<u>5,772.6</u>	<u>3,844.3</u>	<u>4,360.6</u>	<u>5,708.6</u>	<u>3,425.8</u>
Total Residential	6,203.6	3,993.3	27,895.5	61,648.0	42,152.6
New Commercial	1,650.8	1,140.4	1,603.4	3,183.6	1,181.1
New Industrial	0.0	2,515.0	0.0	5,107.9	0.0
New Other	64.3	0.0	1,859.4	632.2	1,228.7
Com. Alterations/Additions	<u>10,176.3</u>	<u>15,447.5</u>	<u>8,970.9</u>	<u>8,236.5</u>	<u>9,542.9</u>
Total Nonresidential	11,891.4	19,102.9	12,433.7	17,160.2	11,952.7
New Dwelling Units					
Single Family	1	2	4	47	95
Multiple Family	<u>0</u>	<u>0</u>	<u>202</u>	<u>252</u>	<u>0</u>
TOTAL	1	2	206	299	95

Source: Construction Industry Research Board, Building Permit Summary.

COUNTY OF VENTURA Building Permit Valuation (Valuation in Thousands of Dollars)

	2011	2012	2013	2014	2015
Permit Valuation					
New Single-family	\$65,286.8	\$62,359.0	\$139,009.7	\$169,065.9	\$238,295.5
New Multi-family	67,765.1	23,303.3	121,304.6	101,914.6	69,260.2
Res. Alterations/Additions	<u>83,791.4</u>	<u>56,288.6</u>	<u>52,255.4</u>	<u>72,971.1</u>	<u>66,458.2</u>
Total Residential	216,843.3	141,950.9	313,569.8	343,952.0	374,013.9
New Commercial	33,617.1	36,557.8	64,645.0	21,358.7	55,505.3
New Industrial	6,955.4	9,636.2	336.6	17,938.6	4,404.9
New Other	5,326.7	3,147.1	9,813.5	30,893.9	37,412.3
Com. Alterations/Additions	<u>80,890.5</u>	<u>69,241.1</u>	<u>79,728.1</u>	<u>79,948.9</u>	<u>92,613.9</u>
Total Nonresidential	\$126,789.7	\$118,582.2	\$154,523.2	\$150,140.1	\$189,936.4
New Dwelling Units					
Single Family	167	175	360	450	615
Multiple Family	<u>539</u>	<u>147</u>	<u>688</u>	<u>632</u>	<u>394</u>
TOTAL	706	322	1,048	1,082	1,009

Source: Construction Industry Research Board, Building Permit Summary.

APPENDIX C
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

APPENDIX D
PROPOSED FORM OF FINAL OPINION

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

§ _____

Pleasant Valley Recreation and Park District 2017 Refunding Certificates of Participation (Park Facilities Project)

This Continuing Disclosure Certificate (this "**Disclosure Certificate**") is executed and delivered by the Pleasant Valley Recreation and Park District (the "**District**") in connection with the execution and delivery of the certificates of participation captioned above (the "**Certificates**"). The Certificates evidence the direct, undivided fractional interests of the owners thereof in lease payments to be made by the District under a Lease Agreement dated as of March 1, 2017 (the "**Lease Agreement**") between the CSDA Finance Corporation (the "**Corporation**"), as lessor, and the District as lessee. The Certificates will be delivered under a Trust Agreement dated as of March 1, 2017 (the "**Trust Agreement**") among the District, the Corporation and MUFG Union Bank, N.A., as trustee (the "**Trustee**"). The District covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the holders and beneficial owners of the Certificates and in order to assist the Participating Underwriters in complying with Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

Section 2. Definitions. In addition to the definitions set forth in the Trust Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"*Annual Report*" means any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4.

"*Annual Report Date*" means the date that is nine months after the end of the District's fiscal year (currently March 31 based on the District's fiscal year end of June 30).

"*Dissemination Agent*" means Digital Assurance Certification, LLC (DAC), 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, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"*Official Statement*" means the final official statement dated _____, 2017, executed by the District in connection with the issuance of the Certificates.

"Participating Underwriter" means Raymond James & Associates, Inc., as 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 it may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2017, with the report for the 2015-16 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; **provided, however**, that the first Annual Report due on March 31, 2017, shall consist solely of a copy of the Official Statement. Not later than 15 Business Days prior to the Annual Report Date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the District) has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the District's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c). The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the District hereunder.

(b) If the District does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the District shall provide (or cause the Dissemination Agent to provide) to the MSRB and the Participating Underwriter, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as Exhibit A.

(c) With respect to each Annual Report, the Dissemination Agent shall:

- (i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and
- (ii) if the Dissemination Agent is other than the District, file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The District's Annual Report shall contain or incorporate by reference the following:

(a) Audited Financial Statements of the District prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar

to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) To the extent not contained in the audited financial statements filed under the preceding clause (a), the Annual Report shall contain information showing the following information for the most recently completed fiscal year:

(i) General Fund Budget information in substantially the form of Table 3 in the Official Statement;

(ii) Assessed Valuation history in substantially the form of Table 6A in the Official Statement; and

(iii) Secured Property Tax Levy and Delinquencies in substantially the form of Table 8 in the Official Statement.

(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) Bond calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the obligated person.
- (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, 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.

(b) Whenever the District obtains knowledge of the occurrence of a Listed Event, and, if the Listed Event is described in subsections (a)(2), (a)(6), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13) or (a)(14) above, the District determines that knowledge of the occurrence of that Listed Event would be material under applicable Federal securities law, 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, and the Participating Underwriter in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) 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 Trust Agreement.

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. The initial Dissemination Agent is Digital Assurance Certification, LLC (DAC).

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 Report 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 this Disclosure Certificate modifying the accounting principles to be followed in preparing financial statements, the Annual Report 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 any amendment made pursuant to this Section 9 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. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the Certificates, and shall create no rights in any other person or entity.

Section 13. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

Date: _____, 2017

PLEASANT VALLEY RECREATION AND
PARK DISTRICT

By _____
General Manager

ACCEPTED AND AGREED:

Digital Assurance Certification, LLC,
as Dissemination Agent

By _____
Authorized Representative

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Pleasant Valley Recreation and Park District

Name of Issue: \$ _____ Pleasant Valley Recreation and Park District
2017 Refunding Certificates of Participation
(Park Facilities Project)

Date of Issuance: _____, 2017

NOTICE IS HEREBY GIVEN that the Pleasant Valley Recreation and Park District has not provided an Annual Report with respect to the above-named Certificates as required by the Continuing Disclosure Certificate dated as of _____, 2017, executed by the Pleasant Valley Recreation and Park District. The District anticipates that the Annual Report will be filed by _____.

Dated: _____

PLEASANT VALLEY RECREATION AND
PARK DISTRICT

By _____
Name:
Title:

APPENDIX F

BOOK ENTRY PROVISIONS

The following description of the Depository Trust Company, New York, New York (“DTC”), the procedures and record keeping with respect to beneficial ownership interests in the Certificates, payment of principal, interest and other payments with respect to the Certificates to DTC Direct and Indirect Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Certificates and other related transactions by and between DTC, DTC’s Direct and Indirect Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither DTC’s Direct and Indirect 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 DTC’s Direct and Indirect Participants, as the case may be.

Neither the issuer of the Certificates (the “Issuer”) nor the trustee, fiscal agent or paying agent appointed with respect to the Certificates (the “Agent”) take any responsibility for the information contained in this Appendix.

No assurances can be given that DTC, DTC’s Direct 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’s Direct Participants or 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’s Direct Participants and Indirect Participants are on file with DTC.

1. DTC will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is

a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“**DTCC**”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. *The information contained on this Internet site is not incorporated herein by reference.*

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“**Beneficial Owner**”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

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

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer 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 Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or 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, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

10. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

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

TABLE OF CONTENTS

Pleasant Valley Recreation and Park District
Refunding Certificates of Participation, Series 2017
Debt Service < \$775K
No DSRF, AA- Underlying Rating
Current Market Rates as of February 22, 2017

Report	Page
Sources and Uses of Funds	1
Summary of Refunding Results	2
Summary of Bonds Refunded	3
Savings	4
Bond Summary Statistics	5
Bond Pricing	6
Bond Debt Service	8
Escrow Requirements	9
Escrow Descriptions	10
Escrow Cost	11
Escrow Cash Flow	12
Escrow Sufficiency	13
Escrow Statistics	14
Underwriter's Discount	15
Cost of Issuance	16

SOURCES AND USES OF FUNDS

Pleasant Valley Recreation and Park District
 Refunding Certificates of Participation, Series 2017
 Debt Service < \$775K
 No DSRF, AA- Underlying Rating
 Current Market Rates as of February 22, 2017

Dated Date 03/29/2017
 Delivery Date 03/29/2017

Sources:

Bond Proceeds:	
Par Amount	13,060,000.00
Net Premium	156,421.00
	13,216,421.00

Uses:

Refunding Escrow Deposits:	
Cash Deposit	0.17
SLGS Purchases	12,847,843.00
	12,847,843.17
 Delivery Date Expenses:	
Cost of Issuance	300,000.00
Underwriter's Discount	66,221.01
	366,221.01
 Other Uses of Funds:	
Additional Proceeds	2,356.82
	13,216,421.00

SUMMARY OF REFUNDING RESULTS

Pleasant Valley Recreation and Park District
Refunding Certificates of Participation, Series 2017
Debt Service < \$775K
No DSRF, AA- Underlying Rating
Current Market Rates as of February 22, 2017

Dated Date	03/29/2017
Delivery Date	03/29/2017
Arbitrage yield	3.669491%
Escrow yield	0.975466%
Value of Negative Arbitrage	461,462.08
Bond Par Amount	13,060,000.00
True Interest Cost	3.712517%
Net Interest Cost	3.749960%
All-In TIC	3.911517%
Average Coupon	3.791799%
Average Life	16.507
Weighted Average Maturity	16.292
Par amount of refunded bonds	12,130,000.00
Average coupon of refunded bonds	5.030088%
Average life of refunded bonds	14.128
Remaining weighted average maturity of refunded bonds	14.128
PV of prior debt to 03/29/2017 @ 3.669491%	13,907,626.40
Net PV Savings	693,562.22
Percentage savings of refunded bonds	5.717743%
Percentage savings of refunding bonds	5.310584%

SUMMARY OF BONDS REFUNDED

Pleasant Valley Recreation and Park District
 Refunding Certificates of Participation, Series 2017
 Debt Service < \$775K
 No DSRF, AA- Underlying Rating
 Current Market Rates as of February 22, 2017

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Certificates of Participation (Park Facilities Project) Series 2008:					
SERIAL	09/01/2017	4.200%	175,000.00		
	09/01/2018	4.250%	195,000.00		
	09/01/2019	4.300%	220,000.00	09/01/2018	100.000
	09/01/2020	4.375%	245,000.00	09/01/2018	100.000
	09/01/2021	4.450%	275,000.00	09/01/2018	100.000
	09/01/2022	4.550%	300,000.00	09/01/2018	100.000
	09/01/2023	4.650%	335,000.00	09/01/2018	100.000
	09/01/2024	4.700%	365,000.00	09/01/2018	100.000
	09/01/2025	4.750%	400,000.00	09/01/2018	100.000
	09/01/2026	4.800%	440,000.00	09/01/2018	100.000
	09/01/2027	4.875%	475,000.00	09/01/2018	100.000
	09/01/2028	4.950%	520,000.00	09/01/2018	100.000
TERM_33	09/01/2033	5.000%	3,330,000.00	09/01/2018	100.000
TERM_38	09/01/2038	5.125%	4,855,000.00	09/01/2018	100.000
			12,130,000.00		

SAVINGS

Pleasant Valley Recreation and Park District
 Refunding Certificates of Participation, Series 2017
 Debt Service < \$775K
 No DSRF, AA- Underlying Rating
 Current Market Rates as of February 22, 2017

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 03/29/2017 @ 3.6694910%
11/01/2017	474,385.63	452,346.46	22,039.17	23,629.48
11/01/2018	786,421.26	771,056.26	15,365.00	20,044.60
11/01/2019	803,133.76	772,206.26	30,927.50	33,589.88
11/01/2020	818,673.76	768,056.26	50,617.50	49,751.41
11/01/2021	837,955.00	768,756.26	69,198.74	63,788.10
11/01/2022	850,717.50	769,156.26	81,561.24	71,642.26
11/01/2023	872,067.50	770,956.26	101,111.24	84,567.18
11/01/2024	886,490.00	772,156.26	114,333.74	91,634.76
11/01/2025	904,335.00	767,756.26	136,578.74	104,700.59
11/01/2026	925,335.00	767,956.26	157,378.74	115,700.91
11/01/2027	939,215.00	767,556.26	171,658.74	121,306.71
11/01/2028	961,058.76	771,556.26	189,502.50	128,725.94
11/01/2029	980,318.76	768,956.26	211,362.50	137,956.93
11/01/2030	997,068.76	771,056.26	226,012.50	141,943.89
11/01/2031	1,021,568.76	767,150.00	254,418.76	153,584.19
11/01/2032	1,038,318.76	767,362.50	270,956.26	157,442.35
11/01/2033	1,062,568.76	770,912.50	291,656.26	163,126.89
11/01/2034	1,083,818.76	768,762.50	315,056.26	169,608.15
11/01/2035	1,106,025.00	770,456.26	335,568.74	173,939.06
11/01/2036	1,124,900.00	771,425.00	353,475.00	176,444.24
11/01/2037	1,150,443.76	770,987.50	379,456.26	182,378.92
11/01/2038	1,172,143.76	769,800.00	402,343.76	186,229.96
11/01/2039		771,400.00	-771,400.00	-339,930.00
11/01/2040		767,000.00	-767,000.00	-325,830.33
11/01/2041		771,800.00	-771,800.00	-316,063.72
11/01/2042		770,400.00	-770,400.00	-304,129.72
11/01/2043		768,000.00	-768,000.00	-292,261.23
11/01/2044		769,600.00	-769,600.00	-282,316.01
	20,796,963.25	21,234,584.10	-437,620.85	691,205.40

Savings Summary

PV of savings from cash flow	691,205.40
Plus: Refunding funds on hand	2,356.82
Net PV Savings	693,562.22

BOND SUMMARY STATISTICS

Pleasant Valley Recreation and Park District
 Refunding Certificates of Participation, Series 2017
 Debt Service < \$775K
 No DSRF, AA- Underlying Rating
 Current Market Rates as of February 22, 2017

Dated Date	03/29/2017
Delivery Date	03/29/2017
Last Maturity	11/01/2044
Arbitrage Yield	3.669491%
True Interest Cost (TIC)	3.712517%
Net Interest Cost (NIC)	3.749960%
All-In TIC	3.911517%
Average Coupon	3.791799%
Average Life (years)	16.507
Duration of Issue (years)	11.877
Par Amount	13,060,000.00
Bond Proceeds	13,216,421.00
Total Interest	8,174,584.10
Net Interest	8,084,384.11
Total Debt Service	21,234,584.10
Maximum Annual Debt Service	772,206.26
Average Annual Debt Service	769,678.84
Underwriter's Fees (per \$1000)	
Average Takedown	3.500000
Other Fee	1.570521
Total Underwriter's Discount	5.070521
Bid Price	100.690658

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bonds	8,440,000.00	102.088	3.557%	11.998	7,868.85
Term 2042	3,170,000.00	99.679	4.000%	23.668	5,040.30
Term 2044	1,450,000.00	99.335	4.000%	27.099	2,392.50
	13,060,000.00			16.507	15,301.65

	TIC	All-In TIC	Arbitrage Yield
Par Value	13,060,000.00	13,060,000.00	13,060,000.00
+ Accrued Interest			
+ Premium (Discount)	156,421.00	156,421.00	156,421.00
- Underwriter's Discount	-66,221.01	-66,221.01	
- Cost of Issuance Expense		-300,000.00	
- Other Amounts			
Target Value	13,150,199.99	12,850,199.99	13,216,421.00
Target Date	03/29/2017	03/29/2017	03/29/2017
Yield	3.712517%	3.911517%	3.669491%

BOND PRICING

Pleasant Valley Recreation and Park District
 Refunding Certificates of Participation, Series 2017
 Debt Service < \$775K
 No DSRF, AA- Underlying Rating
 Current Market Rates as of February 22, 2017

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Premium (-Discount)
Serial Bonds:						
	11/01/2017	170,000	2.000%	1.070%	100.544	924.80
	11/01/2018	295,000	3.000%	1.120%	102.951	8,705.45
	11/01/2019	305,000	3.000%	1.330%	104.235	12,916.75
	11/01/2020	310,000	3.000%	1.550%	105.041	15,627.10
	11/01/2021	320,000	3.000%	1.760%	105.442	17,414.40
	11/01/2022	330,000	4.000%	1.960%	110.747	35,465.10
	11/01/2023	345,000	4.000%	2.220%	110.853	37,442.85
	11/01/2024	360,000	4.000%	2.430%	110.818	38,944.80
	11/01/2025	370,000	4.000%	2.610%	110.631	39,334.70
	11/01/2026	385,000	4.000%	2.760%	110.382	39,970.70
	11/01/2027	400,000	4.000%	2.870%	110.253	41,012.00
	11/01/2028	420,000	3.000%	3.100%	99.030	-4,074.00
	11/01/2029	430,000	3.000%	3.280%	97.129	-12,345.30
	11/01/2030	445,000	3.125%	3.380%	97.237	-12,295.35
	11/01/2031	455,000	3.250%	3.490%	97.272	-12,412.40
	11/01/2032	470,000	3.500%	3.620%	98.577	-6,688.10
	11/01/2033	490,000	3.500%	3.710%	97.413	-12,676.30
	11/01/2034	505,000	3.625%	3.790%	97.893	-10,640.35
	11/01/2035	525,000	3.625%	3.840%	97.159	-14,915.25
	11/01/2036	545,000	3.750%	3.890%	98.090	-10,409.50
	11/01/2037	565,000	3.750%	3.940%	97.334	-15,062.90
		8,440,000				176,239.20
Term 2042:						
	11/01/2038	585,000	4.000%	4.020%	99.679	-1,877.85
	11/01/2039	610,000	4.000%	4.020%	99.679	-1,958.10
	11/01/2040	630,000	4.000%	4.020%	99.679	-2,022.30
	11/01/2041	660,000	4.000%	4.020%	99.679	-2,118.60
	11/01/2042	685,000	4.000%	4.020%	99.679	-2,198.85
		3,170,000				-10,175.70
Term 2044:						
	11/01/2043	710,000	4.000%	4.040%	99.335	-4,721.50
	11/01/2044	740,000	4.000%	4.040%	99.335	-4,921.00
		1,450,000				-9,642.50
		13,060,000				156,421.00

BOND PRICING

Pleasant Valley Recreation and Park District
 Refunding Certificates of Participation, Series 2017
 Debt Service < \$775K
 No DSRF, AA- Underlying Rating
 Current Market Rates as of February 22, 2017

Dated Date	03/29/2017	
Delivery Date	03/29/2017	
First Coupon	05/01/2017	
Par Amount	13,060,000.00	
Premium	156,421.00	
Production	13,216,421.00	101.197711%
Underwriter's Discount	-66,221.01	-0.507052%
Purchase Price	13,150,199.99	100.690658%
Accrued Interest		
Net Proceeds	13,150,199.99	

BOND DEBT SERVICE

Pleasant Valley Recreation and Park District
 Refunding Certificates of Participation, Series 2017
 Debt Service < \$775K
 No DSRF, AA- Underlying Rating
 Current Market Rates as of February 22, 2017

Period Ending	Principal	Coupon	Interest	Debt Service
11/01/2017	170,000	2.000%	282,346.46	452,346.46
11/01/2018	295,000	3.000%	476,056.26	771,056.26
11/01/2019	305,000	3.000%	467,206.26	772,206.26
11/01/2020	310,000	3.000%	458,056.26	768,056.26
11/01/2021	320,000	3.000%	448,756.26	768,756.26
11/01/2022	330,000	4.000%	439,156.26	769,156.26
11/01/2023	345,000	4.000%	425,956.26	770,956.26
11/01/2024	360,000	4.000%	412,156.26	772,156.26
11/01/2025	370,000	4.000%	397,756.26	767,756.26
11/01/2026	385,000	4.000%	382,956.26	767,956.26
11/01/2027	400,000	4.000%	367,556.26	767,556.26
11/01/2028	420,000	3.000%	351,556.26	771,556.26
11/01/2029	430,000	3.000%	338,956.26	768,956.26
11/01/2030	445,000	3.125%	326,056.26	771,056.26
11/01/2031	455,000	3.250%	312,150.00	767,150.00
11/01/2032	470,000	3.500%	297,362.50	767,362.50
11/01/2033	490,000	3.500%	280,912.50	770,912.50
11/01/2034	505,000	3.625%	263,762.50	768,762.50
11/01/2035	525,000	3.625%	245,456.26	770,456.26
11/01/2036	545,000	3.750%	226,425.00	771,425.00
11/01/2037	565,000	3.750%	205,987.50	770,987.50
11/01/2038	585,000	4.000%	184,800.00	769,800.00
11/01/2039	610,000	4.000%	161,400.00	771,400.00
11/01/2040	630,000	4.000%	137,000.00	767,000.00
11/01/2041	660,000	4.000%	111,800.00	771,800.00
11/01/2042	685,000	4.000%	85,400.00	770,400.00
11/01/2043	710,000	4.000%	58,000.00	768,000.00
11/01/2044	740,000	4.000%	29,600.00	769,600.00
	13,060,000		8,174,584.10	21,234,584.10

ESCROW REQUIREMENTS

Pleasant Valley Recreation and Park District
Refunding Certificates of Participation, Series 2017
Debt Service < \$775K
No DSRF, AA- Underlying Rating
Current Market Rates as of February 22, 2017

Period Ending	Principal	Interest	Principal Redeemed	Total
09/01/2017	175,000.00	299,385.63		474,385.63
03/01/2018		295,710.63		295,710.63
09/01/2018	195,000.00	295,710.63	11,760,000.00	12,250,710.63
	370,000.00	890,806.89	11,760,000.00	13,020,806.89

ESCROW DESCRIPTIONS

Pleasant Valley Recreation and Park District
 Refunding Certificates of Participation, Series 2017
 Debt Service < \$775K
 No DSRF, AA- Underlying Rating
 Current Market Rates as of February 22, 2017

Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate
Mar 29, 2017:						
SLGS	Certificate	09/01/2017	09/01/2017	422,603	0.630%	0.630%
SLGS	Certificate	03/01/2018	03/01/2018	234,266	0.790%	0.790%
SLGS	Note	09/01/2018	09/01/2017	12,190,974	0.980%	0.980%
				12,847,843		

SLGS Summary

SLGS Rates File	22FEB17
Total Certificates of Indebtedness	656,869.00
Total Notes	12,190,974.00
Total original SLGS	12,847,843.00

ESCROW COST

Pleasant Valley Recreation and Park District
 Refunding Certificates of Participation, Series 2017
 Debt Service < \$775K
 No DSRF, AA- Underlying Rating
 Current Market Rates as of February 22, 2017

Type of Security	Maturity Date	Par Amount	Rate	Total Cost
SLGS	09/01/2017	422,603	0.630%	422,603.00
SLGS	03/01/2018	234,266	0.790%	234,266.00
SLGS	09/01/2018	12,190,974	0.980%	12,190,974.00
		12,847,843		12,847,843.00

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost	Yield
03/29/2017	12,847,843	0.17	12,847,843.17	0.975466%
	12,847,843	0.17	12,847,843.17	

ESCROW CASH FLOW

Pleasant Valley Recreation and Park District
 Refunding Certificates of Participation, Series 2017
 Debt Service < \$775K
 No DSRF, AA- Underlying Rating
 Current Market Rates as of February 22, 2017

Date	Principal	Interest	Net Escrow Receipts	Present Value to 03/29/2017 @ 0.9754661%
09/01/2017	422,603.00	51,783.45	474,386.45	472,441.37
03/01/2018	234,266.00	61,444.50	295,710.50	293,068.64
09/01/2018	12,190,974.00	59,735.77	12,250,709.77	12,082,332.99
	12,847,843.00	172,963.72	13,020,806.72	12,847,843.00

Escrow Cost Summary

Purchase date	03/29/2017
Purchase cost of securities	12,847,843.00
Target for yield calculation	12,847,843.00

ESCROW SUFFICIENCY

Pleasant Valley Recreation and Park District
 Refunding Certificates of Participation, Series 2017
 Debt Service < \$775K
 No DSRF, AA- Underlying Rating
 Current Market Rates as of February 22, 2017

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
03/29/2017		0.17	0.17	0.17
09/01/2017	474,385.63	474,386.45	0.82	0.99
03/01/2018	295,710.63	295,710.50	-0.13	0.86
09/01/2018	12,250,710.63	12,250,709.77	-0.86	
	13,020,806.89	13,020,806.89	0.00	

ESCROW STATISTICS

Pleasant Valley Recreation and Park District
 Refunding Certificates of Participation, Series 2017
 Debt Service < \$775K
 No DSRF, AA- Underlying Rating
 Current Market Rates as of February 22, 2017

Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Global Proceeds Escrow: 12,847,843.17	1.367	0.975466%	0.975466%	12,386,381.06	461,462.08	0.03
12,847,843.17				12,386,381.06	461,462.08	0.03

Delivery date 03/29/2017
 Arbitrage yield 3.669491%

UNDERWRITER'S DISCOUNT

Pleasant Valley Recreation and Park District
Refunding Certificates of Participation, Series 2017
Debt Service < \$775K
No DSRF, AA- Underlying Rating
Current Market Rates as of February 22, 2017

Underwriter's Discount	\$/1000	Amount
Average Takedown	3.50000	45,710.00
Underwriter's Counsel	1.14855	15,000.00
Ipreo Book Running	0.06180	807.11
Ipreo Electronic Order Entry Charge	0.01500	195.90
Ipreo Wire Charges	0.00804	105.00
DTC Charges	0.06126	800.00
CUSIP	0.04663	609.00
CUSIP Disclosure Fee	0.00268	35.00
CDIAC Fees	0.15000	1,959.00
DAC Continuing Disclosure	0.03828	500.00
Misc	0.03828	500.00
	5.07052	66,221.01

COST OF ISSUANCE

Pleasant Valley Recreation and Park District
Refunding Certificates of Participation, Series 2017
Debt Service < \$775K
No DSRF, AA- Underlying Rating
Current Market Rates as of February 22, 2017

Cost of Issuance	\$/1000	Amount
Other Cost of Issuance	22.97090	300,000.00
	22.97090	300,000.00

**PLEASANT VALLEY RECREATION AND PARK DISTRICT
STAFF REPORT / AGENDA REPORT**

TO: BOARD OF DIRECTORS

FROM: MARY OTTEN, GENERAL MANAGER
By: Amy Stewart, Recreation Services Manager

DATE: March 1, 2017

**SUBJECT: CONSIDERATION AND APPROVAL OF THREE YEAR
RENTAL AGREEMENT BETWEEN THE DISTRICT
AND JOURNEY THE CHURCH FOR THE USE OF
DISTRICT PROPERTY**

RECOMMENDATION

It is recommended that the Board approve the updated three-year rental Agreement between the District and Journey the Church (Renter).

BACKGROUND

In 2013 the Board of Directors approved a three year agreement between the District and Journey the Church for the use of District property. Upon approval of the 2013 agreement, it was determined that District facilities were available to accommodate the needs of the church. Rental of the community center on Sundays was extremely low and space was available on Wednesdays to accommodate their programs. The original three year agreement has ended and Journey the Church is seeking the renewal of another three year agreement to partner with the District.

ANALYSIS

During the past few months both parties met several times to discuss a variety of items in regard to the use of the District's Community Center. Both parties agreed the facilities would be suitable to continue to accommodate the needs of the Renter and the District.

The agreement identifies the terms and conditions for use of District facilities. The term of the initial agreement is for three years beginning April 1, 2017 with an option to renew the agreement for an additional three (3) years on mutually satisfactory terms. The agreement identifies the term, use, program and volunteer support, set up, parking, public use, signage, insurance, indemnification/hold harmless, supervision, storage, equipment, permits, rental fees and facility improvements. The primary use is the same, focusing on Sunday mornings and Wednesday evenings with varying use throughout the week. Wednesday evenings are generally busy at the Community Center, however the District is able to accommodate their use. Overall, the District is able to accommodate the rental times requested within the attached agreement. Additional rental dates and times are subject to availability and fees.

In addition to paying rent during the *prior* agreement, Renter installed approximately \$40,000 worth of audio/visual equipment, improvements and ongoing maintenance, plus provided another \$10,000 of combined facility upgrades and program support:

- Audio/visual equipment and ongoing upgrades & maintenance
- Purchased and installed lobby and restroom furniture

- Purchased and installed two flat screen televisions inside lobby
- Framed and added wall and door with a lock for storage of District documents
- Installed two outdoor storage units to District property
- Allow use of padded chairs as option for District rentals
- Provide ongoing program support plus annual Serve Day

FISCAL IMPACT

The new agreement identifies the monthly/annual support from Renter:

- April 2017 \$36,000/12 months = \$3,000 per month
- April 2018 \$39,000/12 months = \$3,250 per month
- April 2019 \$42,000/12 months = \$3,500 per month
- Internet contribution is dependent on Renter's need

Currently, the Renter pays \$30,000 annually to the District for use of facilities. With the new agreed upon rates, Renter will pay a \$6,000 increase in the first year of the agreement, increasing by \$3,000 annually, eventually concluding at \$42,000 per year.

The 2017 agreement also identifies the ongoing special event/program and community support valued at approximately \$11,000 annually. This does not include any additional funding that should take place for capital improvement projects.

RECOMMENDATION

It is recommended that the Board approve the updated three-year rental Agreement between the District and Journey the Church (Renter).

ATTACHMENTS

- 1) Rental Agreement between District and Journey the Church (5 pages)

**Rental Agreement Between
Pleasant Valley Recreation and Park District (District)
and Journey the Church (Renter)**

The purpose of this agreement is to identify the terms and conditions for use of District facilities.

1. **TERM:** The initial term of this Agreement shall be three (3) years. Provided that Renter is not in default with any of the terms and conditions herein, the parties may agree (but are not obligated to) extend the term of this Agreement for an additional three (3) years on mutually satisfactory terms. Renter shall provide written notice to the District that Renter wishes to extend the term, not later than one hundred eighty (180) days prior to the expiration of the initial three (3) year term. The parties shall then meet to discuss such potential extension.
2. **FACILITY USE:** This agreement is for the Community Center site located at 1605 E. Burnley Street, Camarillo for the dates and times listed below.
3. **REGULAR USE:**
 - a. Sundays: 7:00am – 2:00pm – Kitchen, Auditorium & Classrooms 1-5 & 7
 - b. Tuesdays: 6:00pm-8:30pm – Classroom 1 and kitchen
 - c. First Tuesday of each month: Rooms 1,2,3 and Kitchen 6:00pm-8:30pm
 - d. Wednesdays: 4:30-9:00pm: Kitchen, Auditorium and Classrooms 1-3 6:30-8:30pm
 - e. Community Center courtyard is available for use at no additional charge, with the understanding this area is open to the public unless reserved as a private function
 - f. Four Saturdays per year from 7:00am-12:30pm during the following months: March, May, September, October; Auditorium, Kitchen and Classroom #1
 - g. Vacation Bible School – one week (5 days) in June, July or August dates to be determined with staff and based on facility availability
4. **HOLIDAY USE & CLOSURES:**
 - a. Easter and four days prior (stage set up & upstairs access – District programming may still take place on floor, but not interfere with Renter set up, props, etc.). Full access to auditorium & kitchen one day prior (Saturday) to Easter.
 - b. December 24 and three days prior (stage & upstairs access- District programming may still take place on floor – depending on chair set up and not to interfere with Renter set up)
 - c. Stage décor – remove stage décor by second day after holiday
 - d. Holiday use may be adjusted with prior approval

The District will schedule an annual maintenance closure to take place in the fall and/or winter on a yearly basis. The District will work with Renter to minimize impact on facility use to Renter during this time. Listed below are the projected closures. Additional closures may apply.

Projected closures:

- 12/26-12/30/2017 Auditorium & Kitchen
- 8/28-9/1/2017 Classrooms 4 & 5
- 12/26-12/29/2018 Auditorium & Kitchen
- 12/26-12/28/2019 Auditorium & Kitchen

5. ADDITIONAL USE:

- a. Additional days, dates and extended times are subject to additional fees, based on facility availability, regular rental process, and are not included in this agreement.
- b. Renter may not sublet District property.
- c. Renter may not allow vendors to use District property without prior written consent from District and payment of vendor fee will be assessed.

Renter agrees that it is critically important that the facility, including all improvements, equipment and fixtures located thereon or used in connection with the facility be maintained in good, sanitary condition and repair throughout the term of this agreement. Renter agrees to diligently comply with this obligation.

Renter agrees to notify District of any facility damage, repairs needed, injuries or accidents, vandalism, suspicious activity, etc. within 24 hours of use. Emergency issues may be called into the District and followed up in writing.

District reserves the right to cancel or suspend facility use whenever use could result in injury to users or cause damage to facility. Reservations may also be cancelled when the health and safety of users are threatened due to impending conditions, including but not limited to heavy rains, smog alerts, fire, emergency situations or other conditions arising that are not specifically mentioned.

6. PROGRAM and VOLUNTEER SUPPORT:

In addition, Renter agrees to provide support to the following community programs:

- a) Eggstravaganza Event: Financial Contribution of at least \$1,600 per year for term of agreement. Plus supply adequate adult volunteers to support community egg hunt (at least twelve) and/or other agreed upon attractions during event.
- b) Movie/Lunch Program: Provide at least one hot lunch per year for term of agreement to serve at least 70 adults and adequate volunteer staff to serve food to participants. Lunch should consist of main entrée, side dish, vegetable and dessert (menu agreed upon in conjunction with District staff).
- c) Holiday Bingo Lunch: Provide at least one hot main entrée per year for term of agreement to serve at least 70 adults and adequate volunteer staff to serve food to participants.
- d) Christmas Parade: Financial Contribution of at least \$1,600 per year for term of agreement.
- e) Program/Event of Choice: Provide at least one \$500 financial contribution to additional recreation program/event per year for term of agreement.
- f) Renter agrees to provide at least one "Serve Day" per calendar year to improve, clean, maintain an agreed upon District property/project. Project will include but not limited to volunteer support, purchase of supplies, materials, etc.
- g) District agrees to provide advertising accordingly on printed and digital material such as, but not limited to quarterly Activity Guide, posters, banners, website, social media, program announcements, etc.

7. FACILITY SET UP: District facilities will be clean, set up, and staff will be available for renter during reserved hours. Upon use of kitchen, Renter agrees to clean and return kitchen to its original condition after each use.

District staff is not responsible for the set up or take down of Renter's equipment, props or items specific to Renter's use. District is not responsible for the damage, vandalism or additional wear of Renter's equipment. If vandalism occurs to District property, District will take appropriate action necessary to seek compensation for damages.

8. **PARKING:** Renter can park in available parking lots within the Community Center facility. Facility parking may not be reserved for Renter's events or operation. Renter understands and agrees to take into consideration the impact parking may have on the surrounding neighborhood and use caution if overflow parking is needed on public streets. Renter agrees to share Facility parking lots with other District programs, classes, activities and events that may be scheduled at the same time.
9. **PUBLIC USE:** District facilities are intended for use by the entire community and although Renter is being granted priority use at designated times, it must be understood that cooperative use of the entire facility by Renter, District sponsored programs and the general community is expected. At times, District facilities may be designated for emergency use purposes.
10. **SIGNAGE:** Renter shall not erect any advertising signage, sponsor banners, etc. without prior written approval from District if it is different than what is stated below. Renter may place approved signage in approved location on District property during approved hours: District approved sign to be placed (by renter) near street beginning at 12 noon on Saturday and removed (by renter) by 2pm Sunday. Renter may place approved banner on Sunday morning in approved location near auditorium and remove banner by 3pm Sunday afternoon. Renter may submit to District marquee information to be advertised during approved times, with approved messages. The District will determine the format, availability and language for placement on the marquee.
11. **INSURANCE:** During the term of this Agreement, Renter shall keep in full force and will provide District with required insurance, which is currently proof of a one-million dollar liability insurance policy and separate endorsement for the period of use naming District as additionally insured. *Refer to District for current requirements.* This signed or stamped original certificate should be forwarded to the District at 1605 E Burnley Street, Camarillo 93010, no later than 30 days prior to the start of the agreement.
12. **INDEMNIFICATION/HOLD HARMLESS:** Operator agrees to indemnify, defend and hold harmless District and its directors, officers, employees, representatives, agents and volunteers from and against any and all claims, liability, damages, losses, expense and costs (including costs and reasonable attorney fees in litigation) of any nature, including personal injury, death, or property damage, sustained by any person (whether participant, spectators, or third party) in connection with or arising out of the design and operation of the Facility and the public's use thereof, or in connection with Renter's performance of its obligations hereunder or Renter's failure to comply with such obligations, except such loss or damage caused by the active negligence, sole negligence or willful misconduct of District. Procurement of liability insurance by Operator shall not affect or alter Operator's indemnity obligations to District. These indemnification provisions shall survive the term of this Agreement.

Renter accepts responsibility for all applicable conditions as well as all District general rules and regulations not listed in this agreement. Renter assumes all risks for loss, damage, liability, injury, cost or expense that may arise during, or be caused in any way by such use or occupancy of District facilities.

13. **SUPERVISION & CONTROL:** Renter is responsible for the patrol, control, supervision of spectators and participants at Renters events, including making sure District rules and regulations are adhered to. Failure to control participants and spectators is sufficient reason to cancel approved use of District facilities.

14. STORAGE:

- a. Outdoors: Two designated storage units are located outside on District property. District is not responsible for damage/vandalism to storage containers or contents
- b. Auditorium: storage unit located on back right of stage is available to renter
- c. Auditorium: upstairs – area on left side closest to viewing windows/electronic equipment is available to renter. Renter agrees to repair and upgrade equipment as needed to provide adequate media for facility use.
- d. Media Use/Technical Support: Renter agrees to provide technical support and training to District staff on proper use of equipment for the duration of this agreement
- e. Auditorium courtyard: area may be available for storage upon District approval
- f. Kitchen: Six cabinets will be made available for regular use
- g. Kitchen: refrigerator space is available for regular use, with the understanding that the refrigerator does not lock and is also available for use by other renters and District.

15. EQUIPMENT: Renter agrees to provide regular upkeep and repair of all Renter installed electronics, sound, lighting, fixtures and furniture. In prior agreement (2013), Renter installed approximately \$40,000 of sound, lighting and electrical equipment to District property. Renter regularly maintains and upgrades equipment for District and all potential community renters to use.

16. PERMITS AND AUTHORIZATIONS: Renter at its sole expense shall obtain and keep in full force and effect all necessary business licenses, permits, consent and authorizations which may be necessary for the construction, maintenance, operation, management, promotion, repair, servicing, and occupancy of Renter's programs and use. Renter agrees to abide by and adhere to all local, county state and federal laws that may apply.

17. RENTAL FEE and SECURITY DEPOSIT: Renter agrees to pay District a monthly fee totaling the annual amounts below:

- April 2017 \$36,000/12 months = \$3,000 per month
- April 2018 \$39,000/12 months = \$3,250 per month
- April 2019 \$42,000/12 months = \$3,500 per month
- If payment is not made by the seventh day of each month a \$100 late fee applies.
- Internet contribution is dependent on Renter's need

18. FACILITY IMPROVEMENTS: Renter agrees to work with District to provide the following improvements:

- Enclose storage containers
- Auditorium courtyard
- Auditorium restroom
- Kitchen
- Assistance may include but not limited to: monetary involvement, physical labor, professional expertise, etc. Any projects that require outside contractors would need to adhere to current prevailing wage laws and any other laws required by the District
- All improvements will remain on District property upon termination of this agreement.

Print Name and Position in Organization

Signature

Date

Address

City

State

Zip

Approved

Neal Dixon, Chairman of the Board, Pleasant Valley Recreation and Park District

Date

Amy Stewart, Recreation Services Manager, Pleasant Valley Recreation and Park District

Date

**PLEASANT VALLEY RECREATION AND PARK DISTRICT
STAFF REPORT / AGENDA REPORT**

TO: BOARD OF DIRECTORS

FROM: MARY OTTEN, GENERAL MANAGER
By: Bob Cerasuolo, Park Services Manager

DATE: March 1, 2017

**SUBJECT: CONSIDERATION AND APPROVAL OF BID AWARD
FOR PARKING LOT RESURFACING AT CAMARILLO
GROVE PARK TO J & H ENGINEERING**

RECOMMENDATION

It is recommended that the Board of Directors approve and award the bid for parking lot resurfacing at Camarillo Grove Park to J & H Engineering in the amount of \$174,175.00.

BACKGROUND

This Capital Improvement Project was identified in the FY 2013/2018 Long Range Capital Improvement Plan Budget. The funding and project were identified during the budget workshops for Fiscal Year 2016/2017. The funding and project are designed to repair and maintain the asphalt parking lots, pathways and surfaces throughout the park district.

The District received this park from the County of Ventura in March of 2002 and has made multiple improvements to Camarillo Grove Park throughout the years to improve the site. The entire parking lot has deteriorated over the course of years of wear and tear causing a safety and liability concern for the public and District.

ANALYSIS

Asphalt parking lots require a number of treatments to maintain the integrity of the surfacing. Treatments range from a fog seal or slurry seal application to simply replacing the degraded oil binders in the asphalt, to a complete regrinding or rebuild of the asphalt, or asphalt overlay. This parking lot will need to be completely rebuilt. This project will complete the repair and maintenance at this site and set a starting point for scheduled preventative maintenance practices.

To address the current needs of the parking lot located at Camarillo Grove Park, the following items will be addressed: 1) pulverize approximately 100,000 square (sq.) feet (ft.) of existing asphalt, 2) remove and install approximately 1000 sq. ft. of asphalt berm, 3) grade using existing pulverized asphalt for base at a compaction of 93% of greater, 4) use hot asphalt for finish 3 inches (3") compacted, 5) and re-stripe to match existing patterns to include red curbs and blue handicap stalls.

Of the nine (9) companies solicited for bids, only seven (7) companies submitted bids, with the low bidder being J & H Engineering in the amount of \$174,175.00. The low bid received from J & H Engineering meets all the required specifications. Recommendation for an award is based on the base bid. J & H Engineering is a qualified Contractor, with an A- General Engineering Contractor license and has performed projects of similar size and scope including several projects with the City of Camarillo.

FISCAL IMPACT

The District allocated \$250,000 from the capital budget for this particular project; these funds are designated in the FY 2016/2017 budget.

RECOMMENDATION

It is recommended that the Board of Directors approve and award the bid for parking lot resurfacing at Camarillo Grove Park to J & H Engineering in the amount of \$174,175.00.

ATTACHMENT

- 1) Bid Abstract (2 pages)

Pleasant Valley Recreation and Park District

March 1, 2017
Bob Cerasuolo

Camarillo Grove Parking Lot

	1	2	3	4	5	6	7
Company:	J & H Engineering	United Paving	Civic Construction	Berry Engineering	Quality Paving	Granite Engineering	Toro Engineering
Phone Number:	(805) 987-8414	(951) 739-9200	(805) 482-3600	(805) 643-7567	(805) 650-0123	(805) 879-0052	(805) 483-4515
Fax Number:	(805) 987-6810	(951) 739-9400	(805) 482-2200	(805) 643-7482	(805) 647-0775	(805) 993-0140	(805) 483-3655
City:	Camarillo	Corona	Camarillo	Ventura	Ventura	Santa Paula	Oxnard
Quoted By:	Amy McMullen	John Goedtel III	Albert Weigand	Robert Sainsbury	Scott Dolphin	Mark Braaten	Jordan Klein
Camarillo Grove Parking Lot.							
Remove approx 1,300 sq ft asphalt berms	YES	YES	YES	YES	YES	YES	YES
Pulverize Approx 100,00 sq ft Asphalt	YES	YES	YES	YES	YES	YES	YES
Remove and stock pile concrete bunkers	YES	YES	YES	YES	YES	YES	YES
Fine grade to match existing	YES	YES	YES	YES	YES	YES	YES
Roll and Compact to 93% or greater	YES	YES	YES	YES	YES	YES	YES
Pave over approx 100,000 sq ft with hot mix of 3inch asphalt	YES	YES	YES	YES	YES	YES	YES
Install approx 1,300 sq ft of asphalt berm	YES	YES	YES	YES	YES	YES	YES
Re-stripe to match existing layout	YES	YES	YES	YES	YES	YES	YES
Re-paint red curbs	YES	YES	YES	YES	YES	YES	YES
Re-Install concrete bumpers	YES	YES	YES	YES	YES	YES	YES
Subtotal							
Labor							
Materials							
Permits/ Inspections							
Other:							
Total Cost Lump Sum Bid Amount	\$174,175	\$174,355	\$196,850	\$203,300	\$217,000	\$249,363	\$259,115

Requirements	Proposal #1	Proposal #2	Proposal #3	Proposal #4	Proposal #5	Proposal #6	Proposal #7
Categories	J & H Engineering	United Paving	Civic Construction	Berry Engineering	Quality Paving	Granite Construction	Toro Enterprises
Current California Contractor License	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Classifications	General Engineering General Building	General Engineering Earthwork and Paving	General Engineering	General Engineering	Earthwork and Paving Parking and Highway	Multiple Licenses	General Engineering
Workers Compensation	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Contractor's Bond	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Insurance	Yes	Yes	Yes	Yes	Yes	Yes	Yes
References	Excellent	Good	N/A	N/A	N/A	N/A	N/A
Location	Camarillo	Corona	Camarillo	Ventura	Ventura	Santa Paula	Ornard
Cost	\$174,175	\$174,355	\$196,850	\$203,300	\$217,000	\$249,363	\$259,115

**PLEASANT VALLEY RECREATION AND PARK DISTRICT
STAFF REPORT / AGENDA REPORT**

TO: BOARD OF DIRECTORS

FROM: MARY OTTEN, GENERAL MANAGER
By: Amy Stewart, Recreation Services Manager

DATE: March 1, 2017

SUBJECT: BRANDING – PARK SIGNS

RECOMMENDATION

It is recommended the Board review and approve the list of replacement park signs and allow staff to begin landscaping.

BACKGROUND

Branding meetings were held on February 24, March 31, and June 1, 2016. During these meetings the Ad Hoc Committee and the Board of Directors reviewed and decided on a design and approximate sizes for new park signs. In addition to the design, the Board established a priority listing for the installation of park signage. Parks with no signage and/or parks located along a busy street would be replaced first.

The District's existing park signs vary in age, type and consistency. Many of the current park signs are made of wood with raised letters and if still visible, have the District's old logo. There are some parks which have the name of the park but do not have the District's logo or the District's name on the park signage.

The FY 2016-2017 Budget was approved on July 6, 2016 and includes \$30,000 for park signs. This amount includes purchasing the signs, construction and installation. The Board directed staff to research companies and determine costs.

A pilot program was approved at the September 2016 board meeting to provide signs at Adolfo Park, Mission Oaks Park (Fieldcrest), and Woodcreek Park. The four signs installed consisted of three different types of material: InterLOC – green imaging printed directly on etched aluminum, MDO – medium density overlay plywood and Aluminum with adhesive print. The following sizes and materials were installed at the park sites listed below:

<u>Park</u>	<u>Size</u>	<u>Location</u>	<u>Single/Double</u>	<u>Material</u>
Adolfo Park	3'x6'	Adolfo	Double Sided	InterLOC
Woodcreek Park	2'x4'	Lynnwood	Single Sided	InterLOC
Woodcreek Park	3'x6'	Woodcreek	Single Sided	Dibond
Mission Oaks Park	3'x6'	Fieldcrest	Double Sided	MDO

The pilot program took place from September through the end of February to allow sufficient time to view the new signs and gather input.

ANALYSIS

After review of the different sizes and materials, staff determined the pre-fabricated signs that came with specific framing were the easiest to install, hold up well in the outdoor elements and for branding purposes all will have a similar look.

Using the previously established priority list, staff would recommend the replacement of the following park signs, landscaping and irrigation modification.

<u>Park</u>	<u>Size (ft)</u>	<u>Quantity</u>
Carmenita Park	2x4	1
Calleguas Creek Park	2x4	1
Laurelwood Park	2x4	1
Mission Oaks Park	3x6 or 4x8	2
Encanto Park	2x4	1
Heritage Park	2x4	2
Dos Caminos Park	2x4	1
Pitts Ranch Park	4x8	1
Pitts Ranch Park	3x6	1
Community Center	3x6	1
Senior Center	3x6	1

Staff will consider the following primary factors when determining the placement of signs: visibility, space allowed, and traffic. In addition to the park signage, staff will develop a standard look for landscaping around the base of the sign. This will include drought tolerant plants, material and irrigation modification.

FISCAL IMPACT

The fiscal impact of the park sign replacement, installation, landscaping, and irrigation modification is included in the approved FY 16-17 budget at \$30,000.

RECOMMENDATION

It is recommended the Board approve the list of replacement park signs and allow staff to begin landscaping.

9. INFORMATIONAL ITEMS, which do not require action, will be reported by members of the Board and staff:

- A. Chairman Dixon
- B. Ventura County Special District Association/California Special District Association
- C. Santa Monica Mountains Conservancy
- D. Standing Committees – Liaison, Finance and Personnel
- E. Foundation for Pleasant Valley Recreation and Parks
- F. General Manager’s Report