TWO NEW ISSUES—BOOK-ENTRY ONLY

RATINGS:
S&P: "AA" (BAM-Insured)
Moody's: "Aa3" (Underlying)
S&P: "A+" (Underlying)
See "RATINGS" herein.

2014-1542 and 2014-1546

In the opinion of Quint & Thimmig LLP, Larkspur, California, Bond Counsel, subject to compliance by the District with certain covenants, under present law, interest on Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. In addition, in the opinion of Bond Counsel, interest on the Bonds is exempt from personal income taxation imposed by the State of California. See "TAX MATTERS" herein.

$50,375,000 2014-1542	**$9,315,000** 2015-1546
NEW HAVEN UNIFIED SCHOOL DISTRICT	**NEW HAVEN UNIFIED SCHOOL DISTRICT**
(Alameda County, California)	**(Alameda County, California)**
2014 General Obligation Refunding Bonds, Series A	**2014 General Obligation Refunding Bonds, Series B**

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

The $50,375,000 New Haven Unified School District (Alameda County, California) 2014 General Obligation Refunding Bonds, Series A (the "2014A Bonds"), are being issued by the New Haven Unified School District (the "District") pursuant to the provisions of Article 9 of Chapter 3 (commencing with section 53550) of Division 2 of Title 5 of the California Government Code (the "Refunding Bond Law"), and a resolution of the Board of Education of the District (the "Resolution"). The 2014A Bonds are being issued to (a) refund (i) a portion of the outstanding New Haven Unified School District General Obligation Bonds, Election of 2003, Series A (Capital Appreciation Bonds) (the "2004A CABs"), maturing on August 1, 2015, and August 1, 2016, all outstanding 2004A CABs maturing on August 1, 2017, to and including August 1, 2020, and a portion of the 2004A CABs maturing on August 1, 2024, to and including August 1, 2028, (ii) all outstanding New Haven Unified School District General Obligation Bonds, Election of 2003, Series B (Current Interest Bonds), and (iii) a portion of the outstanding New Haven Unified School District General Obligation Bonds, Election of 2003, Series B (Capital Appreciation Bonds) (the "2006B CABs"), maturing on August 1, 2016, and all 2006B CABs maturing on August 1, 2017, to and including August 1, 2028, and (b) pay for costs of issuance of the 2014A Bonds. The 2014A Bonds will be issued as current interest bonds.

The $9,315,000 New Haven Unified School District (Alameda County, California) 2014 General Obligation Refunding Bonds, Series B (the "2014B Bonds" and, with the 2014A Bonds, the "Bonds") are being issued by the District pursuant to the Refunding Bond Law and the Resolution. The 2014B Bonds are being issued to (a) refund all New Haven Unified School District 2005 General Obligation Refunding Bonds maturing on August 1, 2021, and (b) pay the costs of issuance of the 2014B Bonds. The 2014B Bonds will be issued as current interest bonds.

The Bonds constitute general obligations of the District. The Board of Supervisors of Alameda County is empowered and obligated to annually levy *ad valorem* taxes, without limitation as to rate or amount, for the payment of interest on, and principal of, the Bonds upon all property subject to taxation within the District (except certain personal property which is taxable at limited rates), all as more fully described herein under "THE BONDS" and "AD VALOREM PROPERTY TAXATION" herein.

The Bonds are issuable in denominations of $5,000 and any integral multiple thereof. Interest on the Bonds is payable on February 1 and August 1 of each year, commencing February 1, 2015, in the case of the 2014A Bonds, and August 1, 2015, in the case of the 2014B Bonds. See "THE BONDS" herein. The Bonds will be delivered in fully registered form only and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Bonds. Ownership interests in the Bonds may be purchased in book-entry form only. Principal of and interest on the Bonds will be paid by U.S. Bank National Association, as paying agent, to DTC or its nominee, which will in turn remit such payment to its participants for subsequent disbursement to the beneficial owners of the Bonds. See "BOOK-ENTRY ONLY SYSTEM" herein.

The Bonds are subject to redemption prior to maturity as described herein.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under insurance policies to be issued concurrently with the delivery of the Bonds by **BUILD AMERICA MUTUAL ASSURANCE COMPANY.**

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND PRICES OR YIELDS

SEE THE INSIDE COVER PAGE

This cover page and the inside cover page contain information for quick reference only. They are not a summary of this issue. Potential purchasers must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Bonds will be offered when, as and if issued, and received by the Underwriter, subject to the approval as to their validity by Quint & Thimmig LLP, Larkspur, California, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the District by Quint & Thimmig LLP, Larkspur, California, as Disclosure Counsel. It is anticipated that the 2014A Bonds will be available for delivery through the facilities of DTC on or about October 22, 2014. It is anticipated that the 2014B Bonds will be available for delivery through the facilities of DTC on or about May 5, 2015.

George K. Baum & Company
INVESTMENT BANKERS SINCE 1928

October 8, 2014

$50,375,000
NEW HAVEN UNIFIED SCHOOL DISTRICT
(Alameda County, California)
2014 General Obligation Refunding Bonds, Series A

CUSIP† Prefix: 645002

Maturity (August 1)	Principal Amount	Interest Rate	Yield	CUSIP† Suffix
2017	$1,380,000	4.000%	0.570%	YG5
2018	2,145,000	5.000	0.820	YH3
2019	2,800,000	5.000	1.120	YJ9
2020	3,370,000	5.000	1.390	YK6
2021	735,000	3.000	1.680	YL4
2024	4,755,000	5.000	2.280	YM2
2025	5,340,000	5.000	2.380c	YN0
2026	5,945,000	5.000	2.530c	YP5
2027	6,585,000	5.000	2.630c	YQ3
2028	7,290,000	5.000	2.730c	YR1
2029	1,475,000	4.000	3.000c	YS9
2029	1,185,000	3.000	3.200	YX8
2030	2,500,000	3.000	3.290	YT7
2031	2,400,000	3.125	3.350	YU4
2032	2,470,000	3.125	3.410	YV2

$9,315,000
NEW HAVEN UNIFIED SCHOOL DISTRICT
(Alameda County, California)
2014 General Obligation Refunding Bonds, Series B

CUSIP† Prefix: 645002

Maturity (August 1)	Principal Amount	Interest Rate	Yield	CUSIP† Suffix
2021	$9,315,000	5.000%	2.280%	YW0

c Priced to the 8/1/2024 par call date.

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

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

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

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

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

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

No Securities Laws Registration. The Bonds have not been registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, in reliance upon exceptions therein for the issuance and sale of municipal securities. The Bonds have not been registered or qualified under the securities laws of any state.

Estimates and Projections. 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.

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

Municipal Bond Insurance. Build America Mutual Assurance Company ("BAM") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "MUNICIPAL BOND INSURANCE" and APPENDIX H—SPECIMEN MUNICIPAL BOND INSURANCE POLICY.

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NEW HAVEN UNIFIED SCHOOL DISTRICT
34200 Alvarado-Niles Road
Union City, California 94587
(510) 471-1100
http://www.nhusd.k12.ca.us

BOARD OF EDUCATION

Jonas Dino, *President*
Michelle Matthews, *Clerk*
Linda Canlas, *Board Member*
Sarabjit Cheema, *Board Member*
Michael Ritchie, *Board Member*

DISTRICT ADMINISTRATION

Arlando Smith, *Co-Superintendent and Chief Academic Officer*
Akur Varadarajan, *Co-Superintendent and Chief Business Official*

PROFESSIONAL SERVICES

BOND COUNSEL and DISCLOSURE COUNSEL
Quint & Thimmig LLP
Larkspur, California

MUNICIPAL ADVISOR
Public Financial Management, Inc.
San Francisco, California

PAYING AGENT, TRANSFER AGENT
and AUTHENTICATION AGENT
U.S. Bank National Association
San Francisco, California

$50,375,000
NEW HAVEN UNIFIED SCHOOL DISTRICT
(Alameda County, California)
2014 General Obligation Refunding Bonds, Series A

$9,315,000
NEW HAVEN UNIFIED SCHOOL DISTRICT
(Alameda County, California)
2014 General Obligation Refunding Bonds, Series B

INTRODUCTION

This Official Statement, which includes the cover page, the inside cover page and appendices hereto, provides information in connection with the sale of $50,375,000 2014 General Obligation Refunding Bonds, Series A (the "2014A Bonds"), and $9,315,000 2014 General Obligation Refunding Bonds, Series B (the "2014B Bonds" and, with the 2014A Bonds, the "Bonds").

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

The District

The District, located in Alameda County (the "County"), covers approximately 18 square miles, is located in the San Francisco Bay Area and serves Union City and southern portions of the City of Hayward. The District was created in 1965 and serves over 12,000 students who attend the District's 11 schools. The District consists of seven elementary schools, two middle schools, one comprehensive high school, one continuation high school, one K-12 site, one community day school, and one Regional Occupational Program. In addition, the District offers limited federal funded programs through its Adult Education and operates seven child care centers through Kids First.

The District is governed by a five member Board of Education, whose members are elected at large to four-year terms. The members of the District Board elect a president each year. The management and policies of the District are administered by a Superintendents appointed by the Board who is responsible for day-today District operations as well as the supervision of the District's other personnel.

The District's average daily attendance for fiscal year 2013-14 was 12,328.54 and its projected average daily attendance for fiscal year 2014-15 is 12,176.66. The District has a 2014-15 assessed valuation of $9,857,103,171.

For more complete information concerning the District, including certain financial information, see "THE DISTRICT" and "APPENDIX B—DISTRICT AND GENERAL SCHOOL DISTRICT FINANCIAL INFORMATION." The District's audited financial statements for the fiscal year ended June 30, 2013, are included as APPENDIX C—AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2013.

Sources of Payment for the Bonds

The Bonds represent general obligations of the District payable solely from *ad valorem* property taxes levied and collected by the County. The Board of Supervisors of the County is empowered and is obligated to annually levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon all property in the District subject to taxation by the District without limitation of rate or amount (except certain personal property which is taxable at limited rates). See "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS."

Municipal Bond Insurance Policies

The scheduled payment of the principal and interest on the 2014A Bonds when due will be guaranteed under a municipal bond insurance policy (the "2014A Municipal Bond Insurance Policy") to be issued by Build America Mutual Assurance Company ("BAM") simultaneously with the issuance of the 2014A Bonds. See "MUNICIPAL BOND INSURANCE."

The scheduled payment of the principal and interest on the 2014B Bonds when due will be guaranteed under a municipal bond insurance policy (the "2014B Municipal Bond Insurance Policy") to be issued by BAM simultaneously with the issuance of the 2014B Bonds. See "MUNICIPAL BOND INSURANCE."

Authority for Issue; Purpose of Issue

The Bonds are issued pursuant to the Constitution and laws of the State of California (the "State"), including the provisions of Article 9 of Chapter 3 (commencing with section 53550) of Division 2 of Title 5 of the California Government Code (the "Refunding Bond Law"). The Bonds are authorized to be issued pursuant to a resolution (the "Bond Resolution"), adopted by the Board of Education of the District (the "District Board") on September 9, 2014.

The 2014A Bonds are being issued to (a) refund (i) a portion of the outstanding New Haven Unified School District General Obligation Bonds, Election of 2003, Series A (Capital Appreciation Bonds) (the "2004A CABs"), maturing on August 1, 2015, and August 1, 2016, all outstanding 2004A CABs maturing on August 1, 2017, to and including August 1, 2020, and a portion of the 2004A CABs maturing on August 1, 2024, to and including August 1, 2028 (the "Refunded 2004A CABs"), (ii) all outstanding New Haven Unified School District General Obligation Bonds, Election of 2003, Series B (Current Interest Bonds) (the "2006B CIBs"), and (iii) a portion of the New Haven Unified School District General Obligation Bonds, Election of 2003, Series B (Capital Appreciation Bonds) (the "2006B CABs"), maturing on August 1, 2016, and all outstanding 2006B CABs maturing on August 1, 2017, to and including August 1, 2028 (the "Refunded 2006B CABs"), and (b) pay for costs of issuance of the 2014A Bonds.

The 2014B Bonds are being issued to (a) refund all New Haven Unified School District 2005 General Obligation Refunding Bonds maturing on August 1, 2021 (the "Refunded 2005 Bonds"), and (b) pay the costs of issuance of the 2014B Bonds.

Description of the Bonds

The Bonds are being issued as current interest bonds. The Bonds will be dated as of their date of delivery, will be issued as fully registered bonds, without coupons, in the denominations of $5,000 or any integral multiple thereof. Interest on the Bonds accrues from their date of delivery and is payable semiannually on each February 1 and August 1 (each an "Interest Payment Date"), commencing February 1, 2015, with respect to the 2014A Bonds, and August 1, 2015, with respect to the 2014B Bonds.

The Bonds will be issued in fully registered form only, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), and will be available to actual purchasers of the Bonds (the "Beneficial Owners") in the denominations set forth on the inside cover page hereof, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants as described herein. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" and APPENDIX G—BOOK-ENTRY SYSTEM. In event that the book-entry-only system described below is no longer used with respect to the Bonds, the Bonds will be registered in accordance with the Resolutions described herein. See "THE BONDS—Registration, Transfer and Exchange of Bonds." Individual purchases of interests in the Bonds will be available to purchasers of the Bonds in the denominations of $5,000 principal amount or any integral multiple thereof.

Certain of the Bonds are subject to redemption prior to maturity. See "THE BONDS—Redemption."

Tax Matters

In the opinion of Quint & Thimmig LLP, Larkspur, California, Bond Counsel ("Bond Counsel"), subject to compliance by the District with certain covenants, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. See "TAX MATTERS."

Offering and Delivery

The Bonds are offered when, as and if issued and received by the purchaser thereof, subject to approval as to their legality by Bond Counsel. It is anticipated that the 2014A Bonds will be available for delivery through the facilities of DTC on or about October 22, 2014, and that 2014B Bonds will be available for delivery through the facilities of DTC on or about May 5, 2015.

Continuing Disclosure

The District will covenant for the benefit of the holders of the Bonds to make available certain financial information and operating data relating to the District and to provide notices of the occurrence of certain enumerated events in compliance with S.E.C. Rule 15c2-12(b)(5). The specific nature of the information to be made available and of the notices of enumerated events is summarized below under the caption "CONTINUING DISCLOSURE." Also, see APPENDIX F—FORMS OF CONTINUING DISCLOSURE CERTIFICATES.

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Copies of documents referred to herein and information concerning the Bonds are available for inspection at the office of the Superintendent, New Haven Unified School District, 34200 Alvarado-Niles

Road, Union City, CA 94587, telephone (510) 471-1100. The District may impose a charge for copying, mailing and handling.

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

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

THE BONDS

Authority for Issuance

The Bonds are issued pursuant to the Constitution and laws of the State, including the provisions of the Refunding Bond Law. The Bonds are authorized pursuant to the Bond Resolution.

Purpose of Issuance

The 2014A Bonds are being issued to (a) refund (i) the Refunded 2004A CABs, (ii) the 2006B CIBs, and (iii) the Refunded 2006B CABs, and (b) pay the costs of issuance of the 2014A Bonds. See "—Sources and Uses of Funds."

The 2014B Bonds are being issued to (a) refund the Refunded 2005 Bonds, and (b) pay the costs of issuance of the 2014B Bonds. See "—Sources and Uses of Funds."

The District has authorized and issued certain other general obligation bonds. See APPENDIX B—DISTRICT AND GENERAL SCHOOL DISTRICT FINANCIAL INFORMATION—District Debt Structure.

Security

The Bonds represent general obligations of the District payable solely from *ad valorem* property taxes levied and collected with respect to the Bonds. The Board of Supervisors of the County is empowered and is obligated to levy *ad valorem* taxes for the payment of the Bonds, and the interest thereon, upon all property in the District subject to taxation by the District without limitation of rate or amount (except certain personal property which is taxable at limited rates). Such taxes are required to be levied annually, in addition to all other taxes, during the period that the Bonds are outstanding in an amount sufficient to pay the principal of and interest on the Bonds when due. Such taxes, when collected, will be deposited, with respect to the Bonds, into the Interest and Sinking Fund and which is required by the California Education Code to be applied for the payment of principal of and interest on the Bonds when due. Although the County is obligated to levy an *ad valorem* tax for the payment of the Bonds, and the County Treasurer-Tax Collector will maintain the Interest and Sinking Fund, the Bonds are a debt of the District, not the County.

The moneys in the Interest and Sinking Fund, to the extent necessary to pay the principal of and interest on the Bonds as the same become due and payable, will be transferred by County, through the County Treasurer-Tax Collector, to the Paying Agent (hereinafter defined) which, in turn, will pay such moneys to DTC to pay the principal of and interest on the Bonds. DTC will thereupon make payments of principal and interest on the Bonds to the DTC Participants who will thereupon make payments of principal and interest to the Beneficial Owners (as defined herein) of the Bonds.

The amount of the annual *ad valorem* tax levied by the County to repay the Bonds will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds in any year. Fluctuations in the annual debt service on the Bonds and the assessed value of taxable property in the District may cause the annual tax rate to fluctuate. Economic and other factors beyond the District's control, such as a general market decline in land values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemption for property owned by the State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, flood, or toxic contamination, could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the annual tax rate. For further information regarding the District's assessed valuation, tax rates, overlapping debt, and other matters concerning taxation, see "TAX BASE FOR REPAYMENT OF BONDS."

Description of the Bonds

The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee for DTC. Purchasers will not receive physical certificates representing their interest in the Bonds. See "Book-Entry Only System" and APPENDIX G—BOOK-ENTRY ONLY SYSTEM.

Interest with respect to the Bonds accrues from their date of delivery and is payable semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing February 1, 2015, in the case of the 2014A Bonds, and August 1, 2015, in the case of the 2014B Bonds. Interest on the Bonds accrues on the basis of a 360-day year comprised of twelve 30-day months. Each Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Interest Payment Date to that Interest Payment Date, inclusive, in which event it will bear interest from such Interest Payment Date, or unless it is authenticated on or before January 15, 2015, in the case of the 2014A Bonds, and July 15, 2015, in the case of the 2014B Bonds, in which event it will bear interest from their date of delivery. The Bonds are issuable in denominations of $5,000 principal amount or any integral multiple thereof. The Bonds mature on the dates, in the years and amounts set forth on the inside cover page hereof. The principal of and interest on the Bonds will be payable by check or draft mailed by first-class mail, in lawful money of the United State of America upon presentation and surrender of such Bond at the office of the Paying Agent; *provided however*, that payment of interest may be by wire transfer in immediately available funds to an account in the United States of America to any owner of Bonds in the aggregate principal amount of $1,000,000 or more. See also "Book Entry Only System" below.

See the maturity schedules on the inside cover page hereof and "DEBT SERVICE SCHEDULES—Bonds."

Payment

The redemption price, if any, on the Bonds will be payable upon maturity or redemption upon surrender of such Bonds at the principal office of the Paying Agent. The interest, principal and redemption price, if any, on the Bonds will be payable in lawful money of the United States of America. The Paying Agent is authorized to pay the Bonds when duly presented for payment at maturity, and to cancel all Bonds upon payment thereof. The Bonds are general obligations of the District and do not constitute obligations of the County. No part of any fund of the County is pledged or obligated to the payment of the Bonds.

Redemption

2014A Bonds. The 2014A Bonds maturing on and prior to August 1, 2024, are not callable for redemption prior to their stated maturity date. The 2014A Bonds maturing on and after August 1, 2025, are callable for redemption prior to their stated maturity date at the option of the District, in whole or in part on any date on or after August 1, 2024 (in inverse order of maturity and by lot with a maturity), from any source lawfully available therefor, at a redemption price equal to the principal amount of the 2014A Bonds called for redemption, together with accrued interest to the date fixed for redemption, without premium.

2014B Bonds. The 2014B Bonds are not callable for redemption prior to their stated maturity date.

Selection of Bonds for Redemption. If less than all of the Bonds are called for redemption, the particular Bonds or portions thereof to be redeemed shall be called in such order as shall be directed by the District and, in lieu of such direction, in inverse order of their maturity. Within a maturity, the Paying Agent shall select the Bonds for redemption by lot; *provided, however*, that the portion of any Bonds to be redeemed shall be in the principal amount of $5,000 or some integral multiple thereof and that, in selecting Bonds for redemption, the Paying Agent shall treat each Bonds as representing that number of Bonds which is obtained by dividing the principal amount of such Bonds by five thousand dollars.

Notice of Redemption. The Paying Agent is required to give notice of the redemption of the Bonds at the expense of the District. Such notice shall specify: (a) that the Bonds or a designated portion thereof are to be redeemed, (b) the numbers and CUSIP numbers of the Bonds to be redeemed, (c) the date of notice and the date of redemption, (d) the place or places where the redemption will be made, and (e) descriptive information regarding the Bonds including the dated date, interest rate and stated maturity date. Such notice shall further state that on the specified date there shall become due and payable upon each Bonds to be redeemed, the portion of the principal amount of such Bonds to be redeemed, together with interest accrued to said date, and that from and after such date interest with respect thereto shall cease to accrue and be payable.

Notice of redemption shall be by registered or otherwise secured mail or delivery service, postage prepaid, to the registered owner of the Bonds, or if the registered owner is a syndicate, to the managing member of such syndicate, to a municipal registered securities depository and to a national information service that disseminates securities redemption notices, and by first class mail, postage prepaid, to the District and the respective owners of any registered Bonds designated for redemption at their addresses appearing on the bond register, in every case at least thirty (30) days, but not more than sixty (60) days, prior to the redemption date; provided that neither failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Bonds.

Conditional Notice of Redemption. Any notice of optional redemption of the Bonds may be conditional and if any condition stated in the notice of redemption shall not have been satisfied on or prior to the redemption date, (i) said notice shall be of no force and effect, (ii) the District shall not be required to redeem such Bonds; (iii) the redemption shall be cancelled and (iv) the Paying Agent shall within a reasonable time thereafter give notice to the persons and in the manner in which the conditional notice of redemption was given, that such condition or conditions were not met and that the redemption was cancelled. The actual receipt by the owner of any Bonds of notice of such cancellation shall not be a condition precedent to cancellation, and failure to receive such notice or any defect in such notice shall not affect the validity of the cancellation.

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

Partial Redemption of Bonds. Upon the surrender of any Bonds redeemed in part only (other than Bonds redeemed from sinking fund payments), the Paying Agent shall execute and deliver to the registered owner thereof a new Bonds or Bonds of like tenor and maturity and of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bonds surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such registered owner, the Paying Agent and the District shall be released and discharged thereupon from all liability to the extent of such payment.

Effect of Redemption. Notice having been given as described above, and the moneys for the redemption (including the interest to the applicable date of redemption) having been set aside for such purpose, the Bonds to be redeemed shall become due and payable on such date of redemption. If on such redemption date, money for the redemption of all the Bonds to be redeemed, together with interest to such redemption date, shall be held by the Paying Agent so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date, interest with respect to the Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of Bonds shall be held in trust for the account of the registered owners of the Bonds so to be redeemed. Bonds (or portions thereof), which have been duly called for redemption prior to maturity, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, and sufficient moneys are held by the Paying Agent irrevocably in trust for the payment of the redemption price of such Bonds or portions thereof, then such Bonds shall no longer be deemed outstanding and shall be surrendered to the Paying Agent for cancellation.

Defeasance

The Bonds may be defeased prior to maturity in the following ways:

(a) *Cash*. By irrevocably depositing with a bank or trust company, in escrow, an amount of cash which, together with amounts then on deposit in the Interest and Sinking Fund, is sufficient to pay all Bonds outstanding, including all principal and interest and premium, if any; or

(b) *Defeasance Securities*. By irrevocably depositing with a bank or trust company, in escrow, non-callable Defeasance Securities (as defined below), as permitted under section 149(d) of the Code, together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and moneys then on deposit in the Interest and Sinking Fund together with the interest to accrue thereon, be fully sufficient to pay and discharge all Bonds (including all principal and interest represented thereby and redemption premiums, if any), at or before their maturity date;

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

"Defeasance Securities" means direct and general obligations of the United States of America (including State and Local Government Series), or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, including (in the case of direct and general obligations of the United States of America) evidence of direct ownership or proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances wherein; (a) a bank or trust company acts as custodian and holds the underlying Defeasance Securities; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying Defeasance Securities; and (c) the underlying Defeasance Securities are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claims of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated or assessed "AA+" by Standard & Poor's if the Bonds are then rated by Standard & Poor's, and "Aaa" by Moody's Investors Service if the Bonds are then rated by Moody's Investors Service.

Partial Defeasance

A portion of the then-outstanding maturities of the Bonds may be defeased prior to maturity in the following ways:

(a) *Cash*. By irrevocably depositing with a bank or trust company, in escrow, an amount of cash which, together with amounts then on deposit in the Interest and Sinking Fund, is sufficient to pay the designated outstanding maturities of Bonds, including all principal and interest and premium, if any; or

(b) *Defeasance Securities*. By irrevocably depositing with a bank or trust company, in escrow, non-callable Defeasance Securities, as permitted under section 149(d) of the Code, together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and moneys then on deposit in the Interest and Sinking Fund together with the interest to accrue thereon, be fully sufficient to pay and discharge the designated outstanding maturities of Bonds (including all principal and interest represented thereby and redemption premiums, if any), at or before their maturity date;

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

Registration, Transfer and Exchange of Bonds

So long as any of the Bonds remain outstanding, the District will cause the Paying Agent to maintain and keep at its principal office all books and records necessary for the registration, exchange and transfer of the Bonds as provided in the Resolution (each, a "Bond Register"). Subject to the provisions of the Resolution, the person in whose name a Bond is registered on the Bond Register will be regarded as the absolute owner of that Bond for all purposes of the Resolution. Payment of or on account of the principal of any Bond will be made only to or upon the order of that person; neither the District, nor the Paying Agent will be affected by any notice to the contrary, but the registration may be changed as provided in the Resolution. All such payments will be valid and effectual to satisfy and discharge the District's liability upon the Bonds, including interest, to the extent of the amount or amounts so paid.

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

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

In all cases of exchanged or transferred Bonds, the District will sign and the Paying Agent will authenticate and deliver Bonds in accordance with the provisions of the Resolution. All fees and costs of transfer will be paid by the requesting party. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All Bonds issued upon any exchange or transfer will be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under the Resolution as the Bonds surrendered upon that exchange or transfer.

Any Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer will be canceled by the Paying Agent. The District may at any time deliver to the Paying Agent for cancellation any previously authenticated and delivered Bonds that the District may have acquired in any manner whatsoever, and those Bonds will be promptly canceled by the Paying Agent. Written reports of the surrender and cancellation of Bonds will be made to the District by the Paying Agent. The canceled

Bonds will be retained for a period of time, then returned to the District or destroyed by the Paying Agent as directed by the District.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the 15th business day next preceding either any Interest Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Interest Payment Date or any day on which the applicable notice of redemption is given or (b) to transfer any Bonds which have been selected or called for redemption in whole or in part.

Sources and Uses of Funds

The estimated sources and uses of funds in connection with the 2014A Bonds are as follows:

Sources of Funds:	
Principal Amount of 2014A Bonds	$50,375,000.00
Plus: Original Issue Premium	7,899,927.15
Total Sources of Funds	$58,274,927.15
Uses of Funds:	
Deposit to 2004A CABs Escrow Fund	$19,933,418.27
Deposit to 2006B CIBs Escrow Fund	12,746,808.56
Deposit to 2006B CABs Escrow Fund	25,079,927.96
Costs of Issuance (1)	514,772.36
Total Uses of Funds	$58,274,927.15

(1) Includes Underwriter's discount, Bond Counsel fees, Disclosure Counsel fees, municipal advisory fees, printing costs, rating agency fees, the premium for the 2014A Municipal Bond Insurance Policy and other miscellaneous expenses.

The estimated sources and uses of funds in connection with the 2014B Bonds are as follows:

Sources of Funds:	
Principal Amount of 2014B Bonds	$9,315,000.00
Plus: Original Issue Premium	1,465,342.65
Total Sources of Funds	$10,780,342.65
Uses of Funds:	
Deposit to 2005 Bonds Escrow Fund	$10,693,530.00
Costs of Issuance (1)	86,812.65
Total Uses of Funds	$10,780,342.65

(1) Includes Underwriter's discount, Bond Counsel fees, Disclosure Counsel fees, municipal advisory fees, printing costs, rating agency fees, the premium for the 2014B Municipal Bond Insurance Policy and other miscellaneous expenses.

Refunding Plan

2014A Bonds. The 2014A Bonds are being issued to refund (a) the Refunded 2004A CABs, (b) the 2006B CIBs, and (c) the Refunded 2006B CABs.

A portion of the proceeds from the sale of the 2014A Bonds will be deposited into an escrow fund (the "2004A Escrow Fund") to be created and maintained by U.S. Bank National Association, as escrow bank (the “Escrow Bank”), under an escrow agreement by and between the District and the Escrow Bank. A portion of the moneys deposited in the 2004A Escrow Fund will be invested in U.S. Treasury Securities—State and Local Series (“SLGS”). The moneys, the maturing SLGS and the interest thereon will be in an amount sufficient to redeem the Refunded 2004A CABs maturing on August 1, 2017, to and including August 1, 2020, and a portion of the Refunded 2004A CABs maturing on August 1, 2024, to and including August 1, 2028, on November 10, 2014, at a redemption price equal to 102% of the accreted value thereof, and to pay the maturity value of a portion of the Refunded 2004A CABs maturing on August 1, 2015, and August 1, 2016, on such dates.

The moneys and SLGS held and invested by the Escrow Bank in the 2004A Escrow Fund are pledged solely to the payment of amounts due and payable with respect to the refunded 2004A CABs. The funds deposited in the 2004A Escrow Fund will not be available for the payment of debt service on the Bonds.

A portion of the proceeds from the sale of the 2014A Bonds will be deposited into an escrow fund (the “2006B CIBs Escrow Fund”) to be created and maintained by the Escrow Bank, under an escrow agreement by and between the District and the Escrow Bank. The moneys deposited in the 2006B CIBs Escrow Fund will be in an amount sufficient to redeem the 2006B CIBs in full on November 10, 2014, at a redemption price equal to 100% of the principal amount thereof together with accrued interest to such date. The moneys deposited in the 2006B CIBs Escrow Fund will be held in cash, uninvested, until such redemption date.

The amounts held by the Escrow Bank in the 2006B CIBs Escrow Fund are pledged solely to the payment of amounts due and payable with respect to the refunded 2006B CIBs. The funds deposited in the 2006B CIBS Escrow Fund will not be available for the payment of debt service on the Bonds.

A portion of the proceeds from the sale of the 2014A Bonds will be deposited into an escrow fund (the “2006B CABs Escrow Fund”) to be created and maintained by the Escrow Bank, under an escrow agreement by and between the District and the Escrow Bank. A portion of the moneys deposited in the 2006B Escrow Fund will be invested in SLGS. The moneys, the maturing SLGS and the interest thereon will be in an amount sufficient to provide for the payment of the maturity value of a portion of the 2006B CABs maturing on August 1, 2016, on such date and to redeem the Refunded 2006B CABs maturing on August 1, 2017, to and including August 1, 2028, on August 1, 2016, at a redemption price equal to 102% of the accreted value thereof.

The amounts and SLGS held and invested by the Escrow Bank in the 2006B CABs Escrow Fund are pledged solely to the payment of amounts due and payable with respect to the refunded 2006B CABs. The funds deposited in the 2006B CABs Escrow Fund will not be available for the payment of debt service on the Bonds.

2014B Bonds. The 2014B Bonds are being issued to refund the Refunded 2005 Bonds.

A portion of the proceeds from the sale of the 2014B Bonds will be deposited into an escrow fund (the “2005 Bonds Escrow Fund”) to be created and maintained by the Escrow Bank, under an escrow agreement by and between the District and the Escrow Bank. The moneys deposited in the 2005 Bonds Escrow Fund will be in an amount sufficient to provide for the redemption of the outstanding Refunded 2005 Bonds in full on August 1, 2015, at a redemption price equal to 100% of the principal amount thereof, together with accrued interest to such date. The moneys deposited in the 2005 Bonds Escrow Fund will be held in cash, uninvested, until such redemption date.

The amounts held and invested by the Escrow Bank in the 2005 Bonds Escrow Fund are pledged solely to the payment of amounts due and payable with respect to the 2005 Bonds. The funds deposited in the 2005 Bonds Escrow Fund will not be available for the payment of debt service on the Bonds.

Debt Service Schedule

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

Period	2014A Bonds			2014B Bonds			
Ending	Principal	Interest (1)	Total	Principal	Interest (2)	Total	Total
8/1/2015	—	$ 1,790,627.81	$ 1,790,627.81	—	$ 111,262.50	$ 111,262.50	$ 1,901,890.31
8/1/2016	—	2,310,487.50	2,310,487.50	—	465,750.00	465,750.00	2,776,237.50
8/1/2017	$ 1,380,000	2,310,487.50	3,690,487.50	—	465,750.00	465,750.00	4,156,237.50
8/1/2018	2,145,000	2,255,287.50	4,400,287.50	—	465,750.00	465,750.00	4,866,037.50
8/1/2019	2,800,000	2,148,037.50	4,948,037.50	—	465,750.00	465,750.00	5,413,787.50
8/1/2020	3,370,000	2,008,037.50	5,378,037.50	—	465,750.00	465,750.00	5,843,787.50
8/1/2021	735,000	1,839,537.50	2,574,537.50	$9,315,000	465,750.00	9,780,750.00	12,355,287.50
8/1/2022	—	1,817,487.50	1,817,487.50	—	—	—	1,817,487.50
8/1/2023	—	1,817,487.50	1,817,487.50	—	—	—	1,817,487.50
8/1/2024	4,755,000	1,817,487.50	6,572,487.50	—	—	—	6,572,487.50
8/1/2025	5,340,000	1,579,737.50	6,919,737.50	—	—	—	6,919,737.50
8/1/2026	5,945,000	1,312,737.50	7,257,737.50	—	—	—	7,257,737.50
8/1/2027	6,585,000	1,015,487.50	7,600,487.50	—	—	—	7,600,487.50
8/1/2028	7,290,000	686,237.50	7,976,237.50	—	—	—	7,976,237.50
8/1/2029	2,660,000	321,737.50	2,981,737.50	—	—	—	2,981,737.50
8/1/2030	2,500,000	227,187.50	2,727,187.50	—	—	—	2,727,187.50
8/1/2031	2,400,000	152,187.50	2,552,187.50	—	—	—	2,552,187.50
8/1/2032	2,470,000	77,187.50	2,547,187.50	—	—	—	2,547,187.50
TOTAL	$50,375,000	$25,487,465.31	75,862,465.31	$9,315,000	$2,905,762.50	$12,220,762.50	$88,083,227.81

(1) Interest on the 2014A Bonds is payable semiannually on each February 1 and August 1, commencing February 1, 2015.
(2) Interest on the 2014B Bonds is payable semiannually on each February 1 and August 1, commencing August 1, 2015.

PAYING AGENT

U.S. Bank National Association, San Francisco, California, will act as the transfer agent, bond registrar, authenticating agent and paying agent for the Bonds (the "Paying Agent"). As long as DTC is the registered owner of the Bonds and DTC's book-entry method is used for the for the Bonds, the Paying Agent will send any notice of prepayment or other notices to owners only to DTC. Any failure of DTC to advise any DTC Participant, or of any DTC Participant to notify any Beneficial Owner, of any such notice and its content or effect will not affect the validity or sufficiency of the proceedings relating to the prepayment of the Bonds called for prepayment or of any other action premised on such notice.

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

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company, New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. See APPENDIX G—BOOK-ENTRY SYSTEM.

THE DISTRICT

Governing Board and Administration

The District is governed by a five member Board of Education, whose members are elected at large to four-year terms. The members of the District Board elect a president each year.

BOARD OF EDUCATION
New Haven Unified School District

Name	Position	Expiration of Term
Jonas Dino	President	December 2016
Michelle Matthews	Clerk	December 2016
Linda Canlas	Board Member	December 2016
Sarabjit Cheema	Board Member	December 2014
Michael Ritchie	Board Member	December 2014

Source: New Haven Unified School District

The District's day-to-day operations are managed by a board-appointed Superintendent. Dr. Arlando Smith serves as a Co-Superintendent and as Chief Academic Officer and Akur Varadarajan serves as a Co-Superintendent and as the District's Chief Business Official.

Average Daily Attendance and Base Revenue Limit

The following table summarizes the historical and current year estimated average daily attendance for the District.

AVERAGE DAILY ATTENDANCE
New Haven Unified School District
Fiscal Years 2006-07 to 2014-15

Fiscal Year	Average Daily Attendance
2006-07	12,560
2007-08	12,458
2008-09	12,385
2009-10	12,439
2010-11	12,435
2011-12	12,410
2012-13	12,329
2013-14*	12,329
2014-15**	12,177

Source: New Haven Unified School District
*Projected.
** Budgeted.

MUNICIPAL BOND INSURANCE

Municipal Bond Insurance Policy

Concurrently with the issuance of the 2014A Bonds, BAM will issue the 2014A Municipal Bond Insurance Policy for the 2014A Bonds. The 2014A Municipal Bond Insurance Policy guarantees the scheduled payment of principal of and interest on the 2014A Bonds when due as set forth in the form of the Municipal Bond Insurance Policy included as an exhibit to this Official Statement. Concurrently with the issuance of the 2014B Bonds, BAM will issue the 2014B Municipal Bond Insurance Policy for the 2014B Bonds. The 2014B Municipal Bond Insurance Policy guarantees the scheduled payment of principal of and interest on the 2014B Bonds when due as set forth in the form of the Municipal Bond Insurance Policy included as an exhibit to this Official Statement. The 2014A Municipal Bond Insurance Policy and the 2014B Municipal Bond Insurance Policy are not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Build America Mutual Assurance Company

BAM is a New York domiciled mutual insurance corporation. BAM provides credit enhancement products solely to issuers in the U.S. public finance markets. BAM will only insure obligations of states, political subdivisions, integral parts of states or political subdivisions or entities otherwise eligible for the exclusion of income under section 115 of the U.S. Internal Revenue Code of 1986, as amended. No member of BAM is liable for the obligations of BAM.

The address of the principal executive offices of BAM is: 200 Liberty Street, 27th Floor, New York, New York 10281, its telephone number is: 212-235-2500, and its website is located at: www.buildamerica.com.

BAM is licensed and subject to regulation as a financial guaranty insurance corporation under the laws of the State of New York and in particular Articles 41 and 69 of the New York Insurance Law.

BAM's financial strength is rated "AA/Stable" by Standard and Poor's Ratings Services, a Standard & Poor's Financial Services LLC business ("S&P"). An explanation of the significance of the rating and current reports may be obtained from S&P at www.standardandpoors.com. The rating of BAM should be evaluated independently. The rating reflects the S&P's current assessment of the creditworthiness of BAM and its ability to pay claims on its policies of insurance. The above rating is not a recommendation to buy, sell or hold the Bonds, and such rating is subject to revision or withdrawal at any time by S&P, including withdrawal initiated at the request of BAM in its sole discretion. Any downward revision or withdrawal of the above rating may have an adverse effect on the market price of the Bonds. BAM only guarantees scheduled principal and scheduled interest payments payable by the issuer of the Bonds on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the Policy), and BAM does not guarantee the market price or liquidity of the Bonds, nor does it guarantee that the rating on the Bonds will not be revised or withdrawn.

Capitalization of BAM

BAM's total admitted assets, total liabilities, and total capital and surplus, as of June 30, 2014 and as prepared in accordance with statutory accounting practices prescribed or permitted by the New York State Department of Financial Services were $477.8 million, $17.9 million and $459.9 million, respectively.

BAM is party to a first loss reinsurance treaty that provides first loss protection up to a maximum of 15% of the par amount outstanding for each policy issued by BAM, subject to certain limitations and restrictions. BAM's most recent Statutory Annual Statement, which has been filed with the New York State Insurance Department and posted on BAM's website at www.buildamerica.com, is incorporated herein by reference and may be obtained, without charge, upon request to BAM at its address provided above (Attention: Finance Department). Future financial statements will similarly be made available when published.

BAM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "MUNICIPAL BOND INSURANCE".

Additional Information Available from BAM

Credit Insights Videos. For certain BAM-insured issues, BAM produces and posts a brief Credit Insights video that provides a discussion of the obligor and some of the key factors BAM's analysts and credit committee considered when' approving the credit for insurance. The Credit Insights videos are easily accessible on BAM's website at buildamerica.com/creditinsights/

Obligor Disclosure Briefs. Subsequent to closing, BAM posts an Obligor Disclosure Brief on every issue insured by BAM, including the Bonds. BAM Obligor Disclosure Briefs provide information about the gross par insured by CUSIP, maturity and coupon; sector designation (e.g. general obligation, sales tax); a summary of financial information and key ratios; and demographic and economic data relevant to the obligor, if available. The Obligor Disclosure Briefs are also easily accessible on BAM's website at buildamerica.com/obligor/.

Disclaimers. The Obligor Disclosure Briefs and the Credit Insights videos and the information contained therein are not recommendations to purchase, hold or sell securities or to make any investment decisions. Credit-related and other analyses and statements in the Obligor Disclosure Briefs and the Credit Insights videos are statements of opinion as of the date expressed, and BAM assumes no responsibility to update the content of such material. The Obligor Disclosure Briefs and Credit Insight videos are prepared by BAM; they have not been reviewed or approved by the issuer of or the underwriter for the Bonds, and the issuer and underwriter assume no responsibility for their content.

BAM receives compensation (an insurance premium) for the insurance that it is providing with respect to the Bonds. Neither BAM nor any affiliate of BAM has purchased, or committed to purchase, any of the Bonds, whether at the initial offering or otherwise.

SECURITY AND SOURCE OF PAYMENT FOR THE BONDS

General

In order to provide sufficient funds for repayment of principal and interest when due on the Bonds, the Board of Supervisors of the County is empowered and is obligated to levy *ad valorem* taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates). Such taxes are in addition to other taxes levied upon property within the District, including the countywide tax of 1% of taxable value. When collected, the tax revenues will be deposited by the County in the District's Interest and Sinking Fund, which is required to be maintained by the County and to be used solely for the payment of bonds of the District.

Property Taxation System

Property tax revenues result from the application of the appropriate tax rate to the total assessed value of taxable property in the District. School districts levy property taxes for payment of voter-approved bonds and receive property taxes for general operating purposes as well. The District receives approximately 53% of its total general fund operating revenues from local property taxes.

Local property taxation is the responsibility of various county officers. For each school district located in a county, the county assessor computes the value of locally assessed taxable property. Based on the assessed value of property and the scheduled debt service on outstanding bonds in each year, the county auditor-controller computes the rate of tax necessary to pay such debt service, and presents the tax rolls (including rates of tax for all taxing jurisdictions in the county) to the county board of supervisors for approval. The county Treasurer-Tax Collector prepares and mails tax bills to taxpayers and collects the taxes. In addition, the Treasurer-Tax Collector, as ex officio treasurer of each school district located in the county, holds and invests school district funds, including taxes collected for payment of school bonds, and is charged with payment of principal and interest on such bonds when due. Taxes on property in a school district whose boundaries extend into more than one county are administered separately by the county in which the property is located. The State Board of Equalization also assesses certain special classes of property, as described later in this section.

Assessed Valuation of Property Within the District

Under Proposition 13, an amendment to the California Constitution adopted in 1978, the county assessor's valuation of real property is established as shown on the fiscal year 1975-76 tax bill, or, thereafter, as the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred. Assessed value of property may be increased annually to reflect inflation at a rate not to exceed 2% per year, or reduced to reflect a reduction in the consumer price index or comparable data for the area under taxing jurisdiction or in the event of declining property value caused by substantial damage, destruction, market forces or other factors. As a result of these rules, real property that has been owned by the same taxpayer for many years can have an assessed value that is much lower than that of similar properties more recently sold, and may be lower than its own market value. Likewise, changes in ownership of property and reassessment of such property to market value commonly will lead to increases in aggregate assessed value even when the rate of inflation or consumer price index would not permit the full 2% increase on any property that has not changed ownership. See "DISTRICT FINANCIAL INFORMATION" and "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS."

For assessment and tax 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 property and property (real or personal) for which there is a lien on real property sufficient, in the opinion of the county assessor, to secure payment of the taxes. All other property is "unsecured," and is assessed on the "unsecured roll."

The greater the assessed value of taxable property in the District, the lower the tax rate necessary to generate taxes sufficient to pay scheduled debt service on the Bonds. The following table shows recent history of taxable property assessed valuation in the District.

The table below shows the assessed valuation in the District for fiscal years 2006-07 to 2014-15.

HISTORIC ASSESSED VALUATIONS
New Haven Unified School District
Fiscal Years 2006-07 to 2014-15

Fiscal Year	Total Secured	Utility	Unsecured	Total Valuation	Annual % Change
2006-07	$7,983,211,068	$4,374,758	$453,036,581	$8,440,622,407	
2007-08	8,578,107,204	2,311,866	456,904,049	9,037,323,119	7.07%
2008-09	8,928,014,406	2,300,434	505,875,720	9,436,190,560	4.41
2009-10	8,435,921,790	2,300,434	622,305,085	9,060,527,309	(3.98)
2010-11	8,399,286,127	2,414,628	571,271,421	8,972,972,176	(0.97)
2011-12	8,299,473,343	2,414,628	455,181,039	8,757,069,010	(2.41)
2012-13	8,391,386,151	2,414,628	497,187,296	8,890,988,075	1.53
2013-14	8,824,334,944	2,414,628	500,123,524	9,326,873,096	4.90
2014-15	9,331,791,713	2,268,380	523,043,078	9,857,103,171	5.68

Source: Alameda County; New Haven Unified School District; California Municipal Statistics, Inc.

The following table shows the 2014-15 assessed valuation of each jurisdiction within the boundaries of the District:

ASSESSED VALUATION BY JURISDICTION(1)
New Haven Unified School District
Fiscal Year 2014-15

Jurisdiction	Assessed Valuation in School District	% of School District	Assessed Valuation of Jurisdiction	% of Jurisdiction in School District
City of Hayward	$ 1,458,748,781	14.80%	$ 17,496,672,655	8.34%
City of Union City	8,398,354,390	85.20	8,421,756,868	99.72
Total District	9,857,103,171	100.00		
Total Alameda County	$ 9,857,103,171	100.00%	$ 220,488,569,845	4.47%

Source: California Municipal Statistics, Inc.
(1) Before deduction of redevelopment incremental valuation.

The following table gives a distribution of taxable real property located in the District by principal purpose for which the land is used, and the assessed valuation and number of parcels for each use.

ASSESSED VALUATION AND PARCELS BY LAND USE
New Haven Unified School District
Fiscal Year 2014-15

	2014-15 Assessed Valuation[1]	% of Total	No. of Parcels	% of Total
Non Residential:				
Rural/Undeveloped	$ 17,801,043	.19%	58	.30%
Commercial/Office	589,800,139	6.32	215	1.10
Vacant Commercial	2,386,879	.03	16	.08
Industrial	1,885,718,635	20.21	513	2.63
Vacant Industrial	38,549,640	.41	44	.23
Government/Social/Institutional	20,506,145	.22	23	.12
Subtotal Non-Residential	$ 2,554,762,481	27.38%	869	4.46%
Residential:				
Single Family Residence	$ 5,592,322,902	59.93%	14,537	74.57%
Condominium/Townhouse	832,465,896	8.92	3,414	17.51
Mobile Home Park	12,387,285	.13	4	.02
Mobile Home	9,796,980	.10	244	1.25
2-4 Residential Units	82,244,716	.88	278	1.43
5+ Residential Units/Apartments	240,336,239	2.58	44	.23
Vacant Residential	7,475,214	.08	105	.54
Subtotal Residential	$ 6,777,029,232	72.62%	18,626	95.54%
Total	$ 9,331,791,713	100.00%	19,495	100.00%

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

The following table focuses on single-family residential properties only, which comprise approximately 56.7% of the assessed value of taxable property in the District. The average assessed value per parcel is $384,696, and the median assessed value per parcel is $364,465.

ASSESSED VALUATION OF SINGLE FAMILY HOMES
New Haven Unified School District
Fiscal Year 2014-15

	No. of Parcels	2013-14 Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation
Single Family Residential	14,537	$ 5,592,322,902	$ 384,696	$ 364,465

2014-15 Assessed Valuation	No. of Parcels(1)	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
$0 - $49,999	270	1.860%	1.860%	$ 10,100,394	.180%	.180%
$50,000 - $99,999	1,374	9.452	11.309	102,571,073	1.834	2.015
$100,000 - $149,999	833	5.730	17.039	105,167,330	1.881	3.895
$150,000 - $199,999	899	6.184	23.223	158,013,691	2.826	6.721
$200,000 - $249,999	1,113	7.656	30.880	250,909,565	4.487	11.208
$250,000 - $299,999	1,310	9.011	39.891	359,723,454	6.432	17.640
$300,000 - $349,999	1,135	7.808	47.699	369,035,819	6.599	24.239
$350,000 - $399,999	1,119	7.698	55.397	419,115,064	7.494	31.733
$400,000 - $449,999	1,154	7.938	63.335	490,784,029	8.776	40.509
$450,000 - $499,999	1,187	8.165	71.500	562,624,036	10.061	50.570
$500,000 - $549,999	976	6.714	78.214	511,141,479	9.140	59.710
$550,000 - $599,999	711	4.891	83.105	407,884,249	7.294	67.004
$600,000 - $649,999	506	3.481	86.586	314,747,891	5.628	72.632
$650,000 - $699,999	472	3.247	89.833	318,304,319	5.692	78.324
$700,000 - $749,999	532	3.660	93.492	385,952,527	6.901	85.225
$750,000 - $799,999	334	2.298	95.790	257,288,278	4.601	89.826
$800,000 - $849,999	171	1.176	96.966	141,189,971	2.525	92.351
$850,000 - $899,999	135	.929	97.895	117,147,049	2.095	94.446
$900,000 - $949,999	97	.667	98.562	88,914,469	1.590	96.035
$950,000 - $999,999	50	.344	98.906	48,858,898	.874	96.909
$1,000,000 and greater	159	1.094	100.000%	172,849,317	3.091	100.000%
Total	14,537	100.00%		$ 5,592,322,902	100.00%	

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

Tax Rates

The table below summarizes the total *ad valorem* tax rates levied by all taxing entities in the principal Tax Rate Area ("TRA") within the District from fiscal year 2009-10 to fiscal 2013-14. TRA 15-001 comprises approximately 10.7% of the total assessed value of property in the District.

TYPICAL TAX RATE PER $100 ASSESSED VALUATION
New Haven Unified School District
Fiscal Years 2009-10 to 2013-14

Total Tax Rates (TRA 15-001 2013-14 Assessed Valuation: $1,061,271,681)

	2009-10	2010-11	2011-12	2012-13	2013-14
General Tax Rate	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
New Haven Unified School District	.1317	.1105	.1295	.1385	.1377
Chabot-Las Positas Community College District	.0195	.0211	.0214	.0219	.0214
Washington Township Healthcare District	.0063	.0188	.0186	.0181	.0291
Bay Area Rapid Transit District	.0057	.0031	.0041	.0043	.0075
East Bay Regional Park	.0108	.0084	.0071	.0051	.0078
Alameda County Water District	.0065	.0071	.0077	.0069	.0066
Total	1.1805%	1.1690%	1.1884%	1.1948%	1.2101%

Source: California Municipal Statistics, Inc.

Tax Levies and Delinquencies

Beginning in 1978-79, Article XIIIA and its implementing legislation shifted the function of property taxation primarily to the counties, except for levies to support prior-voted debt, and prescribed how levies on county-wide property values are to be shared with local taxing entities within each County.

The following table reflects the historical secured tax levy and year-end delinquencies for general obligation bonds of the District.

SECURED TAX CHARGE AND DELINQUENCY
New Haven Unified School District
Fiscal Years 2008-09 to 2012-13

Fiscal Year	Secured Tax Charge(1)	Amount Delinquent as of June 30	Percent Delinquent as of June 30
2008-09	$ 10,507,416	$ 466,570	4.44%
2009-10	10,986,519	308,599	2.81
2010-11	9,159,570	239,097	2.61
2011-12	10,658,445	158,529	1.49
2012-13	11,471,576	112,052	.98

Source: California Municipal Statistics, Inc.
(1) Bond debt service levy.

Alternative Method of Tax Apportionment

The Board of Supervisors of the County has approved the implementation of the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"), as provided for in section 4701 *et seq*. of the California Revenue and Taxation Code. The Teeter Plan guarantees distribution of 100% of the general taxes levied to the taxing entities within the County, with the County retaining all penalties and interest penalties affixed upon delinquent properties and redemptions of subsequent collections. Under the Teeter Plan, the County apportions secured property taxes on a cash basis to local political subdivisions, including the District, for which the County acts as the tax-levying or tax-collecting agency. At the conclusion of each fiscal year, the County distributes 100% of any taxes delinquent as of June 30th to the respective taxing entities.

The Teeter Plan is applicable to secured property tax levies. As adopted by the County, the Teeter Plan excludes Mello-Roos Community Facilities Districts, special assessment districts, and benefit assessment districts.

The Teeter Plan is to remain in effect unless the Board of Supervisors of the County orders its discontinuance or unless, prior to the commencement of any fiscal year of the County (which commences on July 1), the Board of Supervisors receives a petition for its discontinuance joined in by resolutions adopted by at least two-thirds of the participating revenue districts in the County, in which event the Board of Supervisors is to order discontinuance of the Teeter Plan effective at the commencement of the subsequent fiscal year. The Board of Supervisors may also, after holding a public hearing on the matter, discontinue the Teeter Plan with respect to any tax levying agency or assessment levying agency in the County if the rate of secured tax delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured roll in that agency. If the Teeter Plan is discontinued subsequent to its implementation, only those secured property taxes actually collected would be allocated to political subdivisions (including the District) for which the County acts as the tax-levying or tax-collecting agency, but penalties and interest would be credited to the political subdivisions.

The District is not aware of any petitions for the discontinuance of the Teeter Plan in the County.

Largest Property Owners

The following table shows the 20 largest owners of taxable property in the District as determined by secured assessed valuation in fiscal year 2014-15, representing 9.92% of the District's total assessed valuation.

LARGEST LOCAL SECURED TAXPAYERS
New Haven Unified School District
Fiscal Year 2014-15

	Property Owner	Primary Land Use	2014-15 Assessed Valuation	% of Total(1)
1.	Rreef America REIT II Corp.	Warehouse	$ 87,650,529	0.94%
2.	Avalon Union City LP	Apartments	78,613,398	0.84
3.	Catellus Development Corporation	Warehouse	73,377,921	0.79
4.	PSB Northern California Industrial Portfolio	Industrial	68,649,903	0.74
5.	Dyer Triangle LLC	Shopping Center	67,581,791	0.72
6.	Harsch Investment Properties LLC	Warehouse	56,924,437	0.61
7.	Teachers Insurance & Annuity Association	Warehouse	56,912,415	0.61
8.	Impax Laboratories Inc.	Industrial	56,759,207	0.61
9.	Woodstock Bowers LLC	Industrial	53,018,176	0.57
10.	Pappas Union City No. 2 LP	Shopping Center	40,029,701	0.43
11.	Greenhaven Apartments LLC	Apartments	39,812,209	0.43
12.	U.S. Pipe Holdings Corporation	Industrial	33,334,328	0.36
13.	Union Square Investments LP	Shopping Center	32,812,371	0.35
14.	Target Corporation	Commercial	29,182,249	0.31
15.	IBG Huntwood Associates	Industrial	26,382,399	0.28
16.	Young's Market Company	Warehouse	25,790,307	0.28
17.	Gluckstein Peppertree LP	Warehouse	25,355,491	0.27
18.	AMB Property LP	Warehouse	24,943,380	0.27
19.	Blommer Chocolate company	Industrial	24,547,904	0.26
20.	LBA Riv Co. XVI LLC	Industrial	24,427,178	0.26
	Total		$ 926,105,294	9.92%

Source: California Municipal Statistics, Inc.
(1) 2013-14 Local secured and utility assessed valuation: $8,824,334,994.

Risk of Decline in Property Values; Earthquake Risk. Property values could be reduced by factors beyond the District's control, including earthquake and a depressed real estate market due to general economic conditions in the County, the region and the State.

Other possible causes for a reduction in assessed values include the complete or partial destruction of taxable property caused by other natural or manmade disasters, such as flood, fire, toxic dumping, acts of terrorism, etc., or reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes). Lower assessed values could necessitate a corresponding increase in the annual tax rate to be levied to pay the principal of and interest on the Bonds. Issuance of additional bonds in the future might also cause the tax rate to increase, although the District does not currently have any voter authorization to issue additional bonds.

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

Appeals of Assessed Valuation. State law affords an appeal procedure to taxpayers who disagree with the assessed value of their taxable property. Taxpayers may request a reduction in assessment directly from the County Assessor (the "Assessor"), who may grant or refuse the request, and may appeal an assessment directly to the County Board of Equalization, which rules on appealed assessments whether or not settled by the Assessor. The Assessor is also authorized to reduce the assessed value of any taxable property upon a determination that the market value has declined below the then-current assessment, whether or not appealed by the taxpayer.

The District can make no predictions as to the changes in assessed values that might result from pending or future appeals by taxpayers. Any reduction in aggregate District assessed valuation due to appeals, as with any reduction in assessed valuation due to other causes, will cause the tax rate levied to repay the Bonds to increase accordingly, so that the fixed debt service on the Bonds (and other outstanding bonds) may be paid. Any refund of paid taxes triggered by a successful assessment appeal will be debited by the County Tax Collector against all taxing agencies who received tax revenues, including the District.

Proposition 8. Pursuant to California Proposition 8 of November 1978 ("Proposition 8"), 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. Any reduction in the assessment ultimately granted as a result of such appeal applies to the year for which application is made and during which the written application was filed.

County assessors, at their discretion, may also, from time to time, review certain property types purchased between specific time periods (e.g., all single family homes and condominiums purchased shortly prior to widespread declines in the fair market value of residential real estate within the county) and may proactively, temporarily reduce the assessed value of qualifying properties to Proposition 8 assessed values without owner appeal therefor.

A property that has been reassessed under Proposition 8, whether pursuant to owner appeal or due to county assessor review, is subsequently reviewed annually to determine its lien date value. Assuming no change in ownership or new construction, and if and as market conditions improve, the assessed value of a property with a Proposition 8 assessed value in place may increase as of each property tax lien date by more than the standard annual inflationary factor growth rate allowed under Article XIIIA (currently, a 2% annual maximum) until such assessed value again equals the Article XIIIA base year value for such property as adjusted for inflation and years of ownership, at which point such property is again taxed pursuant to Article XIIIA and base year values may not be increased by more than the standard Article XIIIA annual inflationary factor growth rate. A change in ownership while a property is subject to a Proposition 8 reassessment assessed valuation will cause such assessed valuation to become fixed as a new Article XIIIA base year value for such property. A second type of assessment appeal involves a challenge to the base year value of an assessed property. Appeals for reduction in the base year value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

No assurance can be given that property tax appeals or County assessor reviews in the future will not significantly reduce the assessed valuation of property within the District.

Direct and Overlapping Debt

Direct and Overlapping Debt. Set forth below is a schedule of direct and overlapping debt prepared by California Municipal Statistics Inc. The table is included for general information purposes only. The District has not reviewed this table for completeness or accuracy and makes no representations in connection therewith. The first column in the table names each public agency which has outstanding debt as of September 3, 2014, and whose territory overlaps the District in whole or in part. The second column shows the percentage of each overlapping agency's assessed value located within the boundaries of the District. This percentage, multiplied by the total outstanding debt of each overlapping agency (which is not shown in the table) produces the amount shown in the third column, which is the apportionment of each overlapping agency's outstanding debt to taxable property in the District.

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

STATEMENT OF DIRECT AND OVERLAPPING BONDED DEBT
New Haven Unified School District
As of September 3, 2014

NEW HAVEN UNIFIED SCHOOL DISTRICT

2014-15 Assessed Valuation:$9,857,103,171

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable[(1)]	Debt 10/1/14
Bay Area Rapid Transit District	1.773%	$ 11,183,995
Chabot-Las Positas Community College District	9.247	39,413,122
Ohlone Community College District	2.034	5,225,247
New Haven Unified School District	**100.000**	**180,586,059**[(2)]
Washington Township Healthcare District	17.691	34,422,263
East Bay Regional Park District	2.738	4,862,004
City of Union City Community Facilities District	100.000	5,470,000
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$281,162,690
OVERLAPPING GENERAL FUND DEBT:		
Alameda County General Fund Obligations	4.483%	$40,069,032
Alameda County Pension Obligations	4.483	3,935,510
Alameda-Contra Costa Transit District Certificates of Participation	1.293	320,535
City of Hayward General Fund Obligations	8.548	1,922,445
City of Union City Pension Obligations	99.703	19,021,311
Hayward Area Recreation and Park District Certificates of Participation	1.269	209,575
TOTAL OVERLAPPING GENERAL FUND DEBT		$65,478,408
OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):		$143,676,016
COMBINED TOTAL DEBT		$490,317,114[(3)]

Ratios to 2014-15 Assessed Valuation:
Direct Debt ($180,586,059).. 1.83%
Total Direct and Overlapping Tax and Assessment Debt.................2.85%
Combined Total Debt 4.97%

Ratio to Redevelopment Incremental Valuation ($2,131,010,062):
Total Overlapping Tax Increment Debt...6.74%

Source: California Municipal Statistics, Inc.
(1) Based on 2013-14 ratios.
(2) Excludes issue to be sold.
(3)Excludes tax and revenue anticipation notes, revenue, mortgage revenue and non-bonded capital lease obligations.

COUNTY INVESTMENT POOL

In accordance with Section 41001 of the California Education Code, each California public school district maintains substantially all of its operating funds in the county treasury of the county in which it is located, and each county treasurer-tax collector serves as ex officio treasurer for those school district located within the county. Each treasurer-tax collector has the authority to invest school district funds held in the county treasury. Generally, the treasurer-tax collector pools county funds with school district funds and funds from certain other public agencies and invests the cash. These pooled funds are carried at cost. Interest earnings are accounted for on either a cash or accrual basis and apportioned to pool participants on a regular basis.

Each treasurer-tax collector is required to invest funds, including those pooled funds described above, in accordance with Section 53601 *et seq.* of the California Government Code. In addition, each treasurer-tax collector is required to establish an investment policy which may impose further limitations beyond those required by the California Government Code. A copy of the County investment policy and periodic reports on the County investment pool are available from the Treasurer-Tax Collector, Alameda County, 1221 Oak Street Room 131, Oakland, California, 94612, Telephone: (510) 272-6800. It is not intended that such information be incorporated into this Official Statement by such references. Certain information concerning the County's pooled investment portfolio as of May 31, 2014, is included here in APPEDIX D—COUNTY QUARTERLY INVESTMENT REPORT.

LEGAL OPINIONS

The proceedings in connection with the issuance of the Bonds are subject to the approval as to their legality of Quint & Thimmig LLP, Larkspur, California, Bond Counsel for the District. Certain legal matters will also be passed upon for the District by Quint & Thimmig LLP, Larkspur, California, as Disclosure Counsel. The fees of Bond Counsel and Disclosure Counsel are contingent upon the issuance and delivery of the Bonds.

TAX MATTERS

Federal tax law contains a number of requirements and restrictions which apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The District has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the District's compliance with the above referenced covenants, under present law, in the opinion of Quint & Thimmig LLP, Larkspur, California, Bond Counsel, interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but interest on the Bonds is taken into account, however, in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

In rendering its opinion, Bond Counsel will rely upon certifications of the District with respect to certain material facts within the District's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

The Code includes provisions for an alternative minimum tax ("AMT") for corporations in addition to the corporate regular tax in certain cases. The AMT, if any, depends upon the corporation's alternative minimum taxable income ("AMTI"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" would include certain tax exempt interest, including interest on the Bonds.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax exempt obligations. Prospective purchasers of the Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price (the "Issue Price") for the Bonds is the price at which a substantial amount of the Bonds is first sold to the public. The Issue Price of the Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the inside cover page hereof.

Owners of Bonds who dispose of Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Bonds in the initial public offering, but at a price different from the Issue Price or purchase Bonds subsequent to the initial public offering should consult their own tax advisors.

If a Bond is purchased at any time for a price that is less than the Bond's stated redemption price at maturity, the purchaser will be treated as having purchased a Bond with market discount subject to the market discount rules of the Code (unless a statutory *de minimis* rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Bonds.

An investor may purchase a Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax exempt bond. The amortized bond premium is treated as a reduction in the tax exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Bonds. Investors who purchase a Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bonds.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax exempt obligations to determine whether, in the view of the Service, interest on such tax exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service may treat the District as a taxpayer and the Bond owners may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax exempt obligations, including the Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

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

Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

If the initial offering price to the public (excluding bond houses and brokers) at which a Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes "original issue discount" for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public (excluding bond houses and brokers) at which each 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. Owners of Bonds with original issue discount or original issue premium, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to federal income tax and State of California personal income tax consequences of owning such Bonds.

The complete text of the final opinion that Bond Counsel expects to deliver upon the issuance of the Bonds is set forth in APPENDIX E—FORMS OF OPINIONS OF BOND COUNSEL.

MUNICIPAL ADVISOR

Public Financial Management, Inc., San Francisco, California, has served as financial advisor (the "Municipal Advisor") to the District in connection with the issuance of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in the Official Statement. The fees of the Municipal Advisor are contingent upon the sale and delivery of the Bonds. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

CONTINUING DISCLOSURE

The District has covenanted for the benefit of holders and Beneficial Owners of the Bonds to provide certain financial information and operating data relating to the District (the "Annual Report") by not later than March 31 after the end of the District's fiscal year (the current end of the District's fiscal year is on June 30), commencing with the report for the 2013-14 fiscal year, and to provide notices of the occurrence of certain enumerated events. The Annual Report will be filed by the District with the Municipal Securities Rulemaking Board (the "MSRB"). The notices of enumerated events will be filed by the District with the MSRB. The specific nature of the information to be made available and to be contained in the notices of material events is summarized below under the caption APPENDIX F—FORMS OF CONTINUING DISCLOSURE CERTIFICATES. These covenants have been made in order to assist the Underwriter in complying with S.E.C. Rule 15c2-12(b)(5) (the "Rule"). Except as described below, the District has not failed, in the last five years, to comply with its existing continuing disclosure obligations.

Due to widespread knowledge of insurer rating downgrades, the District did not timely file material event notices regarding the rating changes of the insurers of its outstanding obligations. However, such notices were subsequently filed. Also, the District did not timely file certain tax rate data required by the continuing disclosure certificate relating to its 2012 general obligation refunding bonds. This data has been subsequently filed.

LEGALITY FOR INVESTMENT IN CALIFORNIA

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

ABSENCE OF MATERIAL LITIGATION

No litigation is pending or threatened concerning the validity of the Bonds, and a certificate to that effect will be furnished by the District to purchasers at the time of the original delivery of the Bonds. The District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the District's ability to receive *ad valorem* taxes or contesting the District's ability to issue and retire the Bonds.

RATINGS

S&P is expected to assign the rating of "AA" to the Bonds based on the issuance of the Municipal Bond Insurance Policy by the Municipal Bond Insurer at the time of delivery of the Bonds. See "MUNICIPAL BOND INSURANCE." In addition, Moody's and S&P have assigned the underlying ratings of "Aa3" and "A+," respectively, to the Bonds. Such ratings reflect only the view of such organizations and any desired explanation of the significance of such ratings should be obtained from such organizations at the following addresses: Moody's, 7 World Trade Center, 250 Greenwich Street, New York, NY 10007; S&P, 55 Water Street, New York, New York 10041. Generally, a rating agency bases it rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price for the Bonds.

UNDERWRITING

The 2014A Bonds are being purchased by George K. Baum & Company (the "Underwriter"). The Underwriter has agreed to purchase the 2014A Bonds at a price of $58,010,458.40 (being equal to the aggregate principal amount of the 2014A Bonds ($50,375,000.00), plus a net original issue premium ($7,899,927.15), less $264,468.75 retained by the Underwriter to pay the Underwriter's discount.

The 2014B Bonds are being purchased by the Underwriter. The Underwriter has agreed to purchase the 2014B Bonds at a price of $10,731,438.90 (being equal to the aggregate principal amount of the 2014B Bonds ($9,315,000.00), plus an original issue premium ($1,465,342.65), less $48,903.75 retained by the Underwriter to pay the Underwriter's discount.

The bond purchase agreement relating to the Bonds provides that the Underwriter will purchase all of the Bonds if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in said agreement, the approval of certain legal matters by counsel and certain other conditions. The Underwriter may offer and sell Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover page hereof. The offering prices may be changed from time to time by the Underwriter.

ADDITIONAL INFORMATION

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

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

NEW HAVEN UNIFIED SCHOOL DISTRICT

By /s/ Akur Varadarajan
Akur Varadarajan
Co-Superintendent and Chief Business Official

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APPENDIX A

THE ECONOMY OF THE DISTRICT

While the economics of the City of Union City (the "City") and Alameda County (the "County") and surrounding region influence the economics within the District, only property within the District is subject to an unlimited ad valorem tax levy to pay debt service on the Bonds.

Introduction

The County is located in the East San Francisco Bay Area of the State of California. The County seat is Oakland. The County was formed on March 25, 1853 from a large portion of Contra Costa County and a smaller portion of Santa Clara County. The county has a total area of 821 square miles (2,130 km^2), of which 739 square miles (1,910 km^2) is land and 82 square miles (210 km^2) (10.0%) is water.

The San Francisco Bay borders the County on the west, and the city and county of San Francisco, California has a small land border with the city of Alameda due to land filling. The crest of the Berkeley Hills form part of the northeastern boundary, and reach into the center of the county. A coastal plain several miles wide lines the bay; it is home to Oakland and the most populous regions. Livermore Valley lies in the eastern part of the County.

The City of Union City is a suburb in the San Francisco Bay Area in Alameda County, California, United States approximately 30 miles from San Francisco and 20 miles north of San Jose. Union City was incorporated on January 13, 1959. The City has a total area of 19 square miles (49 km^2), all land with no bay frontage.

Population

The table below summarizes population of the City and the County.

POPULATION
Union City and Alameda County

Year	Union City	Alameda County
2010	69,516	1,510,271
2011	69,746	1,517,756
2012	70,555	1,530,206
2013	71,396	1,550,119
2014	72,155	1,573,254

Source: California Department of Finance, Demographic Research Unit.

Employment

The following table summarizes the historical numbers of workers by industry in Alameda County for the last five years:

ALAMEDA COUNTY
Labor Force and Industry Employment
Annual Averages by Industry

	2009	2010	2011	2012	2013(1)
Total, All Industries	658,400	647,200	654,300	674,800	699,200
Total Farm	700	700	700	700	500
Total Nonfarm	657,800	646,400	653,600	674,200	698,700
Goods Producing	95,400	89,500	91,900	94,400	98,500
Mining, Logging and Construction	33,600	30,400	31,000	33,400	35,700
Manufacturing	61,800	59,100	60,900	60,900	62,800
Service Providing	562,400	556,900	561,800	579,800	600,200
Trade, Transportation & Utilities	121,700	117,600	118,900	122,800	127,300
Information	14,900	14,000	13,600	13,600	13,000
Financial Activities	22,400	22,900	23,000	23,500	24,200
Professional & Business Services	105,200	108,300	111,400	118,100	121,000
Educational & Health Services	99,700	100,400	99,700	104,400	112,200
Leisure & Hospitality	53,900	54,500	56,000	58,700	62,300
Other Services	22,900	23,200	23,300	23,900	24,900
Government	121,300	116,100	116,100	114,900	115,300

Source: California Employment Development Department, based on March 2013 benchmark.
(1) Last available full year data.
*Does not include proprietors, self-employed, unpaid volunteers or family workers, domestic workers in households, and persons involved in labor/management trade disputes. Employment reported by place of work. Items may not add to totals due to independent rounding.

The following tables summarize historical employment and unemployment for Alameda County, the State of California and the United States for the past five years:

ALAMEDA COUNTY, CALIFORNIA, AND UNITED STATES
Civilian Labor Force, Employment, and Unemployment
(Annual Averages)

Year	Area	Labor Force	Employment	Unemployment	Unemployment Rate (1)
2009	Alameda County	761,500	681,600	79,900	10.5%
	California	18,208,300	16,144,500	2,063,900	11.3
	United States	154,142,000	139,877,000	14,265,000	9.3
2010	Alameda County	762,600	676,600	86,000	11.3%
	California	18,316,400	16,051,500	2,264,900	12.4
	United States	153,889,000	139,064,000	14,825,000	9.6
2011	Alameda County	765,700	686,700	79,000	10.3%
	California	18,384,900	16,226,600	2,158,300	11.7
	United States	153,617,000	139,869,000	13,747,000	8.9
2012	Alameda County	778,300	708,600	69,700	9.0%
	California	18,494,900	16,560,300	1,934,500	10.5
	United States	154,975,000	142,469,000	12,506,000	8.1
2013	Alameda County	783,100	725,000	58,000	7.4%
	California	18,596,800	16,933,300	1,663,500	8.9
	United States	155,389,000	143,929,000	11,460,000	7.4

Source: California Employment Development Department, based on March 2013 benchmark and US Department of Labor, Federal Bureau of Labor Statistics

(1) The unemployment rate is computed from unrounded data, therefore, it may differ from rates computed from rounded figures available in this table.

Major Employers

The table below sets forth the principal employers of the County.

ALAMEDA COUNTY
2014 Major Employers

Company	Location	Industry
Alameda County Law Enforcement	Oakland	Sheriff
Alameda County Sheriff's Ofc	Oakland	Sheriff
Alta Bates Summit Medical Ctr	Oakland	Hospitals
Alta Bates Summit Medical Ctr	Berkeley	Hospitals
Bayer Corp	Berkeley	Drug Millers (Mfrs)
Berkeley Coin & Stamp	Berkeley	Coin Dealers Supplies & Etc
California State-East Bay	Hayward	Schools-Universities & Colleges Academic
Childrens Hospital Health Lbry	Oakland	Special Interest Libraries
Cooper Vision Inc	Pleasanton	Physicians & Surgeons Equip & Supls-Mfrs
East Bay Water	Oakland	Transit Lines
Highland Hospital	Oakland	Hospitals
Intel Corp	Fremont	Semiconductor Devices (Mfrs)
Kaiser Permanente Hospital	Hayward	Hospitals
Kaiser Permanente Medical Ctr	Oakland	Hospitals
Lawrence Berkeley National Lab	Berkeley	Physicians & Surgeons
Lawrence Livermore Natl Lab	Livermore	Small Arms Ammunition (Mfrs)
Oakland Police Patrol Div	Oakland	Police Departments
Oracle	Pleasanton	Computer Software-Manufacturers
Residential & Student Svc Prog	Berkeley	Schools-Universities & Colleges Academic
Safeway Inc	Pleasanton	Grocers-Retail
Tesla Motors	Fremont	Automobile Repairing & Service
Transportation Dept-California	Oakland	State Government-Transportation Programs
University of Ca-Berkeley	Berkeley	Schools-Universities & Colleges Academic
Washington Hospital	Fremont	Hospitals
Waste Management	Oakland	Garbage Collection

Source: California Employment Development Department. Data retrieved August 25, 2014.

Construction Activity

The following tables reflects the five-year history of building permit valuation for the City and County:

CITY OF UNION CITY
Building Permits and Valuation
(Dollars in Thousands)

	2009	2010	2011	2012	2013
Permit Valuation:					
New Single-family	$ 1,775	$ 292	$ 129	$ 1,200	$ 0
New Multi-family	0	16,419	7,363	5,950	0
Res. Alterations/Additions	3,371	3,027	3,836	5,476	4,524
Total Residential	5,146	19,738	11,328	12,626	4,524
Total Nonresidential	11,953	5,790	7,994	9,590	38,301
Total All Building	$ 17,009	$ 25,528	$ 19,322	$ 22,217	$ 42,826
New Dwelling Units:					
Single Family	8	2	2	6	0
Multiple Family	0	100	57	23	0
Total	8	102	59	29	0

ALAMEDA COUNTY
Building Permits and Valuation
(Dollars in Thousands)

	2009	2010	2011	2012	2013
Permit Valuation:					
New Single-family	$ 227,982	$ 276,660	$ 269,312	$ 372,939	$ 451,279
New Multi-family	96,518	157,459	249,684	343,669	300,514
Res. Alterations/Additions	229,873	243,289	273,631	235,264	227,675
Total Residential	554,373	677,409	792,627	951,873	979,470
Total Nonresidential	597,987	564,655	708,956	463,431	1,650,777
Total All Building	$ 1,152,360	$ 1,242,065	$ 1,501,583	$ 1,415,305	$ 2,630,247
New Dwelling Units:					
Single Family	802	907	817	1,119	1,339
Multiple Family	536	936	1,352	1,508	2,023
Total	1,338	1,843	2,169	2,627	3,362

Sources: Construction Industry Research Board: "Building Permit Summary."
Note: Totals may not add due to independent rounding.

Commercial Activity

Taxable sales in the City and County are shown below. Beginning in 2009, reports summarize taxable sales and permits using the NAICS codes. As a result of the coding change, however, industry-level data for 2009 are not comparable to prior years.

TAXABLE SALES, 2008-2012
UNION CITY
(dollars in thousands)

	2008
Retail Stores	
Apparel Stores	$ 3,005
General Merchandise Stores	#
Food Stores	26,746
Eating and Drinking Places	82,497
Home Furnishings and Appliance	#
Building Materials	58,604
Motor Vehicles and Parts	12,546
Service Stations	59,565
All Other Retail Stores	210,114
Retail Stores Totals	453,077
All Other Outlets	344,211
Total All Outlets(2)	$ 797,288

	2009 (1)	2010 (1)	2011 (1)	2012 (1)(3)
Retail and Food Services				
Motor Vehicles and Parts Dealers	$ 10,649	$ 10,600	$ 10,943	$ 11,445
Home Furnishing and Appliance Stores	#	#	50,076	52,769
Bldg. Matrl. And Garden Equip. and Supplies	52,933	57,992	115,368	105,020
Food and Beverage Stores	30,418	30,950	32,182	32,971
Gasoline Stations	43,307	46,155	56,258	61,369
Clothing and Clothing Accessories Stores	4,219	4,383	4,547	4,704
General Merchandise Stores	#	#	#	#
Food Services and Drinking Places	77,096	79,520	82,421	89,412
Other Retail Group	183,522	180,932	127,529	123,293
Total Retail and Food Services	402,144	410,532	479,593	480,983
All Other Outlets	285,514	321,275	274,158	278,383
Totals All Outlets(2)	$ 687,658	$ 731,806	$ 753,751	$ 759,366

Source: California Board of Equalization, Taxable Sales in California (Sales & Use Tax).
Sales omitted because their publication would result in the disclosure of confidential information.
(1) Starting in 2009, categories were revised from prior years.
(2) Totals may not add up due to independent rounding.
(3) Last available full year data.

TAXABLE SALES, 2008-2012
ALAMEDA COUNTY
(dollars in thousands)

	2008
Retail Stores	
Apparel Stores	$ 747,645
General Merchandise	2,126,734
Food Stores	780,311
Eating and Drinking	1,989,406
Household Group	823,075
Building Material Group	1,309,455
Automotive Group	2,329,408
Service Stations	2,030,681
All Other Retail Stores	2,411,035
Retail Stores Totals	14,547,749
Business & Personal Services	959,945
All Other Outlets	8,355,262
Total All Outlets[2]	$ 23,862,957

	2009 [1]	2010 [1]	2011 [1]	2012 [1][3]
Retail and Food Services				
Motor Vehicles and Parts Dealers	$ 1,949,009	$ 2,183,709	$ 2,405,412	$ 2,823,697
Furniture and Home Furnishings Stores	410,092	412,979	438,369	474,949
Electronics and Appliance Stores	571,854	575,374	583,234	625,589
Bldg Mtrl. and Garden Equip. and Supplies	1,085,191	1,091,857	1,153,236	1,230,013
Food and Beverage Stores	866,117	884,033	928,190	990,964
Health and Personal Care Stores	415,203	419,672	434,353	440,239
Gasoline Stations	1,491,427	1,716,376	2,135,182	2,291,985
Clothing and Clothing Accessories Stores	878,290	926,611	995,486	1,084,439
Sporting Goods, Hobby, Book and Music Stores	502,870	489,954	484,909	487,666
General Merchandise Stores	1,629,370	1,710,291	1,810,195	1,887,477
Miscellaneous Store Retailers	845,915	900,038	955,440	988,889
Nonstore Retailers	70,906	68,868	74,685	136,755
Food Services and Drinking Places	1,925,171	1,994,522	2,121,065	2,318,686
Total Retail and Food Services	12,641,415	13,374,283	14,519,756	15,781,349
All Other Outlets	7,788,780	8,167,458	8,911,043	9,400,222
Totals All Outlets[2]	$ 20,430,195	$ 21,541,741	$ 23,430,799	$ 25,181,571

Source: California Board of Equalization, Taxable Sales in California (Sales & Use Tax).
(1) Starting in 2009, categories were revised from prior years.
(2) Totals may not add up due to independent rounding.
(3) Last available full year data.

Median Household Income

The following table summarizes the median household effective buying income for the City, the County, the State of California and the nation for the years 2008 through 2012.

UNION CITY, ALAMEDA COUNTY, CALIFORNIA AND UNITED STATES
Effective Buying Income

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2008	Union City	$ 1,623,798	$ 72,623
	Alameda County	38,889,500	55,987
	California	844,823,319	49,736
	United States	6,571,536,768	43,252
2009	Union City	$ 1,787,578	$ 74,437
	Alameda County	40,053,865	57,997
	California	844,823,319	49,736
	United States	6,571,536,768	43,252
2010	Union City	$ 1,694,300	$ 69,115
	Alameda County	38,097,873	54,734
	California	801,393,028	47,177
	United States	6,365,020,076	41,368
2011	Union City	$ 1,675,988	$ 68,873
	Alameda County	39,064,683	54,542
	California	814,578,457	47,062
	United States	6,438,704,663	41,253
2012	Union City	$ 1,706,405	$ 67,280
	Alameda County	43,677,855	55,396
	California	664,088,827	47,307
	United States	6,737,867,730	41,358

Source: Nielsen, Inc.

APPENDIX B

DISTRICT AND GENERAL SCHOOL DISTRICT FINANCIAL INFORMATION

The information in this appendix concerning the operations of the District, the District's finances, and State funding of education, is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of and interest on the Bonds is payable from the general fund of the District or from State revenues. The Bonds are payable from the proceeds of an ad valorem *tax approved by the voters of the District pursuant to all applicable laws and State Constitutional requirements, and required to be levied by the County on property within the District in an amount sufficient for the timely payment of principal and interest on the Bonds. See "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS" in the Official Statement.*

District Budget

The District is required by provisions of the California Education Code 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 State Department of Education imposes a uniform budgeting and accounting format for school districts. The budget process for school districts was substantially amended by Assembly Bill 1200 ("AB 1200"), which became State law on October 14, 1991. Portions of AB 1200 are summarized below.

School districts must adopt a budget on or before July 1 of each year. The budget must be submitted to the county superintendent within five days of adoption or by July 1, whichever occurs first. A district may be on either a dual or single budget cycle. The dual budget option requires a revised and readopted budget by September 8 that is subject to State-mandated standards and criteria. The revised budget must reflect changes in projected income and expenses subsequent to July 1. The single budget is only readopted if it is disapproved by the county office of education, or as needed. The District is on a single budget cycle and adopts its budget on or before July 1.

For both dual and single budgets submitted on July 1, the county superintendent will examine the adopted budget for compliance with the standards and criteria adopted by the State Board of Trustees and identify technical corrections necessary to bring the budget into compliance, will determine if the budget allows the district to meet its current obligations and will determine if the budget is consistent with a financial plan that will enable the district to meet its multi-year financial commitments. On or before August 15, the county superintendent will approve or disapprove the adopted budget for each school district. Budgets will be disapproved if they fail the above standards. The district board must be notified by August 15 of the county superintendent's recommendations for revision and reasons for the recommendations. The county superintendent may assign a fiscal advisor or appoint a committee to examine and comment on the superintendent's recommendations. The committee must report its findings no later than August 20. Any recommendations made by the county superintendent must be made available by the district for public inspection. The law does not provide for conditional approvals; budgets must be either approved or disapproved. No later than September 22, the county superintendent must notify the Superintendent of Public Instruction of all school districts whose budget may be disapproved.

For all dual budget options and for single and dual budget option districts whose budgets have been disapproved, the district must revise and readopt its budget by September 8, reflecting changes in projected income and expense since July 1, including responding to the county superintendent's recommendations. The county superintendent must determine if the budget conforms with the standards and criteria applicable to final district budgets and not later than October 8, will approve or disapprove the revised budgets. If the budget is disapproved, the county superintendent will call for the formation of a budget review committee pursuant to section 42127.1 of the California Education Code. Until a district's budget is approved, the district will operate on the lesser of its proposed budget for the current fiscal year or the last budget adopted and reviewed for the prior fiscal year.

Under the provisions of AB 1200, each school district is required to file interim certifications with the county office of education as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent two fiscal years. The county office of education reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that will meet its financial obligations for the current fiscal year and subsequent two fiscal years. A negative certification is assigned to any school district that will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year. A qualified certification is assigned to any school district that may not meet its financial obligations for the current fiscal year or two subsequent fiscal years.

The District's Second Interim Report for fiscal year 2013-14, adopted March 11, 2014, was certified as "Positive." The District has not received a qualified or negative certification in any of the last five years.

The following table shows the District's audited actual general fund for fiscal years 2011-12 and 2012-13, the District's estimated actuals for 2013-14 and the District's adopted general fund budget for 2014-15. For further information, see also APPENDIX C—AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2013.

GENERAL FUND BUDGET
New Haven Unified School District
Fiscal Years 2011-12 to 2014-15

	Fiscal Year			
	2011-12 Actual	2012-13 Actual	2013-14 Unaudited Actuals	2014-2015 Adopted Budget
Revenues:				
LCFF/Revenue limit sources[(1)]	$66,130,439	$66,674,286	$81,784,317	$ 88,471,501
Federal sources	5,219,920	5,880,028	12,482,406	17,322,933
Other State sources	16,745,945	15,727,196	6,716,182	4,289,171
Other Local sources	9,366,424	8,778,772	10,360,776	9,095,234
Total revenues	97,462,728	97,060,282	111,343,681	119,178,839
Expenditures:				
Certificated salaries	57,912,415	54,654,891	61,061,788	66,346,062
Classified salaries	13,109,368	12,249,665	13,497,690	14,778,471
Employee benefits	17,054,392	16,423,171	17,283,303	18,691,764
Books & supplies	1,746,224	1,533,888	3,637,230	4,988,103
Contract services & operating expenditures	8,251,178	8,465,448	10,042,039	12,068,526
Capital Outlay	0	17,735	140,833	341,144
Other Outgo	1,292,964	1,372,269	1,411,133	1,240,379
Indirect Cost	(137,354)	(132,433)	(165,087)	(212,962)
Total expenditures	99,229,187	94,584,634	106,908,929	118,241,487
Excess (deficiency) of revenues over expenditures	(1,766,459)	2,475,648	4,434,752	937,352
Other financing sources (uses):				
Operating transfers in	2,190,380	141,859	50,324	43,500
Operating transfers out	(430,227)	(1,150,117)	(1,501,933)	0
Other Sources	400,000	(80,000)	(80,000)	(80,000)
Total other financing sources (uses)	2,160,153	(1,088,258)	(1,621,608)	(36,500)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	393,694	1,387,390	2,813,144	900,852
Adjusted Beginning Fund Balance	5,145,058	5,550,802	6,938,191	9,751,336
Ending Fund Balance	5,539,752	6,938,192	9,751,336	10,652,188

Source: New Haven Unified School District Audited Financial Statements and 2014-15 Budget, adopted June 17, 2014.
(1) Revenue limit sources for fiscal years 2011-12 and 2012-13 and LCFF for fiscal years 2013-14 and 2014-15.

Accounting Practices

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

The District's expenditures are accrued at the end of the fiscal year to reflect the receipt of goods and services in that year. Revenues generally are recorded on a cash basis, except for items that are susceptible to accrual (measurable and/or available to finance operations). Current taxes are considered susceptible to accrual. Delinquent taxes not received after the fiscal year end are not recorded as revenue until received. Revenues from specific state and federally funded projects are recognized when qualified expenditures have been incurred. State block grant apportionments are accrued to the extent that they are measurable and predictable. The State Department of Education sends the District updated information from time to time explaining the acceptable accounting treatment of revenue and expenditure categories.

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

Financial Statements

The District's general fund finances the basic operating activities of the District. General fund revenues are derived from such sources as State school fund apportionments, taxes, use of money and property, and aid from other governmental agencies. Audited financial statements for the District for the fiscal year ended June 30, 2013, and prior fiscal years are on file with the District and available for public inspection at the office of the Superintendent of the District, 34200 Alvarado-Niles Road, Union City, California, telephone number (510) 471-1100. Copies of such financial statements will be mailed to prospective investors and their representatives upon request directed to the District at such address. For further information, see also APPENDIX C—AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2013.

GENERAL FUND REVENUES, EXPENDITURES AND FUND BALANCE
New Haven Unified School District
Fiscal Years 2009-10 to 2012-13

	2009-10(1)	2010-11(1)	2011-12(1)	2012-13(1)
REVENUES				
Revenue Limit Sources	$ 62,758,445	$ 66,237,581	$ 66,130,440	$ 66,674,285
Federal Sources	10,201,717	10,202,661	5,630,947	6,119,850
Other State Sources	19,600,062	18,790,679	19,717,302	15,727,196
Other Local Sources	9,026,185	9,052,767	9,367,773	8,779,145
Total Revenues	$ 101,586,409	$ 104,283,688	$ 100,846,462	$ 97,300,476
EXPENDITURES				
Instruction	$ 74,586,943	$ 72,268,911	$ 70,350,323	$ 66,854,280
Supervision of Instruction	2,451,800	4,218,193	3,521,446	285,748
Instructional Library, Media & Technology	1,252,898	1,259,124	1,162,486	467,813
School Site Administration	6,578,309	6,326,386	6,124,664	5,816,484
Home to School Transportation	2,085,266	1,964,326	1,767,927	1,758,534
Food Services	0	0	193	0
All Other Pupil Services	3,718,761	3,735,309	3,447,936	3,870,546
Ancillary Services	638,027	1,161,759	1,035,480	1,026,562
General Administration – Data Processing	1,028,164	940,339	1,223,419	1,271,973
General Administration – All Other General Admin	3,953,362	4,038,853	3,818,016	3,565,080
Plant Services	9,123,569	9,314,854	8,772,633	8,423,861
Community Services	216,222	242,086	93,832	82,522
Facility Acquisition and Construction	0	0	0	17,735
Debt Service	0	0	0	80,000
Total Expenditures	$ 107,101,051	$ 106,849,381	$ 102,841,546	$ 94,893,407
Revenues Over (Under) Expenditures	(5,514,642)	(2,565,693)	(1,995,084)	2,407,069
OTHER FINANCING SOURCES (USES)				
Transfers In	$ 1,371,995	$ 1,882,570	$ 2,190,380	$ 141,859
Transfers Out	(34,000)	0	(69,618)	(750,117)
Other Sources	0	0	400,000	0
Net Financing Sources (Uses)	$ 1,337,995	$ 1,882,570	$ 2,2,520,762	$ (608,258)
NET CHANGE IN FUND BALANCES	(4,176,647)	(683,123)	525,678	1,798,811
Fund Balance – Beginning	$ 9,958,648	$ 6,126,248	$ 5,443,125	$ 5,968,803
Fund Balance – Ending	$ 5,782,001	$ 5,443,125	$ 5,968,803	$ 7,767,614

Sources: New Haven Unified School District Audited Financial Statements.
(1) District audited financial statements.

Summary of District Revenues and Expenditures

See "SCHOOL DISTRICT BUDGET PROCEDURES AND REQUIREMENTS—District Budget Process and County Review" for a general description of the annual budget process for California school districts. The District's audited financial statements for the year ending June 30, 2013, are reproduced in Appendix C. The final (unaudited) statement of receipts and expenditures for each fiscal year ending June 30 is required by State law to be approved by the District Board by September 15, and the audit report must be filed with the County Superintendent of Schools and State officials by December 15 of each year.

The District is required by State law and regulation to maintain various reserves. The District is generally required to maintain a reserve for economic uncertainties in the amount of 3% of its total general fund expenditures, based on total student attendance below 30,000. For fiscal year 2013-14, the District has budgeted an unrestricted general fund reserve of 3.04%, or approximately $3,298,339 and for fiscal year 2014-15, the District has budgeted an unrestricted general fund reserve of 4.21%, or approximately $4,983,531. Substantially all funds of the District are required by law to be deposited with and invested by the County Treasurer-Tax Collector on behalf of the District, pursuant to law and the investment policy of the County. See "ALAMEDA COUNTY INVESTMENT POOL."

District Revenues—LCFF/Basic Aid

As part of the 2013-14 State Budget, the formula for determining the level of funding per student changed from the "revenue limit" formula to the "Local Control Funding Formula" (or "LCFF") discussed below. See "— State Funding of Education; State Budget Process—Local Control Funding Formula" below. The California Department of Education has not yet provided an update to the Standardized Accounting Code Structure (which all school districts in California use to account for their funds).

Under section 42238 *et seq.* of the California Education Code, prior to fiscal year 2013-14, each school district was determined to have a target funding level: a "base revenue limit" per student multiplied by the district's student enrollment measured in units of average daily attendance ("A.D.A."). The base revenue limit was calculated from the district's prior-year funding level, as adjusted for a number of factors, such as inflation, special or increased instructional needs and costs, employee retirement costs, especially low enrollment, increased pupil transportation costs, etc. Generally, the amount of State funding allocated to each school district was the amount needed to reach that district's base revenue limit after taking into account certain other revenues, in particular, locally generated property taxes. This is referred to as State "equalization aid." To the extent local tax revenues increase due to growth in local property assessed valuation, the additional revenue is offset by a decline in the State's contribution.

The 2013-14 State Budget replaced the current K-12 finance system with the LCFF. The LCFF creates base, supplemental and concentration grants as the new general purpose entitlement to replace most existing funding streams, including the State aid portion of the revenue limit and most State categorical programs from prior years. Until full implementation, however, school districts will receive an annual transition adjustment for each school district beginning in fiscal year 2013-14, equal to such district's proportionate share of appropriations included in the State budget to close the gap between the prior-year funding level and the target allocation following full implementation of the LCFF. In each year, school districts will have the same proportion of their respective funding gaps closed, with dollar amounts varying depending on the size of a district's funding gap.

The Base Grants per unit of ADA for each grade span are as follows: (i) $6,845 for grades K-3; (ii) $6,947 for grades 4-6; (iii) $7,154 for grades 7-8; and (iv) $8,289 for grades 9-12. Beginning in fiscal year 2013-14, the Base Grants are to be adjusted for cost-of-living increases by applying the implicit price deflator for government goods and services. Following full implementation of the LCFF, the provision of COLAs will be subject to appropriation for such adjustment in the annual State budget. The differences among Base Grants are linked to differentials in statewide average revenue limit rates by district type, and are intended to recognize the generally higher costs of education at higher grade levels.

The Base Grants for grades K-3 and 9-12 are subject to adjustments of 10.4% and 2.6%, respectively, to cover the costs of class size reduction in early grades and the provision of career technical education in high schools. Following full implementation of the LCFF, and unless otherwise collectively bargained for, school districts serving students in grades K-3 must maintain an average class enrollment of 24 or fewer students in grades K-3 at each school site in order to continue receiving the adjustment to the K-3 Base Grant. Such school districts must also make progress towards this class size reduction goal in proportion to the growth in their funding over the implementation period. Additional add-ons are also provided to school districts that received categorical block grant funding pursuant to the Targeted Instructional Improvement and Home-to-School Transportation programs during fiscal year 2012-13.

School districts that serve students of limited English proficiency ("EL" students), students from low income families that are eligible for free or reduced priced meals ("LI" students) and foster youth are eligible to receive additional funding grants. Enrollment counts are unduplicated, such that students may not be counted as both EL and LI. Foster youth automatically meet the eligibility requirements for free or reduced priced meals, and are therefore not discussed herein separately. A supplemental grant add-on (each, a "Supplemental Grant") is authorized for school districts that serve EL/LI students, equal to 20% of the applicable Base Grant multiplied by such districts' percentage of unduplicated EL/LI student enrollment. School districts whose EL/LI populations exceed 55% of their total enrollment are eligible for a concentration grant add-on (each, a "Concentration Grant") equal to 50% of the applicable Base Grant multiplied by the percentage of such district's unduplicated EL/LI student enrollment in excess of the 55% threshold.

The following table shows a breakdown of the District's ADA by grade span, total enrollment, and the percentage of EL/LI student enrollment, for fiscal year 2013-14.

ADA, ENROLLMENT AND EL/LE ENROLLMENT PERCENTAGE
New Haven Unified School District
Fiscal Year 2013-14
(Estimated Actuals)

	Average Daily Attendance						
Fiscal Year	K-3	4-6	7-8	9-12	Total District ADA	Total District Enrollment(2)	% of EL/LI Enrollment(3)
2013-14	3,624.73	2,709.91	1,896.19	3,945.83	12,176.66	12,605	55.88%

Sources: New Haven Unified School District
(1)Reflects P-2 ADA.
(2) Reflects CBEDS enrollment.
(3) For purposes of calculating Supplemental and Concentration Grants, a school district's fiscal year 2013-14 percentage of unduplicated EL/LI students will be expressed solely as a percentage of its total fiscal year 2013-14 total enrollment. For fiscal year 2014-15, the percentage of unduplicated EL/LI enrollment will be based on the two-year average of EL/LI enrollment in fiscal years 2013-14 and 2014-15. Beginning in fiscal year 2015-16, a school district's percentage of unduplicated EL/LI students will be based on a rolling average of such district's EL/LI enrollment for the then-current fiscal year and the two immediately preceding fiscal years.

For certain school districts that would have received greater funding levels under the prior revenue limit system, the LCFF provides for a permanent economic recovery target ("ERT") add-on, equal to the difference between the revenue limit allocations such districts would have received under the prior system in fiscal year 2020-21, and the target LCFF allocations owed to such districts in the same year. To derive the projected funding levels, the LCFF assumes the discontinuance of deficit revenue limit funding, implementation of a 1.94% COLA in fiscal years 2014-15 through 2020-21, and restoration of categorical funding to pre-recession levels. The ERT add-on will be paid incrementally over the implementing period of the LCFF. The District does not qualify for the ERT add-on.

The sum of a school district's adjusted Base, Supplemental and Concentration Grants will be multiplied by such district's P-2 ADA for the current or prior year, whichever is greater (with certain adjustments applicable to small school districts). This funding amount, together with any applicable ERT or categorical block grant add-ons, will yield a district's total LCFF allocation. Generally, the amount of annual State apportionments received by a school district will amount to the difference between such total LCFF allocation and such district's share of applicable local property taxes. Most school districts receive a significant portion of their funding from such State apportionments. As a result, decreases in State revenues may significantly affect appropriations made by the Legislature to school districts.

Certain schools districts, known as "basic aid" districts, have allocable local property tax collections that equal or exceed such districts' total LCFF allocation, and result in the receipt of no State apportionment aid. Basic aid school districts receive only special categorical funding, which is deemed to satisfy the "basic aid" requirement of $120 per student per year guaranteed by Article IX, Section 6 of the State Constitution. The implication for basic aid districts is that the legislatively determined allocations to school districts, and other politically determined factors, are less significant in determining their primary funding sources. Rather, property tax growth and the local economy are the primary determinants. The District is not a basic aid district.

Accountability. Regulations adopted by the State Board of Education require that school districts increase or improve services for EL/LI students in proportion to the increase in funds apportioned to such districts on the basis of the number and concentration of such EL/LI students, and detail the conditions under which school districts can use supplemental or concentration funding on a school-wide or district-wide basis.

School districts are also required to adopt local control and accountability plans ("LCAPs") disclosing annual goals for all students, as well as certain numerically significant student subgroups, to be achieved in eight areas of State priority identified by the LCFF. LCAPs may also specify additional local priorities. LCAPs must specify the actions to be taken to achieve each goal, including actions to correct identified deficiencies with regard to areas of State priority. LCAPs are required to be adopted every three years, beginning in fiscal year 2014-15, and updated annually thereafter. The State Board of Education has adopted a template LCAP for use by school districts.

Support and Intervention. The State of California has established a new system of support and intervention to assist school districts meet the performance expectations outlined in their respective LCAPs. School districts must adopt their LCAPs (or annual updates thereto) in tandem with their annual operating budgets, and not later than five days thereafter submit such LCAPs or updates to their respective county superintendents of schools. On or before August 15 of each year, a county superintendent may seek clarification regarding the contents of a district's LCAP (or annual update thereto), and the district is required to respond to such a request within 15 days. Within 15 days of receiving such a response, the county superintendent can submit non-binding recommendations for amending the LCAP or annual update, and such recommendations must be considered by the respective school district at a public hearing within 15 days. A district's LCAP or annual update must be approved by the county superintendent by October 8 of each year if the superintendent determines that (i) the LCAP or annual update adheres to the State template, and (ii) the district's budgeted expenditures are sufficient to implement the actions and strategies outlined in the LCAP.

A school district is required to receive additional support if its respective LCAP or annual update thereto is not approved, if the district requests technical assistance from its respective county superintendent, or if the district does not improve student achievement across more than one State priority for one or more student subgroups. Such support can include a review of a district's strengths and weaknesses in the eight State priority areas, or the assignment of an academic expert to assist the district identify and implement programs designed to improve outcomes. Assistance may be provided by the California Collaborative for Educational Excellence, a state agency created by the LCFF and charged with assisting school districts achieve the goals set forth in their LCAPs. On or before October 1, 2015, the State Board of Education is required to develop rubrics to assess school district performance and the need for support and intervention.

The State Superintendent of Public Instruction (the "State Superintendent") is further authorized, with the approval of the State Board of Education, to intervene in the management of persistently underperforming school districts. The State Superintendent may intervene directly or assign an academic trustee to act on his or her behalf. In so doing, the State Superintendent is authorized (i) to modify a district's LCAP, (ii) impose budget revisions designed to improve student outcomes, and (iii) stay or rescind actions of the local governing board that would prevent such district from improving student outcomes; provided, however, that the State Superintendent is not authorized to rescind an action required by a local collective bargaining agreement.

Other Local Revenues

The District receives additional local revenues from items such as parcel taxes, leases and rentals, special education support and other local sources. Other local sources comprised approximately 9% of general fund revenues in fiscal year 2012-13 and are estimated to equal approximately 8% of such revenues in fiscal year 2013-14.

District Expenditures

The largest part of each school district's general fund budget is used to pay salaries and benefits of certificated (credentialed teaching) and classified (non-instructional) employees. Changes in salary and benefit expenditures from year to year are generally based on changes in staffing levels, negotiated salary increases, and the overall cost of employee benefits.

In its 2014-15 budget, the District estimates that it will expend $99,816,297 in salaries and benefits, or approximately 84% of its general fund expenditures. This amount represents an increase of approximately 2% from the $97,443,550 the District expended in 2013-14.

Labor Relations. There are three formal bargaining units operating in the District which are described in the table below. Contract negotiations are ongoing.

LABOR ORGANIZATIONS
New Haven Unified School District

Labor Organization	Contract Expiration
New Haven Teachers' Association	June 30, 2014
California School Employees Association	June 30, 2014
New Haven Administrators Association	June 30, 2014

Source: New Haven Unified School District

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

California Public Employees' Retirement System (CalPERS)

Plan Description. The District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95811.

Funding Policy. Active plan members are required to contribute 7.0 percent of their salary and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal years 2012-13 was 11.417%. The contribution requirements of the plan members are established by State statute. The District's contributions to CalPERS for the fiscal years ending June 30, 2013, 2012 and 2011, were 1,691,073, $1,725,728 and $1,825,428, respectively, and equal 100 percent of the required contributions for each year.

State Teachers' Retirement System (CalSTRS)

District contributes to the California State Teachers' Retirement System (CalSTRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement, disability, and survivor benefits to plan members and beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from the STRS, 100 Waterfront Place, West Sacramento, California 95605, or at www.calstrs.com.

Funding Policy. Active plan members are required to contribute 8.0% of their salary and the District is required to contribute an actuarially determined rate. The required employer contribution rate for fiscal year 2012-13 was 8.25% of annual payroll. The contribution requirements of the plan members are established by State statute. The District's contributions to CalSTRS for the fiscal years ended June 30, 2013, 2012, and 2011, were $4,361,504, $4,656,524, and $4,790,972, respectively, and equal 100% of the required contributions for each year.

On-Behalf Payments. The District was the recipient of on-behalf payments made by the State of California to STRS for K-12 education. These payments consist of state General Fund contributions of approximately $3,088,339 to STRS (5.176% of annual payroll in 2012-13).

Tax Deferred Annuity/Social Security. As established by Federal law, all public sector employees who are not members of their employer's existing retirement system (CalSTRS or CalPERS) must be covered by Social Security or an alternative plan. The District has elected to use the TDA as its alternative plan. Contributions made by the District and an employee vest immediately. The District contributes 3.75 percent of an employee's gross earnings. An employee is required to contribute 3.75 percent of his or her gross earnings to the pension plan.

The District also allows employees to participate in the New Haven Unified School District 403(b) Tax Deferred Annuity Plan (TDA), which is a defined contribution pension plan. A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investment of those contributions, and forfeitures of other participants' benefits that may be allocated to such participant's account.

See also APPENDIX C—AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2013, Note 13.

Other Post-Employment Benefits (OPEB)

Plan Descriptions. The New Haven Retired Employee Health and Welfare Benefits Plan and Trust for Board and Superintendent is a single-employer defined benefit healthcare plan administered by the New Haven unified School District. The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Membership of the Plan consists of eight retirees and beneficiaries currently receiving benefits and five active plan members.

Contribution Information. The contribution requirements of the District are established and may be amended by the District and the eligible plan members. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits. For fiscal year 2012-13, the District contributed $750,117 to the plan, the majority of which was used for current premiums.

Annual OPEB Cost and Net OPEB Obligation: The following table shows the components of the District's Annual OPEB Cost for the fiscal year ended June 30, 2013, the amount actually contributed to the plan, and changes in the District's Net OPEB Obligation that resulted in a Net OPEB Obligation of $684,519 for the year ended June 30, 2013.

ANNUAL OPEB COST AND NET OPEB OBLIGATION
New Haven Unified School District

Annual required contribution (ARC)	$ 334,400
Contributions for the fiscal year	(750,117)
Decrease in Net OPEB Obligation	(415,717)
Net OPEB Obligation – June 30, 2012	1,100,236
Net OPEB Obligation – June 30, 2013	$ 684,519

Source: New Haven Unified School District 2013 Audited Financial Statements

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the last three fiscal years is as follows:

HISTORICAL NET OPEB OBLIGATION
New Haven Unified School District

Fiscal Year Ended	Annual OPEB Cost	Percentage Contributed	Actual Contribution	Net OPEB Liability (Asset)
June 30, 2013	$ 334,400	224%	$ 750,007	$ 684,519
June 30, 2012	334,400	69	230,227	1,100,236
June 30, 2011	297,200	61	179,837	878,700

Source: New Haven Unified School District 2013 Audited Financial Statements

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 plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarially accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Fiscal Year 2014 OPEB Estimates. The District projects the following with represent its OPEB obligations for the fiscal year ending June 30, 2014.

FISCAL YEAR 2014
PROJECTED OPEB COST AND NET OPEB OBLIGATION
New Haven Unified School District

Annual required contribution (ARC)	$ 769,000
Interest on net OPEB Obligation	27,000
Adjustment to ARC	(48,000)
Annual OPEB Cost (Expense)	748,000
Employer Contributions	(771,820)
Increase in Net OPEB Obligation	(23,820)
Net OPEB Obligation – June 30, 2013	684,519
Net OPEB Obligation – June 30, 2014	660,699

Source: New Haven Unified School District

See also APPENDIX C—AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2013, Note 10.

Governor's Pension Reform. On August 28, 2012, Governor Brown and the State Legislature reached agreement on a new law that reforms pensions for State and local government employees. AB 340, which was signed into law on September 12, 2012, established the California Public Employees' Pension Reform Act of 2012 ("PEPRA") which governs pensions for public employers and public pension plans on and after January 1, 2013. For new employees, PEPRA, among other things, caps pensionable salaries at the Social Security contribution and wage base, which is $110,100 for 2012, or 120% of that amount for employees not covered by Social Security, increases the retirement age by two years or more for all new public employees while adjusting the retirement formulas, requires state employees to pay at least half of their pension costs, and also requires the calculation of benefits on regular, recurring pay to stop income spiking. For all employees, changes required by PEPRA include the prohibition of retroactive pension increases, pension holidays and purchases of service credit. PEPRA applies to all State and local public retirement systems, including county and district retirement systems. PEPRA only exempts the University of California system and charter cities and counties whose pension plans are not governed by State law. Although the District anticipates that PEPRA would not increase the District's future pension obligations, the District is unable to determine the extent of any impact PEPRA would have on the District's pension obligations at this time. Additionally, the District cannot predict if PEPRA will be challenged in court and, if so, whether any challenge would be successful.

The District is unable to predict what the amount of State pension liabilities will be in the future, or the amount of the contributions which the District may be required to make.

District Debt

General Obligation Bonds. The following table reflects the District's outstanding general obligation bonds after issuance of the 2014A Bonds and assuming issuance of the 2014B Bonds:

NEW HAVEN UNIFIED SCHOOL DISTRICT
Outstanding General Obligation Bonds

Dated Date	Series	Final Maturity	Original Amount of of Issue	Amount Counting Toward Authorization 1987	1993	1996	2003	Outstanding
4/1/88	1988 General Obligation Bonds, Series A [(a)]	2012	6,500,000.00	6,500,000.00				0.00
1/1/89	1989 General Obligation Bonds, Series A [(a)]	2013	4,500,000.00	4,500,000.00				0.00
8/1/92	1992 General Obligation Refunding Bonds [(a)(b)]	2013	11,740,000.00					0.00
8/10/93	Election of 1993, Series A (CABs) [(b)]	2017	10,499,566.00		10,499,566.00			0.00
8/24/94	Election of 1993, Series B (CABs) [(b)]	2019	10,499,359.80		10,499,359.80			0.00
8/8/95	Election of 1993, Series C (CABs) [(b)]	2020	10,499,849.80		10,499,849.80			0.00
12/13/95	Election of 1993, Series D (CABs) [(b)]	2020	23,500,224.40		23,500,224.40			0.00
2/25/97	Election of 1996, Series A (CABs) [(c)]	2021	13,999,954.05			13,999,954.05		0.00
4/16/98	Election of 1996, Series B (CABs) [(c)(d)(e)]	2022	10,999,274.40			10,999,274.40		0.00
12/15/98	Election of 1996, Series C (CABs) [(c)(d)(e)]	2023	10,000,765.55			10,000,765.55		0.00
9/1/02	2002 General Obligation Refunding Bonds [(b)(d)(e)]	2020	53,785,000.00					16,050,000.00
3/3/04	Election of 2003, Series A (CIBs)	2030	5,000,000.00				5,000,000.00	0.00
3/3/04	Election of 2003, Series A (CABs)	2028	29,999,984.65				29,999,984.65	16,313,820.35
12/28/05	2005 General Obligation Refunding Bonds [(c)]	2021	16,745,000.00					5,380,000.00
4/27/06	Election of 2003, Series B (CIBs)	2032	14,750,000.00				14,750,000.00	0.00
4/27/06	Election of 2003, Series B (CABs)	2028	15,249,346.30				15,249,346.30	217,681.05
5/22/08	General Obligation Bonds, Election of 2003, Series C (CIBs)	2032	20,000,000.00				20,000,000.00	19,850,000.00
5/22/08	General Obligation Bonds, Election of 2003, Series C (CABs)	2031	9,999,522.20				9,999,522.20	9,999,522.20
8/13/09	General Obligation Bonds, Election of 2003, Series D	2034	25,000,927.70				25,000,927.70	25,000,927.70
8/13/09	2009 General Obligation Refunding Bonds [(d)]	2021	17,290,000.00					16,865,000.00
6/26/12	2012 General Obligation Refunding Bonds [(e)]	2030	21,688,104.00					21,383,104.00
10/22/14	2012 General Obligation Refunding Bonds, Series A	2032	50,375,000.00					50,375,000.00
5/5/15	2012 General Obligation Refunding Bonds, Series B	2021	9,315,000.00					9,3215,000.00
Total				11,000,000.00	54,990,000.00	34,999,994.00	119,999,780.85	190,750,055.30

(a) The 1988 General Obligation Bonds, Series A and the 1989 General Obligation Bonds, Series A were refunded in full on an advance basis by the 1992 General Obligation Refunding Bonds.
(b) The 1992 General Obligation Refunding Bonds, and the Election of 1993, Series A bonds were refunded in full by the 2002 General Obligation Refunding Bonds on a current basis. The Election of 1993, Series B, and the Election of 1993, Series C bonds were refunded in part by the 2002 General Obligation Refunding Bonds on an advanced basis. The Election of 1993, Series D Bonds were refunded in full by the 2002 General Obligation Refunding Bonds on an advanced basis.
(c) The Election of 1996, Series A, Election of 1996, Series B, and the Election of 1996, Series C bonds were refunded in part by the 2005 General Obligation Refunding Bonds on an advanced basis.
(d) The Election of 1996, Series B and the Election of 1996, Series C bonds were refunded, in part, by the 2009 General Obligation Refunding Bonds on a current basis. The 2002 General Obligation Refunding Bonds were refunded, in part, by the 2009 General Obligation Refunding Bonds on an advanced basis.
(e) The Election of 1996, Series B, Election of 1996, Series C, and the Election of 2003, Series A (CIBs) were refunded by the 2012 General Obligation Refunding Bonds on a current basis. In addition, a portion of the 2002 General Obligation Refunding Bonds were refunded by the 2012 General Obligation Refunding Bonds on a current basis.
(f) The amount of capital appreciation bonds outstanding is expressed in terms of original denominational amount.

The annual requirements to amortize all outstanding general obligation bonds, after issuance of the 2014A Bonds and assuming issuance of the 2014B Bonds, are as follows:

NEW HAVEN UNIFIED SCHOOL DISTRICT
General Obligation Bonds – Debt Service

Date	2002 GO Refunding Bonds	Election of 2003 Series A	Election of 2003 Series B	Election of 2003 Series C	2005 GO Refunding Bonds	Election of 2003 Series D	2009 Refunding Bonds	2012 Refunding Bonds	2014A Refunding Bonds	2014B Refunding Bonds	Total
8/1/15	$ 5,831,000.00	$ 335,000.00	$1,025,000.00	$ 1,109,200.00	$1,474,125.00	—	$1,714,650.00	$ 576,562.50	$ 1,790,627.81	$ 111,262.50	$ 13,967,427.81
8/1/16	5,437,400.00	1,185,000.00	35,000.00	1,003,200.00	1,249,000.00	—	2,171,900.00	576,562.50	2,310,487.50	465,750.00	14,434,300.00
8/1/17	5,044,800.00	—	—	1,051,200.00	1,298,600.00	—	2,718,150.00	576,562.50	3,690,487.50	465,750.00	14,845,550.00
8/1/18	4,592,000.00	—	—	1,097,200.00	1,352,600.00	—	3,307,750.00	576,562.50	4,400,287.50	465,750.00	15,792,150.00
8/1/19	—	—	—	1,141,200.00	1,398,600.00	—	3,443,750.00	4,726,562.50	4,948,037.50	465,750.00	16,123,900.00
8/1/20	—	—	—	1,231,200.00	1,450,400.00	—	3,531,250.00	4,793,062.50	5,378,037.50	465,750.00	16,849,700.00
8/1/21	—	—	—	1,266,200.00	—	$ 565,000.00	3,927,000.00	195,062.50	2,574,537.50	9,780,750.00	18,308,550.00
8/1/22	—	—	—	1,248,700.00	—	1,525,000.00	—	13,695,062.50	1,817,487.50	—	18,286,250.00
8/1/23	—	—	—	1,281,200.00	—	1,940,000.00	—	13,545,062.50	1,817,487.50	—	18,583,750.00
8/1/24	—	10,050,000.00	—	1,311,200.00	—	2,385,000.00	—	135,062.50	6,572,487.50	—	20,453,750.00
8/1/25	—	10,050,000.00	—	1,338,700.00	—	2,860,000.00	—	135,062.50	6,919,737.50	—	21,303,500.00
8/1/26	—	10,080,000.00	—	1,363,700.00	—	3,355,000.00	—	135,062.50	7,257,737.50	—	22,191,500.00
8/1/27	—	10,100,000.00	—	1,388,400.00	—	3,890,000.00	—	135,062.50	7,600,487.50	—	23,113,950.00
8/1/28	—	10,100,000.00	—	1,460,650.00	—	4,400,000.00	—	135,062.50	7,976,237.50	—	24,071,950.00
8/1/29	—	—	—	15,027,750.00	—	4,925,000.00	—	1,710,062.50	2,981,737.50	—	24,644,550.00
8/1/30	—	—	—	15,430,625.00	—	5,550,000.00	—	1,976,000.00	2,727,187.50	—	25,683,812.50
8/1/31	—	—	—	18,635,000.00	—	6,055,000.00	—	—	2,552,187.50	—	27,242,187.50
8/1/32	—	—	—	1,627,500.00	—	24,160,000.00	—	—	2,547,187.50	—	28,334,687.50
8/1/33	—	—	—	—	—	30,285,000.00	—	—	—	—	30,285,000.00
8/1/34	—	—	—	—	—	31,490,000.00	—	—	—	—	31,490,000.00
Total	$20,905,200.00	$51,900,000.00	$1,060,000.00	$68,012,825.00	$8,223,325.00	$123,385,000.00	$20,814,450.00	$43,622,437.50	$75,862,465.31	$12,220,762.50	$426,006,465.31

All debt service payments on the bonds, including refunding bonds, are payable from an *ad valorem* tax levied and collected by the County on assessed property in the District.

General Fund Obligations. The District is not responsible for making payments related to any multi-year financings of the District or any related entity.

Cash Flow Borrowings. On September 24, 2014, the County provided the District with a $10 million advance on property taxes. Such advance was provided for general fund cash flow purposes and will be repaid with interest on April 30, 2015, subsequent to the District's receipt of its second installment of property tax payments.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

The principal of and interest on the Bonds are payable from the proceeds of an ad valorem tax levied by the County for the payment thereof. (See "THE BONDS—Security.") Articles XIIIA, XIIIB, XIIIC and XIIID of the California Constitution, Propositions 98, 111, 218 and 39, and certain other provisions of law discussed below, are included in this section to describe the potential effect of these Constitutional and statutory measures on the ability of the County to levy taxes and of the District to spend tax proceeds and it should not be inferred from the inclusion of such materials that these laws impose any limitation on the ability of the County to levy taxes for payment of the Bonds. The tax levied by the County for payment of the Bonds was approved by the District's voters in compliance with Article XIIIA, Article XIIIC, and all applicable laws.

Article XIIIA of the California Constitution

Article XIIIA of the State Constitution, adopted and known as Proposition 13, was approved by the voters in June 1978. Section 1(a) of Article XIIIA limits the maximum *ad valorem* tax on real property to 1% of "full cash value," and provides that such tax shall be collected by the counties and apportioned according to State law. Section 1(b) of Article XIIIA provides that the 1% limitation does not apply to *ad valorem* taxes levied to pay interest and redemption charges on (i) indebtedness approved by the voters prior to July 1, 1978, or (ii) bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast on the proposition, or (iii) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. The tax for payment of the District's bonds approved at the 2006 and 2008 elections falls within the exception for bonds approved by a 55% vote.

Section 2 of Article XIIIA defines "full cash value" to mean the county assessor's valuation of real property as shown on the fiscal year 1975-76 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 area under taxing jurisdiction, or may be reduced in the event of declining property value caused by substantial damage, destruction or other factors. The Revenue and Taxation Code permits county assessors who have reduced the assessed valuation of a property as a result of natural disasters, economic downturns or other factors, to subsequently "recapture" such value (up to the pre-decline value of the property) at an annual rate higher than 2%, depending on the assessor's measure of the restored value of the damaged property. The State courts have upheld the constitutionality of this procedure. Legislation enacted by the State Legislature to implement Article XIIIA provides that, notwithstanding any other law, local agencies may not levy any *ad valorem* property tax except the 1% base tax levied by each county and taxes to pay debt service on indebtedness approved by the voters as described above.

Since its adoption, Article XIIIA has been amended a number of times. These amendments have created a number of exceptions to the requirement that property be reassessed when purchased, newly constructed or a change in ownership has occurred. 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 District.

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

Legislation Implementing Article XIIIA

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

That portion of annual property tax revenues generated by increases in assessed valuations within each tax rate area within a county, subject to redevelopment agency, if any, claims on tax increment and subject to changes in organizations, if any, of affected jurisdictions, is allocated to each jurisdiction within the tax rate area in the same proportion that the total property tax revenue from the tax rate area for the prior year was allocated to such jurisdictions.

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

Beginning in fiscal year 1981-82, assessors in California no longer record property values on tax rolls at the assessed value of 25% of market value which was expressed as $4 per $100 of assessed value. All taxable property is now shown at 100% of assessed value on the tax rolls. Consequently, the tax rate is expressed as $1 per $100 of taxable value. All taxable property value included in this Official Statement is shown at 100% of taxable value (unless noted differently) and all tax rates reflect the $1 per $100 of taxable value.

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

Article XIIIB of the California Constitution

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

(a) "change in the cost of living" with respect to school districts to mean the percentage change in California per capita income from the preceding year, and
(b) "change in population" with respect to a school district to mean the percentage change in the average daily attendance of the school district from the preceding fiscal year.

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

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

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

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

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

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: (1) each jurisdiction will receive up to 102% of its prior year State-assessed revenue; and (2) 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 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.

California Lottery

In the November 1984 general election, the voters of the State approved a Constitutional Amendment establishing a California State Lottery (the "State Lottery"), the net revenues (revenues less expenses and prizes) of which shall be used to supplement other moneys allocated to public education. The legislation further requires that the funds shall be used for the education of pupils and students and cannot be used for the acquisition of real property, the construction of facilities or the financing of research.

Allocation of State Lottery net revenues is based upon the average daily attendance of each school and community college district; however, the exact allocation formula may vary from year to year. In 2013-14, the District budgets to receive $230,654 in State Lottery aid, representing approximately 2% of the District's general fund revenues. At this time, the amount of additional revenues that may be generated by the State Lottery in any given year cannot be predicted.

Proposition 46

On June 3, 1986, California voters approved Proposition 46, which added an additional exemption to the 1% tax limitation imposed by Article XIIIA. Under this amendment to Article XIIIA, local governments and school and community college districts may increase the property tax rate above 1% for the period necessary to retire new, general obligation bonds, if two-thirds of those voting in a local election approve the issuance of such bonds and the money raised through the sale of the bonds is used exclusively to purchase or improve real property.

Proposition 39

On November 7, 2000, California voters approved Proposition 39, called the "Smaller Classes, Safer Schools and Financial Accountability Act" (the "Smaller Classes Act") which amends Section 1 of Article XIIIA, Section 18 of Article XVI of the California Constitution and Section 47614 of the California Education Code and allows an alternative means of seeking voter approval for bonded indebtedness by 55% of the vote, rather than the two-thirds majority required under Section 18 of Article XVI of the Constitution. The 55% voter requirement applies only if the bond measure submitted to the voters includes, among other items: (1) a restriction that the proceeds of the bonds may be used 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," (2) a list of projects to be funded and a certification that the school district board has evaluated "safety, class size reduction, and information technology needs in developing that list" and (3) that annual, independent performance and financial audits will be conducted regarding the expenditure and use of the bond proceeds.

Section 1(b)(3) of Article XIIIA has been added to exempt the 1% *ad valorem* tax limitation that Section 1(a) of Article XIIIA of the Constitution levies, to pay bonds approved by 55% of the voters, subject to the restrictions explained above.

The Legislature enacted AB 1908, Chapter 44, which became effective upon passage of Proposition 39 and amends various sections of the Education Code. Under amendments to Section 15268 and 15270 of the Education Code, the following limits on *ad valorem* taxes apply in any single election: (1) for an elementary and high school district, indebtedness shall not exceed $30 per $100,000 of taxable property, (2) for a unified school district, indebtedness shall not exceed $60 per $100,000 of taxable property, and (3) for a community college district, indebtedness shall not exceed $25 per $100,000 of taxable property. These requirements are not part of Proposition 39 and can be changed with a majority vote of both houses of the Legislature and approval by the Governor. Finally, AB 1908 requires that a citizens' oversight committee must be appointed who will review the use of the bond funds and inform the public about their proper usage.

Alternatively, charter schools are independent public schools formed by teachers, parents, and other individuals and/or groups. The schools function under contracts or "charters" with local school districts, county boards of education, or the State Board of Trustees. They are exempt from most State laws and regulations affecting public schools. As of June 2000, there were 309 charter schools in California, serving about 105,000 students (less than 2% of all K-12 students). The law permits an additional 100 charter schools each year until 2003, at which time the charter school program will be reviewed by the Legislature. Under current law, school districts must allow charter schools to use, at no charge, facilities not currently used by the district for instructional or administrative purposes.

Proposition 39 requires that each local K-12 school district provide charter school facilities sufficient to accommodate the charter school's students. A K-12 school district, however, would not be required to spend its general discretionary revenues to provide these facilities for charter schools. Instead, the district could choose to use these or other revenues — including State and local bonds. Such facilities must be reasonably equivalent to the district schools that such charter students would otherwise attend. The respective K-12 school district is permitted charge the charter school for its facilities if district discretionary revenues are used to fund the facilities and a district may decline to provide facilities for a charter school with a current or projected enrollment of fewer than 80 students. There are presently no charter schools within the District.

Article XIIIC and XIIID of the California Constitution

On November 5, 1996, an initiative to amend the California Constitution known as the "Right to Vote on Taxes Act" ("Proposition 218") was approved by a majority of California voters. Proposition 218 added Articles XIIIC and XIIID to the State Constitution and requires majority voter approval for the imposition, extension or increase of general taxes and 2/3 voter approval for the imposition, extension or increase of special taxes by a local government, which is defined in Proposition 218 to include counties. Proposition 218 also provides that any general tax imposed, extended or increased without voter approval by any local government on or after January 1, 1995, and prior to November 6, 1996 shall continue to be imposed only if approved by a majority vote in an election held within two years following November 6, 1996. All local taxes and benefit assessments which may be imposed by public agencies will be defined as "general taxes" (defined as those used for general governmental purposes) or "special taxes" (defined as taxes for a specific purpose even if the revenues flow through the local government's general fund) both of which would require a popular vote. New general taxes require a majority vote and new special taxes require a two-thirds vote. Proposition 218 also extends the initiative power to reducing or repealing local taxes, assessments, fees and charges, regardless of the date such taxes, assessments or fees or charges were imposed, and lowers the number of signatures necessary for the process. In addition, Proposition 218 limits the application of assessments, fees and charges and requires them to be submitted to property owners for approval or rejection, after notice and public hearing.

The District has no power to impose taxes except property taxes associated with a general obligation bond election, following approval by 55% or 2/3 of the District's voters, depending upon the Article of the Constitution under which it is passed.

Proposition 218 also expressly extends the initiative power to give voters the power to reduce or repeal local taxes, assessments, fees and charges, regardless of the date such taxes, assessments, fees or charges were imposed, and reduces the number of signatures required for the initiative process. This extension of the initiative power to some extent constitutionalizes the March 6, 1995 State Supreme Court decision in *Rossi v. Brown*, which upheld an initiative that repealed a local tax and held that the State constitution does not preclude the repeal, including the prospective repeal, of a tax ordinance by an initiative, as contrasted with the State constitutional prohibition on referendum powers regarding statutes and ordinances which impose a tax. Generally, the initiative process enables California voters to enact legislation upon obtaining requisite voter approval at a general election. Proposition 218 extends the authority stated in *Rossi v. Brown* by expanding the initiative power to include reducing or repealing assessments, fees and charges, which had previously been considered administrative rather than legislative matters and therefore beyond the initiative power. This extension of the initiative power is not limited by the terms of Proposition 218 to fees imposed after November 6,1996 and absent other legal authority could result in retroactive reduction in any existing taxes, assessments or fees and charges. Such legal authority could include the limitations imposed on the impairment of contracts under the contract clause of the United States Constitution.

Proposition 218 has no effect upon the District's ability to pursue approval of a general obligation bond or a Mello-Roos Community Facilities District bond in the future, although certain procedures and burdens of proof may be altered slightly. The District is unable to predict the nature of any future challenges to Proposition 218 or the extent to which, if any, Proposition 218 may be held to be unconstitutional.

Propositions 98 and 111

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

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

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

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

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

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

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

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

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

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

Kindergarten-University Public Education Facilities Bond Act of 2006

The Kindergarten-University Public Education Facilities Bond Act of 2006 ("Proposition 1D") appeared on the November 7, 2006 ballot as Proposition 1D and was approved by California voters. This measure authorized the sale and issuance of $10.4 billion in general obligation bonds for construction and renovation of K-12 school facilities ($7.3 billion) and higher education facilities ($3.1 billion). Proposition 1D makes available $3.3 billion for reconstruction or modernization of existing K-12 school facilities. K-12 school districts are required to pay for 40% of these costs with local revenues, unless qualified for hardship funding. Proposition 1D also includes $1.9 billion for acquisition of land and new construction of K-12 school facilities. K-12 school districts are required to pay for 50% of such costs with local revenues, unless qualified for hardship funding. Proposition 1D directs a total of $1.0 billion to K-12 school districts which are considered severely overcrowded, specifically to schools that have large number of pupils relative to the size of the school site.

Proposition 30

On November 6, 2012, voters of the State approved the Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment (also known as "Proposition 30"), which temporarily increases the State Sales and Use Tax and personal income tax rates on higher incomes. Proposition 30 temporarily imposes an additional tax on all retailers, at the rate of 0.25%

of gross receipts from the sale of all tangible personal property sold in the State from January 1, 2013 to December 31, 2016. Proposition 30 also imposes an additional excise tax on the storage, use, or other consumption in the State of tangible personal property purchased from a retailer on and after January 1, 2013 and before January 1, 2017, for storage, use, or other consumption in the State. This excise tax will be levied at a rate of 0.25% of the sales price of the property so purchased. Beginning in the taxable year commencing January 1, 2012 and through the taxable year ending December 31, 2018, Proposition 30 increases the marginal personal income tax rate by: (i) 1% for taxable income over $250,000 but less than $300,000 for single filers (over $340,000 but less than $408,000 for joint filers), (ii) 2% for taxable income over $300,000 but less than $500,000 for single filers (over $408,000 but less than $680,000 for joint filers), and (iii) 3% for taxable income over $500,000 for single filers (over $608,000 for joint filers).

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

Future Initiatives

Article XIIIA, Article XIIIB, Article XIIIC, Article XIIID and Propositions 26 and 98 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time, other initiative measures could be adopted, further affecting the District's revenues or their ability to expend revenues.

GENERAL SCHOOL DISTRICT FINANCIAL INFORMATION

State Funding of Education; State Budget Process

General. As is true for all school districts in the State, the District's operating income consists primarily of two components: a State portion funded from the State's general fund and a locally-generated portion derived from the District's share of the 1% county-wide *ad valorem* property tax authorized by the State Constitution. School districts may be eligible for other special categorical funding, including for State and federal programs. Because the District's legal minimum funding level is expected to be met from local property taxes alone, the District does not project receipt of any general operating funds from the State in fiscal year 2013-14. As a result, decreases or deferrals in State revenues, or in State legislative appropriations made to fund education, may affect District operations, though generally to a lesser extent than these may affect most school districts.

State funding is guaranteed to a minimum level for school districts, community college districts, and other State agencies that provide direct elementary and secondary instructional programs. The funding guarantee is known as "Proposition 98," a constitutional and statutory initiative amendment adopted by the State's voters in 1988, and amended by Proposition 111 in 1990 (now found at Article XVI, Sections 8 and 8.5 of the State Constitution).

Recent years have seen frequent disruptions in State personal income taxes, sales and use taxes, and corporate taxes, making it increasingly difficult for the State to meet its Proposition 98 funding mandate, which normally commands about 45% of all State general fund revenues, while providing for other fixed State costs and priority programs and services. Because education funding constitutes such a large part of the State's general fund expenditures, it is at the heart of annual budget negotiations and adjustments.

Adoption of Annual State Budget. According to the State Constitution, the Governor of the State (the "Governor") must propose a budget to the State Legislature no later than January 10 of each year. Under an initiative constitutional amendment approved by the State's voters on November 2, 2010 as "Proposition 25", a final budget must be adopted by a majority vote (rather than a two-third majority, as was the case prior to the passage of Proposition 25) of each house of the Legislature no later than June 15, although this deadline has been breached in the past. Any tax increase provision of such final budget shall continue to require approval by a two-thirds majority vote of each house of the State Legislature. The budget becomes law upon the signature of the Governor, who may veto specific items of expenditure. School district budgets must generally be adopted by July 1, and revised by the school board within 45 days after the Governor signs the budget act to reflect any changes in budgeted revenues and expenditures made necessary by the adopted State budget. The Governor signed the 2013-14 Budget on June 27, 2013.

When the State budget is not adopted on time, basic appropriations and the categorical funding portion of each district's State funding are affected differently. Under the rule of *White v. Davis* (also referred to as *Jarvis v. Connell*), a State Court of Appeal decision reached in 2002, there is no constitutional mandate for appropriations to school districts without an adopted budget or emergency appropriation, and funds for State programs cannot be disbursed by the State Controller until that time unless the expenditure is (i) authorized by a continuing appropriation found in statute, (ii) mandated by the State Constitution (such as appropriations for salaries of elected state officers), or (iii) mandated by federal law (such as payments to State workers at no more than minimum wage). The State Controller has consistently stated that basic State funding for schools is continuously appropriated by statute, but that special and categorical funds may not be appropriated without an adopted budget. The State Controller has posted guidance as to what can and cannot be paid during a budget impasse at its website: www.sco.ca.gov. Should the Legislature fail to pass the budget or emergency appropriation before the start of any fiscal year, the District might experience delays in receiving certain expected revenues.

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

Over the long run, the guaranteed amount will increase as enrollment and per capita personal income grow.

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

In recent years, the State's response to fiscal difficulties has had a significant impact on Proposition 98 funding and settle-up treatment. The State has sought to avoid or delay paying settle-up amounts when funding has lagged the guaranteed amount. In response, teachers' unions, the State Superintendent, and others, sued the State or Governor in 1995, 2005, and 2009, to force them to fund schools in the full amount required. The settlement of the 1995 and 2005 lawsuits has so far resulted in over $4 billion in accrued State settle-up obligations. However, legislation enacted to pay down the obligations through additional education funding over time, including the Quality Education Investment Act of 2006 (QEIA), have also become part of annual budget negotiations, resulting in repeated adjustments and deferrals of the settle-up amounts.

The State has also sought to preserve general fund cash while avoiding increases in the base guaranteed amount through various mechanisms: by treating any excess appropriations as advances against subsequent years' Proposition 98 minimum funding levels rather than current year increases; by temporarily deferring apportionments of Proposition 98 funds one fiscal year to the next; by permanently deferring the year-end apportionment from June 30 to July 2; by suspending Proposition 98, and by proposing to amend the State Constitution's definition of the guaranteed amount and settle-up requirement under certain circumstances.

Recent State Budgets

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

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

• The California State Treasurer's Office Internet home page at www.treasurer.ca.gov, under the heading "Financial Information", posts the section includes the State's Rule 15c2-12 filings for State bond issues. The Financial Information section also includes the Overview of the State Economy and

Government, State Finances, State Indebtedness, Litigation from the State's most current Official Statement, which discusses the State budget and its impact on school districts.

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

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

Prior Years' Budgeting Techniques. Declining revenues and fiscal difficulties which arose in the State commencing in fiscal year 2008-09 led the State to undertake a number of budgeting strategies, which had subsequent impacts on local agencies within the State. These techniques included the issuance of IOUs in lieu of warrants (checks), the enactment of statutes deferring amounts owed to public schools, until a later date in the fiscal year, or even into the following fiscal year (known as statutory deferrals), trigger reductions, which were budget cutting measures which were implemented or could have been implemented if certain State budgeting goals were not met, among others, and the dissolution of local redevelopment agencies in part to make available additional funding for local agencies. Although the fiscal year 2013-14 Budget is balanced and projects a balanced budget for the foreseeable future, largely attributable to the additional revenues generated due to the passage of Proposition 30 at the November 6, 2012 statewide election, as well as other spending cuts, there can be no certainty that budget-cutting strategies such as those used in recent years will not be used in the future should the State Budget again be stressed and if projections included in such budget do not materialize.

2014-15 State Budget

On June 20, 2014, the Governor signed into law the State budget for fiscal year 2014-15 (the "2014-15 Budget"). The following information is drawn from the State Department of Finance's summary of the 2014-15 Budget.

The 2014-15 Budget is based on revenue projections previously included in the Governor's May revision to the proposed budget for fiscal year 2014-15. For fiscal year 2013-14, the 2014-15 Budget projects total State general fund revenues of $102.2 billion, and total State general fund expenditures of $100.7 billion. The 2014-15 Budget projects that the State will end the 2013-14 fiscal year with a $2.9 billion general fund surplus. For fiscal year 2014-15, the 2014-15 Budget projects total State general fund revenues of $109.4 billion and total State general fund expenditures of $108 billion, leaving the State with a projected general fund surplus for fiscal year 2014-15 of approximately $2.1 billion. This projected reserve is a combination of $449 million in the State's general fund traditional reserve, and an authorized deposit of $1.6 billion into the Budget Stabilization Account (the "BSA") established by the California Balanced Budget Act of 2004 (also known as Proposition 58).

The 2014-15 Budget includes total funding of $76.6 billion (comprised of $45.3 billion from the State general fund and $31.3 billion from other funds) for all K-12 education programs. For fiscal year 2014-15, the Proposition 98 minimum funding guarantee is set at $60.9 billion, an increase of $5.6 billion over the amount included in the fiscal year 2013-14 State budget. When combined with increases of $4.4 billion in fiscal years 2012-13 and 2013-14, the 2014-15 Budget provides a $10 billion increased investment in K-14 education. The 2014-15 Budget projects that Proposition 98 funding for K-12 education will grow by more than $12 billion from fiscal year 2011-12 to fiscal year 2014-15, representing an increase of more than $1,900 per student.

Significant features of the 2014-15 Budget related to the funding of K-12 education include the following:

- *Teacher Pensions* – The 2014-15 Budget includes a plan of shared responsibility among the State, school districts and community college districts, and teachers to eliminate the approximately $74.4 billion of unfunded CalSTRS (defined herein) liability in approximately 30 years. For fiscal year 2014-15, the plan directs $276 million in additional contributions from all three entities. Under the plan, (i) teacher contributions will increase from 8% to a total of 10.25% of pay, phased in over the next three years; (ii) school district and community college district contributions will increase from 8.25% to 19.1% of payroll, phased in over the next seven years; and (iii) the State contributions will increase from approximately 3% to 6.3% of payroll, phased in over the next three years, and the State will continue to pay 2.5% of payroll annually for a supplemental inflation protection program, for a total contribution of 8.8% of payroll in fiscal year 2016-17 and ongoing. The plan also provides the CalSTRS board with limited authority to (i) increase State, school district and community college district contributions based on changing conditions, and (ii) reduce school district and community college district contributions if they are no longer necessary.

- *Local Control Funding Formula* – An increase of $4.75 billion in Proposition 98 funding to continue the transition to the LCFF. This increase is projected to close the remaining funding implementation gap between fiscal year 2013-14 funding levels and the LCFF target funding levels by more than 29%. The 2014-15 Budget also addresses an administrative problem related to the collection of income eligibility forms that are used to determine student eligibility for free or reduced price meals. See also "DISTRICT FINANCIAL INFORMATION – State Funding of Education – Local Control Funding Formula" herein.

- *K-12 Deferrals* – Repay nearly $4.7 billion in Proposition 98 funding for K-12 expenses that had been deferred from one year to the next during the recession, leaving an outstanding balance of less than $900 million in K-12 deferrals at the end of fiscal year 2014-15. The 2014-15 Budget also includes a trigger mechanism that will appropriate any additional funding resources attributable to fiscal years 2013-14 and 2014-15 subsequent to the enactment of the 2014-15 Budget in order to retire the remaining deferral balance.

- *Independent Study* – The 2014-15 Budget streamlines the existing independent study program, reducing administrative burdens and freeing up time for teachers to spend on student instruction and support, while making it easier for schools to offer and expand instructional opportunities available to students through non-classroom based instruction.

- *K-12 Mandates* – An increase of $400.5 million in one-time Proposition 98 funding to reimburse K-12 local educational agencies for the costs of State-mandated programs.

- *K-12 High- Speed Internet Access* – An increase of $26.7 million in one-time Proposition 98 funding for the K-12 High Speed Network to provide technical assistance and grants to K-12 local educational agencies required to successfully implement Common Core. These funds will be targeted to those K-12 local educational agencies most in need of help with securing internet connectivity and infrastructure required to implement the new computer adaptive tests under Common Core.

- *Career Technical Education Pathways Program* – An increase of $250 million in one-time Proposition 98 funding to support competitive grants for participating K-14 local educational agencies. The Career Pathways Trust Program provides grant awards to improve career technical programs and linkages between employers, schools, and community colleges.

- *Potential Cap on School District Reserves* – Commencing with budgets adopted by a K-12 school district for the 2015–16 fiscal year, AB 1463, a trailer bill on K-12 issues passed in connection with the 2014-15 Budget, requires a school district that proposes to adopt or revise a budget that results in a combined assigned or unassigned ending fund balance exceeding that school district's respective minimum reserve for economic uncertainties amount, as set forth in the State Board of Education's annually-issued criteria and standards for reviewing school district interim reports, to provide at a public hearing, among other things, a statement of reasons that substantiates the need for the balance, and requires the respective county superintendent of schools, when making the required determinations, to also determine whether a school district's adopted or revised budget includes a such a balance. Subject to the passage of California Proposition 44 (the "Rainy Day Budget Stabilization Fund Act") currently on the November 4, 2014 statewide ballot, AB 1463 provides that, in any fiscal year immediately after which a transfer is made by the State into the Public School System Stabilization Account, a new reserve fund for Proposition 98 that would be created by the Rainy Day Budget Stabilization Fund Act, a school district's adopted or revised budget shall be prohibited from containing a combined assigned or unassigned ending fund balance that is in excess of either two or three times that school district's respective annual minimum recommended reserve for economic uncertainties amount, as established by the State Board of Education. Subject to the passage of the Rainy Day Budget Stabilization Fund Act, AB 1463 further authorizes the respective county superintendent of schools to waive the prohibition, pursuant to specified conditions, for up to two consecutive fiscal years within a three-year period, if a school district provides documentation indicating that extraordinary fiscal circumstances substantiates the need for the balance.

For additional information regarding the State's budgets and revenue projections and a more detailed description of the 2014-15 Budget, see the State Department of Finance website at www.dof.ca.gov. However, the information presented on such website is not incorporated herein by reference.

Future Actions. The District cannot predict what actions will be taken in the future by the State legislature and the Governor to address changing State revenues and expenditures. The District also cannot predict the impact such actions will have on State revenues available in the current or future years for education. The State budget will be affected by national and State economic conditions and other factors over which the District will have no control. Certain actions or results could produce a significant shortfall of revenue and cash, and could consequently impair the State's ability to fund schools. Continued State budget shortfalls in future fiscal years may also have an adverse financial impact on the financial condition of the District.

Prohibitions on Diverting Local Revenues for State Purposes. Beginning in 1992-93, the State satisfied a portion of its Proposition 98 obligations by shifting part of the property tax revenues otherwise belonging to cities, counties, special districts, and redevelopment agencies, to school and college districts through a local Educational Revenue Augmentation Fund (ERAF) in each county. Local agencies, objecting to invasions of their local revenues by the State, sponsored a statewide ballot initiative intended to eliminate the practice. In response, the State Legislature proposed an amendment to the State Constitution, which the

State's voters approved as Proposition 1A at the November 2004 election. That measure was generally superseded by the passage of a new initiative constitutional amendment at the November 2010 election, known as "Proposition 22."

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

Prior to the passage of Proposition 22, the State invoked Proposition 1A to divert $1.935 billion in local property tax revenues in 2009-10 from cities, counties, and special districts to the State to offset State general fund spending for education and other programs, and included another diversion in the adopted 2009-10 State budget of $1.7 billion in local property tax revenues from local redevelopment agencies, which local redevelopment agencies have now been dissolved. Redevelopment agencies had sued the State over this latter diversion. However, the lawsuit was decided against the California Redevelopment Association on May 1, 2010. Because Proposition 22 reduces the State's authority to use or shift certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget in some years—such as reducing State spending or increasing State taxes, and school and community college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State's general fund.

Supplemental Information Concerning Litigation Against the State of California

In June 1998, a complaint was filed in Los Angeles County Superior Court challenging the authority of the State Controller to make payments in the absence of a final, approved State Budget. The Superior Court judge issued a preliminary injunction preventing the State Controller from making payments including those made pursuant to continuing appropriations prior to the enactment of the State's annual budget. As permitted by the State Constitution, the Legislature immediately enacted and the Governor signed an emergency appropriations bill that allowed continued payment of various State obligations, including debt service, and the injunction was stayed by the California Court of Appeal, pending its decision.

On May 29, 2003, the California Court of Appeal for the Second District decided the case of *Steven White, et al. v. Gray Davis (as Governor of the State of California), et al.* The Court of Appeal concluded that, absent an emergency appropriation, the State Controller may authorize the payment of state funds during a budget impasse only when payment is either (i) authorized by a "continuing appropriation" enacted by the Legislature, (ii) authorized by a self-executing provision of the California Constitution, or (iii) mandated by federal law. The Court of Appeal specifically concluded that the provisions of Article XVI, Section 8 of the California Constitution – the provision establishing minimum funding of K-14 education enacted as part of Proposition 98 – did not constitute a self-executing authorization to disburse funds, stating that such provisions merely provide formulas for determining the minimum funding to be appropriated every budget year but do not appropriate funds. The State Controller has concluded that the provisions of the Education Code establishing K-12 and county office revenue limit funding do constitute continuing appropriations enacted by the Legislature and, therefore, the State Controller has indicated that State payments of such amounts would continue during a budget impasse. However, no similar continuing appropriation has been cited with respect to K-12 categorical programs and revenue limit funding for community college districts, and the State Controller has concluded that such payments are not authorized pursuant to a continuing appropriation enacted by the Legislature and, therefore, cannot be paid during a budget impasse. The California Supreme Court granted the State Controller's Petition for Review on a procedural issue unrelated to continuous appropriations and on the substantive question as to whether the State Controller is authorized to pay State employees their full and regular salaries during a budget impasse. No other aspect of the Court of Appeal's decision was addressed by the State Supreme Court.

On May 1, 2003, with respect to the substantive question, the California Supreme Court concluded that the State Controller is required, notwithstanding a budget impasse and the limitations imposed by State law, to timely pay those state employees who are subject to the minimum wage and overtime compensation provisions of the federal Fair Labor Standards Act. The Supreme Court also remanded the preliminary injunction issue to the Court of Appeal with instructions to set aside the preliminary injunction in its entirety.

State Funding of School Construction

The State makes funding for school facility construction and modernization available to K-12 districts throughout the State through the Office of Public School Construction ("OPSC") and the State Allocation Board ("SAB"), from proceeds of State general obligation bonds authorized and issued for this purpose. Such bonds were authorized in the amount of $13.05 billion, $11.40 billion of which were for K-12 school facilities and $1.65 billion of which were for higher education facilities, on November 5, 2002 under Proposition 47, passed by 58.9% of the State-wide vote. An additional bond measure for education capital projects was approved on March 2, 2006 under Proposition 55, passed by 50.6% of the State-wide vote, in an authorization amount of $12.3 billion, $10.0 billion of which is for K-12 school facilities and $2.3 billion of which is for higher education facilities. A State general obligation bond measure that includes $7.329 billion for construction, modernization and related purposes for K-12 school districts was approved by a majority of voters in the November 7, 2006 State-wide election.

The SAB allocates bond funds for 50% of approved new construction costs, 60% of approved modernization costs (80% for modernization project applications made prior to February 1, 2002), or up to 100% of approved costs of any type if the school district is approved for "hardship" funding. The school district is responsible for the portion of costs not funded by the State, commonly funding their portion with their own general obligation bonds, certificates of participation or accumulated builder's fee revenue. School districts routinely apply for such funding whenever they have projects they believe meet OPSC and SAB criteria for funding.

Proposition 26

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

APPENDIX C

AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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NEW HAVEN UNIFIED SCHOOL DISTRICT

ANNUAL FINANCIAL REPORT JUNE 30, 2013

NEW HAVEN UNIFIED SCHOOL DISTRICT

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JUNE 30, 2013

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VAVRINEK, TRINE, DAY
& COMPANY, LLP
Certified Public Accountants

VALUE THE DIFFERENCE

INDEPENDENT AUDITORS' REPORT

Governing Board
New Haven Unified School District
Union City, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the New Haven Unified School District (the District) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and *Standards and Procedures for Audits of California K-12 Local Education Agencies 2012-2013*, issued by the California Education Audit Appeals Panel as regulations. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District'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 District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the New Haven Unified School District, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the New Haven Unified School District's basic financial statements. The *accompanying supplementary information such as the combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The *accompanying supplementary information* is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the *accompanying supplementary information* is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The *accompanying other information such as the Assessed Valuation of Taxable Properties and Secured Tax Charges and Delinquencies and accompanying notes* have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2013, on our consideration of the New Haven Unified School 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 New Haven Unified School District's internal control over financial reporting and compliance.

Vavrinek, Trine, Day & Co., LLP

Pleasanton, California
December 11, 2013

NEW HAVEN UNIFIED SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

This section of New Haven Unified School District's 2012-2013 annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2013. Please read it in conjunction with the District's financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Financial Statements

The financial statements presented herein include all of the activities of the New Haven Unified School District (the District) using the integrated approach as prescribed by GASB Statement Number 34.

The *Government-Wide Financial Statements* present the financial picture of the District from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business-type activities separately. These statements include all assets of the District (including capital assets) as well as all liabilities (including long-term debt). Additionally, certain eliminations have occurred as prescribed by the statement in regards to interfund activity, payables and receivables.

The *Fund Financial Statements* include statements for each of the three categories of activities: governmental, business-type, and fiduciary.

The *Governmental Activities* are prepared using the current financial resources measurement focus and modified accrual basis of accounting.

The *Business-Type Activities* are prepared using the economic resources measurement focus and the accrual basis of accounting.

The *Fiduciary Activities* are prepared using the economic resources measurement focus and the accrual basis of accounting.

Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach.

The financial statements also include notes that explain some of the information in the statements and provide detailed data. The statements are followed by a section of required supplementary budget information that further explains and supports the financial statements.

The primary unit of the government is the New Haven Unified School District.

REPORTING THE DISTRICT AS A WHOLE

The Statement of Net Position and the Statement of Activities

The *Statement of Net Position* and the *Statement of Activities* report information about the District as a whole and about its activities. These statements include all assets and liabilities of the District using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes in them. Net position is the difference between assets and deferred outflows or resources and liabilities and deferred inflows of resources, which is one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position will serve as a useful indicator of whether the financial position is improving or deteriorating. Other factors to consider are changes in the District's property tax base and the condition of the District's facilities.

The relationship between revenues and expenses is the District's *operating results*. Since the governing board's responsibility is to provide services to our students and not to generate profit as commercial entities do, one must consider other factors when evaluating the overall health of the District. The quality of the education and the safety of our schools will likely be an important component in this evaluation.

In the *Statement of Net Position* and the *Statement of Activities*, we separate the District activities as follows:

Governmental activities - Most of the District's services are reported in this category. This includes the education of kindergarten through grade twelve students, adult education students, the operation of child development activities, and the on-going effort to improve and maintain buildings and sites. Property taxes, state income taxes, user fees, interest income, federal, state and local grants, as well as general obligation bonds which finance these activities.

Business-type activities - The District charges fees to help it cover the costs of certain services it provides. The District's Kids First program is accounted for in the business-type activities.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds - not the District as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money that it receives from the U.S. and California Departments of Education.

Governmental funds - Most of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides.

Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation following each governmental fund financial statement.

Proprietary funds - When the District charges users for the services it provides to outside customers, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the *Statement of Net Position* and the *Statement of Revenues, Expenses and Changes in Fund Net Position*. The District operates one proprietary fund, Kids First, that is reported in the government-wide statements as business-type activities and provides more detail and additional information, such as cash flows.

THE DISTRICT AS TRUSTEE

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or *fiduciary*, for funds held on behalf of others, like our funds for associated student body activities, and the Retiree Benefits Funds. The District's fiduciary activities are reported in the *Statement of Fiduciary Net Position and Statement of Revenues, Expenses and Changes in Fund Net Position*. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE DISTRICT AS A WHOLE

Net Position

The District's net position was $7.7 million and $13.7 million for the fiscal years ended 2013, and 2012, respectively. Of this amount, $1.2 million and $2.0 million were unrestricted for each respective year. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the governing board's ability to use those net position for day-to-day operations. Our analysis below, in summary form, focuses on the net position (Table 1) and change in net position (Table 2) of the District's governmental activities.

Table 1

(Amounts in millions)	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Assets						
Current and other assets	$ 54.8	$ 50.3	$ 0.2	$ 0.2	$ 55.0	$ 50.5
Capital assets	227.5	233.6	-	-	227.5	233.6
Total Assets	**282.3**	**283.9**	**0.2**	**0.2**	**282.5**	**284.1**
Liabilities						
Current liabilities	33.4	28.6	-	-	33.4	28.6
Long-term obligations	241.2	241.6	-	-	241.2	241.6
Total Liabilities	**274.6**	**270.2**	-	-	**274.6**	**270.2**
Net Assets						
Invested in capital assets, net of related debt	(8.0)	(5.2)	-	-	(8.0)	(5.2)
Restricted	14.5	16.9	-	-	14.5	16.9
Unrestricted	1.2	2.0	0.2	0.2	1.4	2.2
Total Net Assets	**$ 7.7**	**$ 13.7**	**$ 0.2**	**$ 0.2**	**$ 7.9**	**$ 13.9**

In 2013, the $1.2 million in unrestricted net position of governmental activities represents the accumulated results of all past years' operations. Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - decreased by $40 percent ($1.2 million compared to $2.0 million).

Changes in Net Position

The results of this year's operations for the District as a whole are reported in the *Statement of Activities*. Table 2 takes the information from the Statement, rounds off the numbers, and rearranges them slightly so you can see our total revenues and expenses for the year.

Table 2

(Amounts in millions)	Governmental Activities 2013	Governmental Activities 2012	Business-Type Activities 2013	Business-Type Activities 2012	School District Activities 2013	School District Activities 2012
Revenues						
Program revenues:						
Charges for services	$ 2.5	$ 2.1	$ 1.4	$ 1.5	$ 3.9	$ 3.6
Operating grants and contributions	19.8	19.5	-	-	19.8	19.5
Capital grants and contributions	-	5.5	-	-	-	5.5
General revenues:						
Federal and State aid not restricted	56.8	59.9	-	-	56.8	59.9
Property taxes	35.2	31.0	-	-	35.2	31.0
Other general revenues	1.3	5.6	-	-	1.3	5.6
Total Revenues	**115.6**	**123.6**	**1.4**	**1.5**	**117.0**	**125.1**
Expenses						
Instruction-related	73.2	77.1	-	-	73.2	77.1
Student support services	16.8	20.6	-	-	16.8	20.6
Administration	4.9	5.7	-	-	4.9	5.7
Maintenance and operations	10.3	9.7	-	-	10.3	9.7
Other	16.3	6.1	1.4	1.5	17.7	7.6
Total Expenses	**121.5**	**119.2**	**1.4**	**1.5**	**122.9**	**120.7**
Change in Net Position	**$ (5.9)**	**$ 4.4**	**$ -**	**$ -**	**$ (5.9)**	**$ 4.4**

Governmental Activities

As reported in the *Statement of Activities*, the cost of all of our governmental activities this year was $121.6 million. However, the amount that our taxpayers ultimately financed for these activities through local taxes was only $35.2 million because the cost was paid by those who benefited from the programs ($2.5 million) or by other governments and organizations who subsidized certain programs with grants and contributions ($19.8 million). We paid for the remaining "public benefit" portion of our governmental activities with $56.8 Federal and State funds and with other revenues, like interest and general entitlements.

In Table 3, we have presented the cost and net cost of each of the District's largest functions: regular program instruction, special instruction programs, other instructional programs, plant services, student transportation services, and school food services. As discussed above, net cost shows the financial burden that was placed on the District's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Table 3

	Total Cost of Services		Net Cost of Services	
	2013	2012	2013	2012
Instruction - related	$ 73.2	$ 77.1	$ 60.7	$ 68.3
Student support services	16.8	20.6	9.9	4.7
Administration	4.9	5.7	4.2	4.9
Maintenance and operations	10.3	9.7	10.1	9.5
Other	16.3	6.1	14.4	4.7
Total	**$ 121.5**	**$ 119.2**	**$ 99.3**	**$ 92.1**

THE DISTRICT'S FUNDS

As the District completed this year, our governmental funds reported a combined fund balance of $26.8 million, which is an increase of $1.4 million from last year. This increase is derived mostly from year-end savings and restricted carryovers.

General Fund Budgetary Highlights

As in past years, the District bases its adopted budget on the Governor's May Revise, which for 2012-13, assumed passage of Proposition 30. Over the course of the year, budget revisions are put in place in order to manage unexpected changes in revenues and expenditures that are either caused by actions at the state level and/or based on District budget needs and re-prioritizations.

Proposition 30 passed in the November 2012 election. This was extremely good news for the District as it avoided an additional $5.4 million in revenue loss, which would've worsened the Districts operating deficit.

Despite passage of Proposition 30, fiscal year 2012-13 was another challenging year for Education. The District adopted its 2012-13 budget with 3.24 % COLA, but with a 2.51% increase in the deficit factor, from 19.754% to 22.272%, which effectively negates a good portion of the COLA.

Due to revenue reductions, health and welfare cost increases, and other inflationary cost increases, in order to meet the required reserve, Board-approved expenditure reductions of approximately $7.7 million were implemented. These reductions include nine (9) "budget cut" or furlough days, 1% salary cut, and freeze of step and column for all employees; additional layoffs due to class size increase in grades Kindergarten through 2 to 30:1, elimination of Community Day, and other cuts in administrative and operating expenses

CAPITAL ASSET & DEBT ADMINISTRATION

Capital Assets

At June 30, 2013, the District had $227.5 million in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net decrease of $6.1 million. There are no capital assets recorded in the business-type activities.

Table 4

(Amounts in millions)	Governmental Activities			
	2013		2012	
Land and construction in progress	$	21.3	$	21.0
Buildings and improvements		205.5		211.9
Equipment		0.7		0.7
Total	**$**	**227.5**	**$**	**233.6**

Expenditures were funded from proceeds from debt issued in the prior years, state capital projects funds, and grants. We present more detailed information about our capital assets in Note 4 to the financial statements.

Long-Term Obligations

At the end of this year, the District's long-term obligations increased by $1.9 million or 0.8% from $245.6 million to $247.5 million. Long-term obligations are only recorded in the governmental activities in the government-wide Statement of Net Position. The Principal outstanding after refunding of the district bonds and inclusion of interest accretion is as follows:

Table 5

(Amounts in millions)	Governmental Activities			
	2013		2012	
General obligation bonds (financed with property taxes)	$	246.0	$	243.8
Accumulated vacation		0.7		0.7
OPEB		0.7		1.1
Other		0.1		-
Total	**$**	**247.5**	**$**	**245.6**

The district's most recent Standard & Poor's general obligation bond rating was "A+". The State limits the amount of general obligation debt that Unified School Districts can issue to 2.5 percent of the assessed value of all taxable property within the District's boundaries. Based on 2013 assessed value (AV), our bonding capacity is $231 million. The District's outstanding general obligation debt as of June 30, 2013 is $191.8 million (excluding the accretions to date of $36.8 million and bond premiums of $17.4 million).

In addition, the rise in home sales and home values this past year will further improve our debt ratio, providing a promising outlook in terms of the District's credit status.

SIGNIFICANT ACCOMPLISHMENTS OF FISCAL YEAR 2012-13 ARE NOTED BELOW:

In the past three years District staff continues to work more for less and endure increased reductions year after year. To say that the last few years in school finance have been extremely difficult is an understatement, but despite the challenges, our District has been able to maintain a positive certification from the Alameda County Office of Education.

Despite the economic recession that has plagued California and the sluggish economic recovery, the District has made tremendous efforts in improving its fiscal status from years of structural budget problems. Without a doubt, our District would not have endured if not for the resilience of our employees and the strong support from our employee bargaining groups.

In 2012-13, District management staff evaluated various options for revenue enhancements. Based on review of District's enrollment and future projection, combined with facilities' capacity and utilization analysis, staff recommended to the Board disposition of District real property.

After Board approval, a "7/11 Committee" made up of Community representatives was formed as required by law. After a series of meetings and thorough review of the District's finances and facility needs, the Committee recommended to the Board the sale of the Cabello property. The Board approved the recommendation.

The sale of Cabello property would generate approximately $14 million. A major portion of the sale proceeds would be utilized for one-time general purpose, as approved by the State Allocation Board. This would establish the District's fiscal stabilization fund and ultimately strengthen the District's fiscal status.

FISCAL PRESSURES AND BUDGET OUTLOOK FOR 2013-14

The 2013-14 District Budget was formulated based on the Local Control Funding Formula (LCFF). Governor Brown's theme of reinvesting in education, the LCFF reflects California's most stable fiscal footing in well over a decade. It provides $1.2 billion in one-time funds to support Common Core State Standards implementation and $2.1 billion to implement year one of the new funding structure.

Overall it provides $3.4 million in revenue increase from prior year, which allows the District to partially restore prior year cuts.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the Chief Business Official, Business Services, at New Haven Unified School District, 34200 Alvarado Niles Road, Union City, California, 94587.

NEW HAVEN UNIFIED SCHOOL DISTRICT

STATEMENT OF NET POSITION
JUNE 30, 2013

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Deposits and investments	$ 33,782,046	$ 194,618	$ 33,976,664
Receivables	17,783,867	11,124	17,794,991
Prepaid expenses	146,638	-	146,638
Stores inventories	136,871	-	136,871
Deferred charges	2,950,531	-	2,950,531
Capital assets not depreciated	21,332,232	-	21,332,232
Capital assets, net of accumulated depreciation	206,224,945	-	206,224,945
Total Assets	282,357,130	205,742	282,562,872
LIABILITIES			
Accounts payable	6,155,701	7,769	6,163,470
Interest payable	2,818,213	-	2,818,213
Deferred revenue	207,925	-	207,925
Current loans	17,932,523	-	17,932,523
Current portion of long-term obligations	6,307,449	-	6,307,449
Unamortized bond premiums	17,362,343	-	17,362,343
Noncurrent portion of long-term obligations	223,828,977	-	223,828,977
Total Liabilities	274,613,131	7,769	274,620,900
NET POSITION			
Invested in capital assets, net of related debt	(8,037,706)	-	(8,037,706)
Restricted for:			
Debt service	9,347,668	-	9,347,668
Capital projects	1,164,521	-	1,164,521
Educational programs	2,770,756	-	2,770,756
Other activities	1,286,710	-	1,286,710
Unrestricted	1,212,050	197,973	1,410,023
Total Net Position	$ 7,743,999	$ 197,973	$ 7,941,972

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

NEW HAVEN UNIFIED SCHOOL DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

		Program Revenues	
Functions/Programs	**Expenses**	**Charges for Services and Sales**	**Operating Grants and Contributions**
Governmental Activities:			
Instruction	$ 73,232,565	$ 119,097	$ 12,405,641
Instruction-related activities:			
Supervision of instruction	538,229	12,554	2,116,335
Instructional library, media, and technology	502,836	8,468	202,110
School site administration	6,251,932	14,241	37,917
Pupil services:			
Home-to-school transportation	1,890,186	-	351,870
Food services	3,479,277	1,010,524	2,300,963
All other pupil services	4,160,313	20,962	822,905
General administration:			
Data processing	1,367,199	1,877	966
All other general administration	3,559,436	47,087	721,096
Plant services	10,302,372	91,309	124,329
Ancillary services	1,103,415	65,258	33,577
Community services	88,700	-	6,448
Enterprise services	181,347	-	-
Interest on long-term debt	13,563,426	-	-
Other outgo	1,372,269	1,087,237	712,292
Total Governmental-Type Activities	121,593,502	2,478,614	19,836,449
Business-Type Activities			
Enterprise services	1,351,072	1,395,072	-
Total School District	$ 122,944,574	$ 3,873,686	$ 19,836,449

General revenues and subventions:

Property taxes, levied for general purposes

Property taxes, levied for debt service

Taxes levied for other specific purposes

Federal and State aid not restricted to specific purposes

Interest and investment earnings

Miscellaneous

Subtotal, General Revenues

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

Net (Expenses) Revenues and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
$ (60,707,827)	$ -	$ (60,707,827)
1,590,660	-	1,590,660
(292,258)	-	(292,258)
(6,199,774)	-	(6,199,774)
(1,538,316)	-	(1,538,316)
(167,790)	-	(167,790)
(3,316,446)	-	(3,316,446)
(1,364,356)	-	(1,364,356)
(2,791,253)	-	(2,791,253)
(10,086,734)	-	(10,086,734)
(1,004,580)	-	(1,004,580)
(82,252)	-	(82,252)
(181,347)	-	(181,347)
(13,563,426)	-	(13,563,426)
427,260	-	427,260
(99,278,439)	-	(99,278,439)
-	44,000	44,000
(99,278,439)	44,000	44,000
22,369,325	-	22,369,325
12,413,182	-	12,413,182
422,876	-	422,876
56,816,218	-	56,816,218
28,906	347	29,253
1,295,436		1,295,436
93,345,943	347	93,346,290
(5,932,496)	44,347	(5,888,149)
13,676,495	153,626	13,830,121
$ 7,743,999	$ 197,973	$ 7,941,972

NEW HAVEN UNIFIED SCHOOL DISTRICT

GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2013

	General Fund	Building Fund	Bond Interest and Redemption Fund
ASSETS			
Deposits and investments	$ 14,382,268	$ 7,431,280	$ 9,344,986
Receivables	17,113,642	2,391	2,682
Due from other funds	421,385	10	-
Prepaid expenses	146,638	-	-
Stores inventories	-	-	-
Total Assets	$ 32,063,933	$ 7,433,681	$ 9,347,668
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 5,447,638	$ 227,607	$ -
Due to other funds	708,233	205,719	-
Current loan	17,932,523	-	-
Deferred revenue	207,925	-	-
Total Liabilities	24,296,319	433,326	-
Fund Balances:			
Nonspendable	194,638	-	-
Restricted	2,770,756	7,000,355	9,347,668
Assigned	829,422	-	-
Unassigned	3,972,798	-	-
Total Fund Balance	7,767,614	7,000,355	9,347,668
Total Liabilities and Fund Balances	$ 32,063,933	$ 7,433,681	$ 9,347,668

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

Non Major Governmental Funds	Total Governmental Funds
$ 2,623,512	$ 33,782,046
665,152	17,783,867
48,914	470,309
-	146,638
136,871	136,871
$ 3,474,449	$ 52,319,731
$ 480,456	$ 6,155,701
306,475	1,220,427
-	17,932,523
-	207,925
786,931	25,516,576
139,371	334,009
2,548,147	21,666,926
-	829,422
-	3,972,798
2,687,518	26,803,155
$ 3,474,449	$ 52,319,731

NEW HAVEN UNIFIED SCHOOL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2013

Total Fund Balance - Governmental Funds		**$ 26,803,155**
Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		
The cost of capital assets is	$ 338,712,040	
Accumulated depreciation is	(111,154,863)	
Net Capital Assets		227,557,177
Interfund balance between fiduciary fund not included in government-wide statements.		750,119
Expenditures relating to issuance of debt were recognized on modified accrual basis, but are recorded as deferred charges on the accrual basis and amortized over the life of the bonds.		2,950,531
In governmental funds, unmatured interest on long-term debt is recognized in the period when it is due. On the government-wide statements, unmatured interest on long-term debt is recognized when it is incurred.		(2,818,213)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.		
Long-term liabilities at year end consist of:		
Bonds payable	(228,614,351)	
Grant payments	(140,815)	
Other postemployment benefits (OPEB)	(684,519)	
Compensated absences (vacations)	(696,742)	
Premiums, net of amortization	(17,362,342)	
Total Long-Term Liabilities		(247,498,769)
Total Net Position - Governmental Activities		**$ 7,744,000**

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

NEW HAVEN UNIFIED SCHOOL DISTRICT

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013

	General Fund	Building Fund	Bond Interest and Redemption Fund
REVENUES			
Revenue limit sources	$ 66,674,285	$ -	$ -
Federal sources	6,119,850	-	-
Other state sources	15,727,196	-	114,556
Other local sources	8,779,145	16,185	12,309,755
Total Revenues	97,300,476	16,185	12,424,311
EXPENDITURES			
Current			
Instruction	66,854,280	-	-
Instruction-related activities:			
Supervision of instruction	285,748	-	-
Instructional library, media and technology	467,813	-	-
School site administration	5,816,484	-	-
Pupil services:			
Home-to-school transportation	1,758,534	-	-
Food services	-	-	-
All other pupil services	3,870,546	-	-
General administration:			
Data processing	1,271,973	-	-
All other general administration	3,565,080	-	-
Plant services	8,423,861	1,059,020	-
Facility acquisition and construction	17,735	1,425,043	-
Ancillary services	1,026,562	-	-
Community services	82,522	-	-
Other outgo	1,372,269	-	-
Debt service			
Principal	-	-	4,175,000
Interest and other	80,000	-	7,092,139
Total Expenditures	94,893,407	2,484,063	11,267,139
Excess (Deficiency) of Revenues Over Expenditures	2,407,069	(2,467,878)	1,157,172
Other Financing Sources (Uses):			
Transfers in	141,859	-	-
Transfers out	(750,117)	-	-
Net Financing Sources (Uses)	(608,258)	-	-
NET CHANGE IN FUND BALANCES	1,798,811	(2,467,878)	1,157,172
Fund Balance - Beginning	5,968,803	9,468,233	8,190,496
Fund Balance - Ending	$ 7,767,614	$ 7,000,355	$ 9,347,668

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

Nonmajor Governmental Funds	Total Governmental Funds
$ -	$ 66,674,285
2,337,534	8,457,384
1,816,365	17,658,117
1,906,949	23,012,034
6,060,848	115,801,820
1,492,727	68,347,007
-	285,748
-	467,813
-	5,816,484
-	1,758,534
3,235,016	3,235,016
-	3,870,546
-	1,271,973
132,433	3,697,513
117,431	9,600,312
75,334	1,518,112
-	1,026,562
-	82,522
-	1,372,269
-	4,175,000
-	7,172,139
5,052,941	113,697,550
1,007,907	2,104,270
-	141,859
(141,859)	(891,976)
(141,859)	(750,117)
866,048	1,354,153
1,821,470	25,449,002
$ 2,687,518	$ 26,803,155

NEW HAVEN UNIFIED SCHOOL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2013

Total Net Change in Fund Balances - Governmental Funds		**$ 1,354,153**
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures; however, for governmental activities, those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statements of Activities.		
This is the amount by which capital outlays exceeds depreciation in the period.		
Depreciation expense	$ (7,594,065)	
Capital outlays, net of adjustment	1,518,112	
Net Expense Adjustment		(6,075,953)
Interfund transfers between fiduciary fund not included in government-wide statements.		750,119
Repayment of grant revenue that was included in the entity-wide statements.		(140,816)
In the Statement of Activities, certain operating expenses, such as compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).		(19,429)
Payment of principal on long-term liabilities, such as for bonds (including amortization of premiums) and capital leases, is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.		4,175,000
The liability for postemployment benefits (OPEB) is not recorded in the governmental funds, but is an expense on the Statement of Activities.		415,717
Interest on long-term obligations is recorded as an expenditure in the funds when it is due; however, in the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due.		160,875
Interest on long-term debt differs between the governmental funds and the Statement of Activities due to the following:		
Change in accrued interest		
Addition of accreted interest	(7,358,376)	
Amortization of bond premium	987,449	
Amortization of cost of issuance	(181,235)	
		(6,552,162)
Change in Net Position of Governmental Activities		**$ (5,932,496)**

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

NEW HAVEN UNIFIED SCHOOL DISTRICT

PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2013

		Business-Type Activities Enterprise Funds Kids First
ASSETS		
Current Assets		
Deposits and investments	$	194,618
Receivables		11,124
Total Current Assets		205,742
LIABILITIES		
Current Liabilities		
Accounts payable		7,769
Total Current Liabilities		7,769
NET POSITION		
Unrestricted		197,973
Total Net Position	$	197,973

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

NEW HAVEN UNIFIED SCHOOL DISTRICT

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013

	Business-Type Activities Enterprise Funds Kids First
OPERATING REVENUES	
Local and intermediate sources	$ 1,395,072
Total Operating Revenues	1,395,072
OPERATING EXPENSES	
Payroll costs	1,195,306
Supplies and materials	28,629
Facility rental	108
Other operating cost	127,029
Total Operating Expenses	1,351,072
Operating Income	44,000
NONOPERATING REVENUES (EXPENSES)	
Interest income	347
Total Nonoperating Revenues (Expenses)	347
Change in Net Position	44,347
Total Net Position - Beginning	153,626
Total Net Position - Ending	$ 197,973

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

NEW HAVEN UNIFIED SCHOOL DISTRICT

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013

	Business-Type Activities Enterprise Funds Kids First
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from user charges	$ 1,385,458
Cash payments to employees for services	(1,195,306)
Cash payments to suppliers for goods and services	(150,413)
Net Cash Used for Operating Activities	39,739
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	347
Net Cash Provided from Investing Activities	347
Net Change in Cash and Cash Equivalents	40,086
Cash and Cash Equivalents - Beginning	154,532
Cash and Cash Equivalents - Ending	$ 194,618
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating loss	$ 44,000
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in assets and liabilities:	
Receivables	(9,614)
Accrued liabilities	5,353
NET CASH USED FOR OPERATING ACTIVITIES	$ 39,739

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

NEW HAVEN UNIFIED SCHOOL DISTRICT

FIDUCIARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2013

	Retiree Benefits Trusts	Agency Funds
ASSETS		
Deposits and investments	$ -	$ 292,065
Receivables	455,718	-
Due from others	750,117	-
Total Assets	1,205,835	$ 292,065
LIABILITIES		
Overdrafts	$ 618,534	-
Accounts payable	20,353	-
Due to student groups	-	292,065
Total Liabilities	638,887	$ 292,065
NET POSITION		
Held in trust	566,948	
Total Net Position	$ 566,948	

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

NEW HAVEN UNIFIED SCHOOL DISTRICT

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013

	Retiree Benefits Trusts
ADDITIONS	
District contributions	$ 1,148,281
Interest and investment earnings, net	456,127
Total Additions	1,604,408
DEDUCTIONS	
Other expenditures	1,071,260
Total Deductions	1,071,260
Change in Net Position	533,148
Net Position - Beginning	33,800
Net Position - Ending	$ 566,948

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The New Haven Unified School District was unified in 1965 under the laws of the State of California. The District operates under a locally elected five-member Board form of government and provides educational services to grades K – 12 as mandated by the State and/or Federal agencies. The District operates eight elementary, three middle schools, one comprehensive high school, one continuation school, one opportunity school, an adult school and a regional occupational program.

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

Component Units

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District, in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete. The District has no component units.

Basis of Presentation - Fund Accounting

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

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

Major Governmental Funds

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

One fund currently defined as special revenue funds in the California State Accounting Manual (CSAM) does not meet the GASB Statement No. 54 special revenue fund definition. Specifically, Fund 17, Special Reserve Fund for Other Than Capital Outlay Projects is not substantially composed of restricted or committed revenue source. While this fund is authorized by statute and will remain open for internal reporting purposes, this fund functions effectively as extensions of the General Fund, and accordingly has been combined with the General Fund for presentation in these audited financial statements.

In addition, under the flexibility provisions of current statute that allow certain formerly restricted revenues to be used for any educational purpose, Fund 11, Adult Education Fund does not currently meet the definition of a special revenue fund as this fund is no longer primarily composed of restricted or committed revenue sources.

As the District has not taken formal action to commit the flexed revenues formerly restricted to these programs to the continued operation of the original programs, the revenues within these funds would be considered to be available for general educational purposes, resulting in Fund 11, Adult Education Fund/Fund 17, Special Reserve Non Capital Fund being combined with the General Fund for presentation in these audited financial statements.

As a result, the General Fund reflects an increase in assets, fund balance, revenues and expenditures of $429,528, $429,422, $240,193, and $239,821, respectively.

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

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

Non-Major Governmental Funds

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

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

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

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

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

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

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

Enterprise Fund Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The only enterprise fund of the District accounts for the financial transactions related to the child care services of the District operated under the name of Kids First.

Fiduciary Funds Fiduciary funds are used to account for assets held in trustee or agent capacity for others that cannot be used to support the District's own programs. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. The key distinction between trust and agency funds is that trust funds are subject to a trust agreement that affects the degree of management involvement and the length of time that the resources are held.

Trust funds are used to account for the assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore, not available to support the District's own programs. The District's trust funds are the three Retiree Benefit Trusts.

The three retiree benefits trusts are as follows:

- New Haven Retired Employee Health and Welfare Benefit Trust for Certificated and Management Employees
- New Haven Retired Employee Health and Welfare Benefit Trust for Classified Employees
- New Haven Retired Employee Health and Welfare Benefit Trust for Board and Superintendent

The trustees of the New Haven Retired Employee Health and Welfare Benefit Trust for Certificated and Management Employees and the New Haven Retired Employee Health and Welfare Benefit Trust for Classified Employees are comprised of separate boards not controlled by the District Board of Education. Although these two trusts are not controlled by the District, the District does act as the administrator for processing transactions for these two trusts under an administrative agreement with the trusts' boards. As administrator for these two trusts the district reports only the activity of the funds it manages, and does not include the funds held by the investment custodian.

The trustee for the New Haven Retired Employee Health and Welfare Benefit Trust for the Board and Superintendent is the District. Therefore, this trust is both controlled by, and administered by, the District.

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Such funds have no equity accounts since all assets are due to individuals or entities at some future time. The District's agency fund accounts for student body activities (ASB).

Basis of Accounting - Measurement Focus

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

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

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

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

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

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

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

Revenues – Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter, to be used to pay liabilities of the current fiscal year. Generally, available is defined as collectible within 45 or 60 days. However, to achieve comparability of reporting among California districts and so as not to distort normal revenue patterns, with specific respect to reimbursement grants and corrections to State-aid apportionments, the California Department of Education has defined available for districts as collectible within one year. The following revenue sources are considered to be both measurable and available at fiscal year-end: State apportionments, interest, certain grants, and other local sources.

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

Deferred Revenue Deferred revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

Certain grants received before the eligibility requirements are met are recorded as deferred revenue. On the governmental fund financial statements, receivables that will not be collected within the available period are also recorded as deferred revenue.

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable, and typically paid within 90 days. Principal and interest on long-term obligations, which has not matured, are recognized when paid in the governmental funds as expenditures. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds but are recognized in the entity-wide statements.

Cash and Cash Equivalents

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

Investments

Investments held at June 30, 2013, with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost. Fair values of investments in county and State investment pools are determined by the program sponsor.

Stores Inventories

Inventories consist of expendable food and supplies held for consumption. Inventories are stated at cost, on the weighted average basis. The costs of inventory items are recorded as expenditures in the governmental funds and expenses in the proprietary funds when used.

Prepaid Expenditures

Prepaid expenditures (expenses) represent amounts paid in advance of receiving goods or services. The District has the option of reporting an expenditure in governmental funds for prepaid items either when purchased or during the benefiting period. The District has chosen to report expenditures when paid.

Capital Assets and Depreciation

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets of the District. The District maintains a capitalization threshold of $5,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized, but are expensed as incurred.

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

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets is the same as those used for the capital assets of governmental funds.

Depreciation is computed using the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 30 to 50 years; improvements/infrastructure, 10 to 40 years; equipment, 5 to 15 years.

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental and business-type activities columns of the statement of net position.

Compensated Absences

Compensated absences are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide statement of net position. For governmental funds, the current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year-end that have not yet been paid with expendable available financial resources. These amounts are reported in the fund from which the employees who have accumulated leave are paid.

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

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide and proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the governmental funds.

However, claims and judgments, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the governmental fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases, and other long-term obligations are recognized as liabilities in the governmental fund financial statements when due.

Deferred Issuance Costs, Premiums and Discounts

In the government-wide financial statements and in the proprietary fund type financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method.

Current Loans

Current loans consist of amounts outstanding at June 30, 2013, for Tax Revenue and Anticipation Notes. The notes were issued as short-term obligations to provide cash flow needs. This liability is offset with cash deposits in the County Treasury Pool, which have been set aside to repay the notes.

Fund Balances – Governmental Funds

As of June 30, 2013, fund balances of the governmental funds are classified as follows:

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

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

Committed – amounts that can be used only for specific purposes determined by a formal action of the governing board. The governing board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolution or other action as approved by the governing board. The District currently does not have any committed funds.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the District's adopted policy, only the governing board or chief business officer/assistant superintendent of business services may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

Sending Order Policy

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

Minimum Fund Balance Policy

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

Net Position

Net position represent the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. The government-wide financial statements report $15,569,655 of restricted net position.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are fees collected from the child care centers. Operating expenses are necessary costs incurred to provide the child care services, which is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Interfund Activity

Transfers between governmental and business-type activities in the government-wide financial statements are reported in the same manner as general revenues.

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

Estimates

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

Budgetary Data

The budgetary process is prescribed by provisions of the California Education Code and requires the governing board to hold a public hearing and adopt an operating budget no later than July 1st of each year. The District governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for. For budget purposes, on behalf payments have not been included as revenue and expenditures as required under generally accepted accounting principles.

Property Tax

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

Changes in Accounting Principles

In June 2011, the GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.* This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, *Elements of Financial Statements,* introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities.

Concepts Statement No. 4 also identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments,* and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

The District has implemented the provisions of this Statement for the year ended June 30, 2013.

New Accounting Pronouncements

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities.* This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

Concepts Statement No. 4, *Elements of Financial Statements,* introduced and defined the elements included in financial statements, including deferred outflows of resources and deferred inflows of resources. In addition, Concepts Statement 4 provides that reporting a deferred outflow of resources or a deferred inflow of resources should be limited to those instances identified by the Board in authoritative pronouncements that are established after applicable due process. Prior to the issuance of this Statement, only two such pronouncements have been issued. Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments,* requires the reporting of a deferred outflow of resources or a deferred inflow of resources for the changes in fair value of hedging derivative instruments, and Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements,* requires a deferred inflow of resources to be reported by a transferor government in a qualifying service concession arrangement. This Statement amends the financial statement element classification of certain items previously reported as assets and liabilities to be consistent with the definitions in Concepts Statement 4. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in financial statement presentations.

The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Early implementation is encouraged.

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27.* The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers,* as well as the requirements of Statement No. 50, *Pension Disclosures,* as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

The scope of this Statement addresses accounting and financial reporting for pensions that are provided to the employees of state and local governmental employers through pension plans that are administered through trusts that have the following characteristics:

- Contributions from employers and non-employer contributing entities to the pension plan and earnings on those contributions are irrevocable.
- Pension plan assets are dedicated to providing pensions to plan members in accordance with the benefit terms.
- Pension plan assets are legally protected from the creditors of employers, non-employer contributing entities, and the pension plan administrator. If the plan is a defined benefit pension plan, plan assets also are legally protected from creditors of the plan members.

This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

Note disclosure and required supplementary information requirements about pensions also are addressed. Distinctions are made regarding the particular requirements for employers based on the number of employers whose employees are provided with pensions through the pension plan and whether pension obligations and pension plan assets are shared. Employers are classified in one of the following categories for purposes of this Statement:

- Single employers are those whose employees are provided with defined benefit pensions through single-employer pension plans—pension plans in which pensions are provided to the employees of only one employer (as defined in this Statement).

- Agent employers are those whose employees are provided with defined benefit pensions through agent multiple-employer pension plans—pension plans in which plan assets are pooled for investment purposes but separate accounts are maintained for each individual employer so that each employer's share of the pooled assets is legally available to pay the benefits of only its employees.

- Cost-sharing employers are those whose employees are provided with defined benefit pensions through cost-sharing multiple-employer pension plans—pension plans in which the pension obligations to the employees of more than one employer are pooled and plan assets can be used to pay the benefits of the employees of any employer that provides pensions through the pension plan.

In addition, this Statement details the recognition and disclosure requirements for employers with liabilities (payables) to a defined benefit pension plan and for employers whose employees are provided with defined contribution pensions. This Statement also addresses circumstances in which a non-employer entity has a legal requirement to make contributions directly to a pension plan.

This Statement is effective for fiscal years beginning after June 15, 2014. Early implementation is encouraged.

NOTE 2 – DEPOSITS AND INVESTMENTS

Summary of Deposits and Investments

Deposits and investments as of June 30, 2013, are classified in the accompanying financial statements as follows:

Governmental activities	$ 33,782,046
Business-type activities	194,618
Fiduciary funds	292,065
Total Deposits and Investments	$ 34,268,729

Deposits and investments as of June 30, 2013, consist of the following:

Cash on hand and in banks	$ 293,545
Cash in revolving	50,500
Investments	33,924,684
Total Deposits and Investments	$ 34,268,729

Policies and Practices

The District is authorized under the District's investment policy to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

Investment in County Treasury - The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The fair value of the District's investment in the Pool is reported in the accounting financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Pool. The fair value of the County Cash Pool was $33,856,835 and the weighted average maturity was 525 days.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investments in the County pool are not required to be rated, nor have they been rated as of June 30, 2013.

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agency. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2013, approximately $214,500 of the District's bank balances were exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the name of the District.

NOTE 3 - RECEIVABLES

Receivables at June 30, 2013, consisted of intergovernmental grants, entitlements, interest and other local sources. All receivables are considered collectible in full.

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total	Proprietary Funds	Fiduciary Funds
Federal Government							
Categorical aid	$ 2,253,896	$ -	$ -	$ 414,114	$ 2,668,010	$ -	$ -
State Government							
Apportionment	8,202,033	-	-	-	8,202,033	-	-
Categorical aid	2,408,861	-	-	245,405	2,654,266	-	-
Lottery	1,061,135	-	-	-	1,061,135	-	-
Other State	2,436,170	-	-	-	2,436,170	-	-
Local Government						-	-
Other Local Sources	751,547	2,391	2,682	5,633	762,253	11,124	455,718
Total	$ 17,113,642	$ 2,391	$ 2,682	$ 665,152	$ 17,783,867	$ 11,124	$ 455,718

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2013, was as follows:

	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	$ 20,530,673	$ -	$ -	$ 20,530,673
Construction in Progress	429,094	801,559	429,094	801,559
Total Capital Assets Not Being Depreciated	20,959,767	801,559	429,094	21,332,232
Capital Assets Being Depreciated:				
Land Improvements	26,391,386	-	-	26,391,386
Buildings and Improvements	284,022,725	1,108,000	-	285,130,725
Furniture and Equipment	5,820,050	66,343	28,696	5,857,697
Total Capital Assets Being Depreciated	316,234,161	1,174,343	28,696	317,379,808
Total Capital Assets	337,193,928	1,975,902	457,790	338,712,040
Less Accumulated Depreciation:				
Land Improvements	20,813,261	1,053,817	-	21,867,078
Buildings and Improvements	77,684,027	6,407,203	-	84,091,230
Furniture and Equipment	5,063,510	161,741	28,696	5,196,555
Total Accumulated Depreciation	103,560,798	7,622,761	28,696	111,154,863
Governmental Activities Capital Assets, Net	$ 233,633,130	$ (5,646,859)	$ 429,094	$ 227,557,177

Depreciation expense was charged as a direct expense to governmental functions as follow:

Governmental Activities	
Instruction	$ 4,885,558
Supervision of Instruction	252,481
Instructional Library Media and Technology	35,023
School Administration	435,448
Pupil Transportation	131,652
Food Services	244,261
Other Pupil Services	289,767
Ancillary Services	76,853
Community Services	6,178
Enterprise	181,347
Other General Administration	277,640
Data Processing Services	95,226
Plant Maintenance and Operations	711,327
Total Depreciation Expenses Governmental Activities	$ 7,622,761

NOTE 5 – INTERFUND TRANSACTIONS

Interfund Receivables/Payables (Due To/Due From)

Interfund receivable and payable balances arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Interfund receivable and payable balances at June 30, 2013, between major and non-major governmental funds, non-major enterprise funds, internal service funds, and fiduciary funds are as follows:

	Due From					
Due To	General Fund	Building Fund	Non-Major Governmental Funds	Sub-total	Fiduciary Funds	Total
General Fund	$ 106	$ 10	$ 48,914	$ 49,030	$ 750,117	$ 799,147
Building Fund	205,719	-	-	205,719	-	205,719
Non-Major Governmental Funds	215,560	-	-	215,560	-	215,560
Total	$ 421,385	$ 10	$ 48,914	$ 470,309	$ 750,117	$ 1,220,426

All balances resulted from lag time between the date that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Operating Transfers

Interfund transfers for the year ended June 30, 2013, consisted of the following:

	Transfer From		
Transfer To	General Fund	Retiree Benefit Trust	Total
General Fund	$ -	$ 750,117	$ 750,117
Non-Major Governmental Funds	141,859	-	141,859
Total	$ 141,859	$ 750,117	$ 891,976

The Child Development Fund transferred to the General Fund for program oversight cost.	$ 141,859
The General Fund transferred to the Retiree Benefits Fund for District contribution.	750,117
Total	$ 891,976

Interfund transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 6 - ACCOUNTS PAYABLE

Accounts payable at June 30, 2013, consisted of the following:

	General Fund	Building Fund	Non-Major Governmental Funds	Total	Proprietary Funds	Fiduciary Funds
Vendor payables	$ 1,802,109	$ 227,607	$ 479,083	$ 2,508,799	$ 5,207	$ -
Salaries and benefits	3,645,529	-	1,373	3,646,902	2,562	20,353
Total	$ 5,447,638	$ 227,607	$ 480,456	$ 6,155,701	$ 7,769	$ 20,353

NOTE 7 - DEFERRED REVENUE

Deferred revenue at June 30, 2013, consists Federal financial assistance of $207,925.

NOTE 8 - TAX AND REVENUE ANTICIPATION NOTES (TRANS)

On March 22, 2012, the District had outstanding Tax and Revenue Anticipation Notes in the amount of $12,350,000 which matured on September 27, 2012. On April 24, 2013, the District issued $18,000,000 Tax and Revenue Anticipation Notes bearing interest at 0.16%. The notes were issued to supplement cash flows. Interest and principal are due and payable on October 1, 2013. The District has recorded the cash available to make the principal and interest payments as investment and with the corresponding liability as a current loan.

Changes in the outstanding liabilities for the Tax and Revenue Anticipation Notes are as follows:

Issue Date	Rate	Maturity Date	Outstanding July 1, 2012	Additions	Payments	Outstanding June 30, 2013
March 22, 2012	0.30%	September 27, 2012	$ 16,400,000	$ -	$ 16,400,000	$ -
April 30, 2013	0.16%	October 1, 2013	-	18,000,000	67,477	17,932,523
			$ 16,400,000	$ 18,000,000	$ 16,467,477	$ 17,932,523

NOTE 9 - LONG-TERM OBLIGATIONS

Summary

The changes in the District's long-term obligations during the year consisted of the following:

	Balance July 1, 2012	Addition	Accretion	Deductions	Balance June 30, 2013	Due in One Year
General obligation bonds	$225,430,975	$ -	$ 7,358,376	$ 4,175,000	$228,614,351	$ 5,270,000
Add: Premium	18,349,792	-	-	987,450	17,362,342	987,449
Subtotal general obligation bonds	243,780,767	-	7,358,376	5,162,450	245,976,693	6,257,449
Repayment of grant revenue	-	140,815	-	-	140,815	50,000
Accumulated vacation - net	677,313	19,429	-	-	696,742	-
OPEB Liability	1,100,236	334,400	-	750,117	684,519	-
	$245,558,316	$ 494,644	$ 7,358,376	$ 5,912,567	$247,498,769	$ 6,307,449

Payments on the general obligation bonds are made by the bond interest and redemption fund with local revenues. The accrued vacation will be paid by the fund for which the employee worked. OPEB liability will be paid by the Retiree Benefits Trust.

Bonded Debt

The outstanding general obligation bonded debt is as follows:

Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 1, 2012	Interest Accretion	Redeemed	Bonds Outstanding June 30, 2013
2002	2020	3.0-12.0%	53,785,000	$ 26,455,000	$ -	$ 2,840,000	$ 23,615,000
2003	2030	4.0-8.0%	29,999,985	44,662,165	2,311,679	550,000	46,423,844
2006	2030	4.6-6.0%	16,745,000	16,745,000	-	180,000	16,565,000
2006	2033	3.9-8.0%	29,999,346	35,113,188	1,113,493	300,000	35,926,681
2008	2031	3.9-8.0%	29,999,522	32,535,369	709,183	-	33,244,552
2009	2034	5.91-7.18%	25,000,928	30,870,508	2,347,769	-	33,218,277
2009	2021	3.0-5.0%	17,290,000	17,290,000	-	-	17,290,000
2012	2030	3.0-5.0%	21,688,104	21,759,745	876,252	305,000	22,330,997
				$ 225,430,975	$ 7,358,376	$ 4,175,000	$ 228,614,351

Debt Service Requirements to Maturity

The bonds mature through 2037 as follows:

Fiscal Year	Principal	Interest to Maturity	Accreted Interest	Total
2014	$ 5,035,948	$ 7,708,095	$ 234,052	$ 12,978,095
2015	6,205,479	7,142,471	334,521	13,682,471
2016	6,893,025	6,518,122	1,036,975	14,448,122
2017	7,791,838	5,849,449	1,573,162	15,214,449
2018	9,201,795	5,123,075	1,683,205	16,008,075
2019-2023	54,667,788	14,361,222	19,647,211	88,676,221
2024-2028	34,062,453	7,668,547	67,517,547	109,248,547
2029-2033	56,934,601	4,008,505	72,240,401	133,183,507
2034-2038	11,034,561		50,740,440	61,775,001
Total	191,827,488	$ 58,379,486	$ 215,007,514	$ 465,214,488
Accreted Interest	36,786,863			
	$ 228,614,351			

Repayment of grant revenue

The District is required to repay grant funds in the amount of $140,815 in total for Title I, EIA-LEP and Title III LEP as result of a recent review performed by CDE. The amount will be paid in the next three years.

Accumulated Unpaid Employee Vacation

The long-term portion of accumulated unpaid employee vacation for the District at June 30, 2013, amounted to $696,742.

Other Postemployment Benefit (OPEB) Obligation

The District's annual required contribution for the year ended June 30, 2013, was $334,400 and contributions made by the District during the year were $750,117 which resulted in an decrease to the net OPEB obligation of $417,717. See Note 10 for additional information regarding the OPEB obligation and the postemployment benefits plan.

NOTE 10 - POSTEMPLOYMENT HEALTH CARE PLAN AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) OBLIGATION

Plan Description

The New Haven Retired Employee Health and Welfare Benefits Plan and Trust for Board and Superintendent (the "Plan") is a single-employer defined benefit healthcare plan administered by the New Haven Unified School District. The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Membership of the Plan consists of eight retirees and beneficiaries currently receiving benefits and five active plan members. The Plan is presented in these financial statements as the New Haven Retired Employee Health and Welfare Benefit Plan Trust for Board and Superintendent Fund. Separate financial statements are not prepared for the Trust.

Contribution Information

The contribution requirements of the District are established and may be amended by the District and the eligible plan members. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits. For fiscal year 2012-13, the District contributed $750,117 to the plan, the majority of which was used for current premiums.

Annual OPEB Cost and Net OPEB Obligation

The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial accrued liabilities (UAAL) (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 year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation to the Plan:

Annual required contribution	$	334,400
Contributions made		(750,117)
Decrease in net OPEB obligation		(415,717)
Net OPEB obligation, beginning of year		1,100,236
Net OPEB obligation, end of year	$	684,519

Trend Information

Trend information for annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation is as follows:

Year Ended June 30	Annual OPEB Cost	Actual Contribution	Percentage Contributed	Net OPEB Obligation
2013	$ 334,400	$ 750,007	224%	$ 684,519
2012	334,400	230,227	69%	1,100,236
2011	297,200	179,837	61%	878,700

Funded Status and Funding Progress

A schedule of funding progress as of the most recent actuarial valuations is as follow:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Level Percent of Payroll (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ([b - a] / c)
June 30, 2010	$ 401,300	$ 4,676,500	$ 4,275,200	9%	$ 255,800	1671%

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 to 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 of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2010, actuarial valuation, the Projected Unit Credit cost method was used. The actuarial assumptions included a 3.25 percent investment rate of return (net of administrative expenses). Healthcare cost trend rates ranged from an initial 7.5 percent to an ultimate rate of 5 percent. The cost trend rate used for the Dental program was 1.5 percent for the initial year increasing to a rate of 5 percent each year. The UAAL is being amortized at a level dollar method over a static 20 years, beginning July 1, 2007.

NOTE 11 - FUND BALANCES

Fund balances with reservations and designations are composed of the following elements:

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total
Nonspendable					
Revolving cash	$ 48,000	$ -	$ -	$ 2,500	$ 50,500
Stores inventories	-	-	-	136,871	136,871
Prepaid expenditures	146,638	-	-	-	146,638
Total Nonspendable	194,638	-	-	139,371	334,009
Restricted					
Legally restricted programs	2,770,756	-	-	944,380	3,715,136
Special Revenue	-	-	-		-
Capital projects	-	7,000,355	-	1,595,446	8,595,801
Debt services	-	-	9,347,668		9,347,668
Total Restricted	2,770,756	7,000,355	9,347,668	2,539,826	21,658,605
Assigned					
Other	829,422	-	-	8,321	837,743
Total Assigned	829,422	-	-	8,321	837,743
Unassigned					
Reserve for economic uncertainties	3,972,798	-	-	-	3,972,798
Total Unassigned	3,972,798	-	-	-	3,972,798
Total	$ 7,767,614	$ 7,000,355	$ 9,347,668	$ 2,687,518	$ 26,803,155

NOTE 12 - RISK MANAGEMENT

Property and Liability

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year ending June 30, 2013, the District purchased commercial insurance for property and liability and general liability insurance coverage. Settled claims have not exceeded coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

Workers' Compensation

For fiscal year 2013, the District participated in the Alameda County Schools Insurance Group (ACSIG), an insurance purchasing pool. The intent of the ACSIG is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the ACSIG. The workers' compensation experience of the participating Districts is calculated as one experience and a common premium rate is applied to all Districts in the ACSIG. Each participant pays its workers ' compensation premium based on its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of each participated school districts. A participant will then either receive money from or be required to contribute to the "equity-pooling fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the ACSIG. Participation in the ACSIG is limited to Districts that can meet the ACSIG selection criteria.

Employee Medical Benefits

The District has contracted with the CalPERS to provide employee health benefits. CalPERS is a shared risk pool comprised of nearly 1.3 million members. It offers members and contracting employers three health maintenance organization (HMO) plans, three preferred provider organization (PPO) plans, and three special PPOs for members who belong to specific employee associations. Rates are set through an annual calculation process. The District pays a monthly contribution, which is placed in a common fund from which claim payments are made for all participating districts. Claims are paid for all participants regardless of claims flow. The Board of Directors has a right to return monies to a district subsequent to the settlement of all expenses and claims if a district withdraws from the pool.

NOTE 13 - EMPLOYEE RETIREMENT SYSTEMS

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

CalSTRS

Plan Description

The District contributes to the California State Teachers' Retirement System (CalSTRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement and disability benefits, annual cost-of-living adjustments and survivor benefits to beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 100 Waterfront Place, West Sacramento, CA 95605.

Funding Policy

Active plan members are required to contribute 8.0 percent of their salary and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by CalSTRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2012-2013 was 8.25 percent of annual payroll. The contribution requirements of the plan members are established by State statute. The District's contributions to CalSTRS for the fiscal years ending June 30, 2013, 2012, and 2011, were $4,361,504 $4,656,524, and $4,790,972, respectively, and equal 100 percent of the required contributions for each year.

CalPERS

Plan Description

The District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and survivor benefits to plan members and beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Laws. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95811.

Funding Policy

Active plan members are required to contribute 7.0 percent of their salary and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2012-2013 was 11.417 percent of covered payroll. The contribution requirements of the plan members are established by State statute. The District's contributions to CalPERS for the fiscal years ending June 30, 2013, 2012, and 2011, were $1,690,545, $1,727,975, and $1,185,726, respectively, and equal 100 percent of the required contributions for each year.

Tax Deferred Annuity/Social Security

As established by Federal law, all public sector employees who are not members of their employer's existing retirement system (CalSTRS or CalPERS) must be covered by Social Security or an alternative plan. The District has elected to use the TDA as its alternative plan. Contributions made by the District and an employee vest immediately. The District contributes 3.75 percent of an employee's gross earnings. An employee is required to contribute 3.75 percent of his or her gross earnings to the pension plan.

The District also allows employees to participate in the New Haven Unified School District 403(b) Tax Deferred Annuity Plan (TDA), which is a defined contribution pension plan. A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participants' benefits that may be allocated to such participant's account.

On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS in the amount of $3,088,339 (5.176 percent of annual payroll). Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements. On behalf payments have been excluded from the calculation of available reserves, and have not been included in the budget amounts reported in the General Fund Budgetary Comparison Schedule.

NOTE 14 - COMMITMENTS AND CONTINGENCIES

Grants

The District received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2013.

Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2013.

Construction Commitments

As of June 30, 2013, the District had the following commitments with respect to the unfinished capital projects:

Capital Project	Remaining Construction Commitment	Expected Date of Completion
Restroom Addition at Alvarado & Eastin Elementary	$ 338,000	Aug-13

NOTE 15 - PARTICIPATION IN PUBLIC ENTITY RISK POOLS, JOINT POWER AUTHORITIES AND OTHER RELATED PARTY TRANSACTIONS

The District is a member of the Northern California ReLiEF, the Alameda County School s Insurance Group (ACSIG) public entity risk pools, the Mission Valley Regional Occupational Program (MVROP), the Mission Valley SELPA, and the Student Transportation of America (STA) joint powers authorities (JPA's). The District pays an annual premium to the applicable entity for its workers' compensation, and property liability coverage to Northern California ReLiEF and ACSIG. Payments for transportation services are paid to the STA. Regional Occupational apportionments are passed through to MVROP. The relationships between the District, the pools, and the JPA's are such that they are not component units of the District for financial reporting purposes.

These entities have budgeting and financial reporting requirements independent of member units and their financial statements are not presented in these financial statements; however, fund transactions between the entities and the District are included in these statements. Audited financial statements are generally available from the respective entities.

The District has appointed one board member to the Governing Board of ACSIG and two board members to the Governing Board of MVROP.

During the year ended June 30, 2013, the District made payments of $2,794,168, and $572,858 to ACSIG and Northern California ReLiEF respectively for risk management, workers compensation, and transportation.

REQUIRED SUPPLEMENTARY INFORMATION

NEW HAVEN UNIFIED SCHOOL DISTRICT

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			Variances - Positive (Negative) Final
	Original	Final	Actual	to Actual
REVENUES				
Revenue limit sources	$ 66,726,607	$ 66,698,295	$ 66,674,285	$ (24,010)
Federal sources	5,597,855	19,265,152	5,880,029	(13,385,123)
Other state sources	14,620,154	15,538,276	15,727,196	188,920
Other local sources	8,145,947	9,321,403	8,778,773	(542,630)
Total Revenues[1]	95,090,563	110,823,126	97,060,283	(13,762,843)
EXPENDITURES				
Current				
Certificated salaries	55,801,295	61,913,429	54,654,890	7,258,539
Classified salaries	12,005,969	13,233,175	12,249,666	983,509
Employee benefits	16,702,330	17,913,898	16,423,172	1,490,726
Books and supplies	2,328,419	7,030,913	1,533,888	5,497,025
Services and operating expenditures	7,712,890	10,559,668	8,454,399	2,105,269
Other outgo	1,104,842	1,251,868	1,239,836	12,032
Capital outlay	20,000	100,000	17,735	82,265
Debt service				
Principal	-	-	-	-
Interest and other	-	-	80,000	(80,000)
Total Expenditures[1]	95,675,745	112,002,951	94,653,586	17,349,365
Excess (Deficiency) of Revenues Over Expenditures	(585,182)	(1,179,825)	2,406,697	3,586,522
Other Financing Sources (Uses):				
Transfers in	172,008	203,796	141,859	(61,937)
Transfers out	(186,088)	201,088	(750,117)	(951,205)
Net Financing Sources (Uses)	(14,080)	404,884	(608,258)	(1,013,142)
NET CHANGE IN FUND BALANCES	(599,262)	(774,941)	1,798,439	2,573,380
Fund Balance - Beginning	5,539,753	5,539,753	5,539,753	-
Fund Balance - Ending	$ 4,940,491	$ 4,764,812	$ 7,338,192	$ 2,573,380

[1] On behalf payments of $3,088,339 are included in the actual revenues and expenditures, but have not been included in the budget amounts. In addition, due to the consolidation of Fund 11, Adult Education Fund and Fund 17, Special Reserve Fund for Other Than Capital Outlay Projects, for reporting purposes into the General Fund, additional revenues and expenditures pertaining to these other fund are not included in the revenues and expenditures.

NEW HAVEN UNIFIED SCHOOL DISTRICT

SCHEDULE OF OTHER POSTEMPLOYMENT BENEFITS (OPEB) FUNDING PROGRESS
FOR THE YEAR ENDED JUNE 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Level Percent of Payroll (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ([b - a] / c)
July 1, 2007	$ 419,200	$ 7,734,600	$ 7,315,400	5%	$ 423,500	1727%
June 30, 2010	$ 401,300	$ 4,676,500	$ 4,275,200	9%	$ 255,800	1671%

SUPPLEMENTARY INFORMATION

NEW HAVEN UNIFIED SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	2013 Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
Passed through California Department of Education (CDE):			
Adult Education - State Grant Programs			
Adult Basic Education and ESL	84.002A	14508	112,973
Adult Secondary Education	84.002	13978	29,212
English Literacy and Civics Education	84.002A	14109	97,636
No Child Left Behind			
Title I, Part A, Basic Grants-Low Income	84.010	14981	1,384,883
Title 1, Part A, Program Improvement LEA Corrective Action, Extensive Performance Problems	84.010	14955	59,983
Title I, Part C, Migrant Education, Regular	84.011	14326	163,797
Title I, Migrant Education Summer Program	84.011	10005	38,632
Title II, Part D, Enhancing Education Through Technology	84.318	14334	1,854
Title II, Part A, Improving Teacher Quality Local Grants	84.367	14341	286,598
Title III - Limited English Proficiency (LEP)	84.365	10084	274,224
Title IV, Part B, 21st Century Community Learning Centers	84.287	14349	451,522
Special Education IDEA (PL 94-142)			
Basic Local Assistance Entitlement	84.027	13379	1,943,959
Local Assistance, Part B, Section 611, Private school	84.027	10115	21,996
Mental Health Allocation Plan, Part B, Section 611	84.027	14468	160,240
Preschool Grants, Part B, Section 619	84.173	13430	75,125
Preschool Local Entitlement, Part B, Section 611	84.027A	13682	128,233
Preschool Staff Development,Part B, Section 619	84.173A	13431	554
Vocational Educational (Carl Perkins Act)			
Technology Secondary IIC, Section 131	84.048	13924	63,751
Race to the Top - District	84.416	1	544,013
Total U.S. Department of Education			5,839,185

See accompanying note to supplementary information.

NEW HAVEN UNIFIED SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through California Department of Education (CDE):			
Medical Assistance Program - Administrative Activities (MAA)	93.778	10060	210,775
Medical Assistance Program - Medi-Cal Billing Option	93.778	10013	67,776
Total U.S. Department of Health and Human Services			278,551
DEPARTMENT OF COMMERCE			
Passed through California Department of Education (CDE):			
Educational Partnership Program - NOAA B-WET	11.429	1	2,113
U.S. DEPARTMENT OF AGRICULTURE			
Passed through California Department of Education (CDE):			
Child Nutrition			
National School Lunch Program	10.555	13524	1,994,048
Meal Supplements	10.555	13396	22,920
Especially Needy Breakfast	10.553	13526	275,041
Child Nutrition - Centers And Family Day Care	10.558	13393	45,525
Fair Market Value of Commodities [2]	10.565	13396	213,127
Total U.S. Department of Agriculture			2,550,661
Total Expenditures of Federal Awards			8,670,510

1 Pass-Through Entity Identifying Number not available
2 Amount not included in the financial statements

See accompanying note to supplementary information.

NEW HAVEN UNIFIED SCHOOL DISTRICT

LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
JUNE 30, 2013

ORGANIZATION

The New Haven Unified School District was established in 1965 and encompasses approximately 18 square miles within Union City and 7.5 square miles within the City of Hayward for a total of 25.5 square miles. The District operates eight elementary schools, three middle schools, one comprehensive high school, one continuation school, one opportunity school, an adult school and a regional occupational program. There were no District boundary changes during the year.

GOVERNING BOARD

MEMBER	OFFICE	TERM EXPIRES
Linda Canlas	President	2014
Jonas Dino	Clerk	2016
Michael Ritchie	Member	2016
Michelle Matthews	Member	2016
Sarabjit Cheema	Member	2014

ADMINISTRATION

NAME	TITLE
Kari McVeigh	Superintendent
Akur Varadarajan	Chief Business Officer

See accompanying note to supplementary information.

NEW HAVEN UNIFIED SCHOOL DISTRICT

SCHEDULE OF AVERAGE DAILY ATTENDANCE
FOR THE YEAR ENDED JUNE 30, 2013

	Final Report	
	Second Period Report	Annual Report
ELEMENTARY		
Kindergarten	866	869
First through third	2,664	2,666
Fourth through sixth	2,594	2,593
Seventh and eighth	1,829	1,832
Opportunity schools	-	-
Home and hospital	1	1
Special education	317	324
Total Elementary	8,270	8,284
SECONDARY		
Regular classes	3,700	3,685
Continuation education	187	190
Opportunity schools	-	-
Home and hospital	1	1
Special education	170	169
Total Secondary	4,059	4,045
Total K-12	12,329	12,329

See accompanying note to supplementary information.

NEW HAVEN UNIFIED SCHOOL DISTRICT

SCHEDULE OF INSTRUCTIONAL TIME
FOR THE YEAR ENDED JUNE 30, 2013

Grade Level	1982-83 Actual Minutes	Reduced 1982-83 Actual Minutes	1986-87 Minutes Requirement	Reduced 1986-87 Minutes Requirement	2012-13 Actual Minutes		Number of Days Traditional Calendar	Number of Days Multitrack Calendar	Status
Kindergarten	32,415	31,515	36,000	35,000	35,000		175	N/A	Complied
Grades 1 - 3	46,004	44,726	50,400	49,000					
Grade 1					50,995		175	N/A	Complied
Grade 2					50,995		175	N/A	Complied
Grade 3					50,995		175	N/A	Complied
Grades 4 - 6	46,004	44,726	54,000	52,500					
Grade 4					50,995	1	175	N/A	Complied
Grade 5					50,995	1	175	N/A	Complied
Grade 6					54,592		175	N/A	Complied
Grades 7 - 8	55,580	54,036	54,000	52,500					
Grade 7					54,592		175	N/A	Complied
Grade 8					54,592		175	N/A	Complied
Grades 9 - 12	57,930	56,321	64,800	63,000					
Grade 9					64,022		175	N/A	Complied
Grade 10					64,022		175	N/A	Complied
Grade 11					64,022		175	N/A	Complied
Grade 12					64,022		175	N/A	Complied

1 Complied using the weighted average method, see below:

Weighted average calculation for Elementary Grade 4 & Grade 5:

Minimium Instructional Minutes required

Grade 1 - 3	3x49,000 min.	=	147,000
Grade 4 - 5	2x52,500 min.	=	105,000
Total 1-5		=	252,000
Avg. Instructional Min.required		=	**50,400**

Actual Instructional Minutes from the sites

Grade 1 - 3	3x 50,995 min.	=	152,985
Grade 4 - 5	2x 50,995 minu	=	101,990
Total		=	254,975
Actual Avg. of Instructional Min.			**50,995**

Weighted average of instructional minutes are used for Alvarado, Eastin, Emanuele, Hillview Crest, Kitayama, Pioneer, and Searles Elementary Schools.

See accompanying note to supplementary information.

NEW HAVEN UNIFIED SCHOOL DISTRICT

RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

Summarized below are the reconciliations between the Unaudited Acutals and the audited financial statements:

FORM ASSET		Form Asset
Total Capital Assets, June 30, 2013, Unaudited Actuals	$	226,120,769
Increase in:		
Land		-
Work in process		801,559
Land improvement		-
Buildings		690,288
Equipment		(62,477)
Accumulated depreciation		7,038
Total Capital Assets, June 30, 2013, Audited Financial Statement	$	227,557,177

FORM DEBT		Form Debt
Total Liabilities, June 30, 2013, Unaudited Actuals	$	234,451,421
Decrease in:		
General obligation bonds		3,899,277
Postemployment benefit liability (OPEB)		415,717
Other General Long-Term Debt		-
Increase in:		
Bond premium, net of amortization		17,362,342
Total Liabilities, June 30, 2013, Audited Financial Statement	$	247,498,769

See accompanying note to supplementary information.

NEW HAVEN UNIFIED SCHOOL DISTRICT

SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013

	(Budget) 2014 [1]	2013	2012	2011
GENERAL FUND [4]				
Revenues	$ 112,821,040	$ 97,060,283	$ 100,434,086	$ 103,899,859
Other sources	39,500	141,859	2,590,380	1,960,950
Total Revenues and Other Sources	112,860,540	97,202,142	103,024,466	105,860,809
Expenditures	113,276,842	93,281,317	102,430,519	106,467,004
Other uses and transfers out	281,088	2,122,386	200,000	30,000
Total Expenditures and Other Uses	113,557,930	95,403,703	102,630,519	106,497,004
INCREASE (DECREASE) IN FUND BALANCE	$ (697,390)	$ 1,798,439	$ 393,947	$ (636,195)
ENDING FUND BALANCE	$ 6,640,802	$ 7,338,192	$ 5,539,753	$ 5,145,806
AVAILABLE RESERVES [2]	$ 4,052,645	$ 3,972,798	$ 3,063,647	$ 3,160,013
AVAILABLE RESERVES AS A PERCENTAGE OF TOTAL OUTGO [3]	3.57%	4.30%	3.07%	3.04%
LONG-TERM OBLIGATIONS	$ 241,191,320	$ 247,498,469	$ 245,558,316	$ 253,496,874
K-12 AVERAGE DAILY ATTENDANCE AT P-2	12,309	12,330	12,410	12,435

The General Fund balance has increased by $2,192,386 over the past two years. The fiscal year 2013-2014 budget projects a decrease of $697,390 (9.5 percent). For a district this size, the State recommends available reserves of at least 3 percent of total General Fund expenditures, transfers out, and other uses (total outgo).

The District has incurred an operating surplus in two of the past three years and anticipates incurring an operating deficit during the 2013-2014 fiscal year. Total long-term debt has decreased by $5,998,405 over the past two years.

Average daily attendance has decreased by 105 over the past two years. A decrease of 21 ADA is anticipated during fiscal year 2013-2014.

1 Budget 2014 is included for analytical purposes only and has not been subjected to audit.
2 Available reserves consist of all unassigned fund balances including all amounts reserved for economic uncertainties contained within the General Fund and the Special Reserve Fund for Other Capital Outlay Projects.
3 On-behalf payments have been excluded from the calculation of available reserves.
4 General Fund amounts do not include activities related to the consolidation of the Fund 11, Adult Education and the Fund 17, Special Reserve Non-Capital Fund as required by GASB Statement No. 54.

See accompanying note to supplementary information.

NEW HAVEN UNIFIED SCHOOL DISTRICT

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2013

	Child Development Fund	Cafeteria Fund	Capital Facilities Fund
ASSETS			
Deposits and investments	$ 366,383	$ 712,613	$ 645,003
Receivables	245,405	414,114	135
Due from other funds	2,381	1,076	-
Stores inventories	-	136,871	-
Total Assets	$ 614,169	$ 1,264,674	$ 645,138
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 471,322	$ 8,974	$ 160
Due to other funds	142,847	163,628	-
Total Liabilities	614,169	172,602	160
Fund Balances:			
Nonspendable	-	139,371	-
Restricted	-	952,701	644,978
Total Fund Balance	-	1,092,072	644,978
Total Liabilities and Fund Balances	$ 614,169	$ 1,264,674	$ 645,138

See accompanying note to supplementary information.

Special Reserve Capital Outlay Fund	Non Major Governmental Funds	Total Governmental Funds
$ 899,513	$ 2,623,512	$ 33,782,046
5,498	665,152	17,783,867
45,457	48,914	470,309
-	136,871	136,871
$ 950,468	$ 3,474,449	$ 52,319,731
$ -	$ 480,456	$ 6,155,701
-	306,475	1,220,427
-	786,931	25,516,576
-	139,371	16,682,032
950,468	2,548,147	5,318,903
950,468	2,687,518	26,803,155
$ 950,468	$ 3,474,449	$ 52,319,731

NEW HAVEN UNIFIED SCHOOL DISTRICT

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013

	Child Development Fund	Cafeteria Fund	Capital Facilities Fund
REVENUES			
Federal sources	$ -	$ 2,337,534	$ -
Other state sources	1,633,782	182,583	-
Other local sources	804	1,124,088	210,213
Total Revenues	1,634,586	3,644,205	210,213
EXPENDITURES			
Current			
Instruction	1,492,727	-	-
Pupil services:			
Food services	-	3,235,016	-
All other general administration	-	132,433	-
Plant services	-	114,976	2,455
Facility acquisition and construction	-	27,691	-
Total Expenditures	1,492,727	3,510,116	2,455
Excess (Deficiency) of Revenues Over Expenditures	141,859	134,089	207,758
Other Financing Sources (Uses):			
Transfers out	(141,859)	-	-
Net Financing Sources (Uses)	(141,859)	-	-
NET CHANGE IN FUND BALANCES	-	134,089	207,758
Fund Balance - Beginning	-	957,983	437,220
Fund Balance - Ending	$ -	$ 1,092,072	$ 644,978

See accompanying note to supplemental information.

Special Reserve Capital Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ -	$ 2,337,534	8,457,384
-	1,816,365	17,658,117
571,844	1,906,949	23,012,034
571,844	6,060,848	115,801,820
-	1,492,727	68,347,007
-	3,235,016	3,235,016
-	132,433	3,697,513
-	117,431	9,600,312
47,643	75,334	1,518,112
47,643	5,052,941	113,697,550
524,201	1,007,907	2,104,270
-	(141,859)	(891,976)
-	(141,859)	(750,117)
524,201	866,048	1,354,153
426,267	1,821,470	25,449,002
$ 950,468	$ 2,687,518	$ 26,803,155

NEW HAVEN UNIFIED SCHOOL DISTRICT

WELFARE BENEFIT PLANS
STATEMENTS OF PLAN NET POSITION
JUNE 30, 2013 AND 2012

	New Haven Retired Employee Health and Welfare Benefit Plan and Trust for Certificated and Management Employees		New Haven Retired Employee Health and Welfare Benefit Plan and Trust for Classified Employees		New Haven Retired Employee Health and Welfare Benefit Plan and Trust for Board and Superintendent		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
ASSETS								
Cash in County Treasury		$ 6,829		$ 21,731		$ -	$ -	$ 28,560
Plan sponsor receivable	433,988	440,613	21,730	45	-	4	455,718	440,662
Due from other funds	-	4,077	-	110	750,117	114,339	750,117	118,526
Total Assets	433,988	451,519	21,730	21,886	750,117	114,343	1,205,835	587,748
LIABILITIES								
Overdrafts	418,188	-	18,870	-	181,476	8,449	618,534	8,449
Accounts payable	15,800	451,519	2,860	11,806	1,693	72,094	20,353	535,419
Due to other funds	-	-	-	10,080	-	-	-	10,080
Total Liabilities	433,988	451,519	21,730	21,886	183,169	80,543	638,887	553,948
Net position held in trust for OPEB	$ -	$ -	$ -	$ -	$ 566,948	$ 33,800	$ 566,948	$ 33,800

See accompanying note to supplemental information.

NEW HAVEN UNIFIED SCHOOL DISTRICT

WELFARE BENEFIT PLANS
STATEMENTS OF CHANGES IN PLAN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012

	New Haven Retired Employee Health and Welfare Benefit Plan and Trust for Certificated and Management Employees		New Haven Retired Employee Health and Welfare Benefit Plan and Trust for Classified Employees		New Haven Retired Employee Health and Welfare Benefit Plan and Trust for Board and Superintendent		Total	
ADDITIONS TO NET POSITION								
Employer contributions	$ 255,418	$ 268,320	$ 142,746	$ 154,583	$ 750,117	$ 231,631	$ 1,148,281	$ 654,534
Transfers from investments	433,988	440,612	21,730	-	-	-	455,718	440,612
Investment income (loss)	429	(1,862)	111	169	(131)	(237)	409	(1,930)
Total Additions	689,834	707,070	164,587	154,752	749,987	231,394	1,604,408	1,093,216
DEDUCTIONS FROM NET POSITION								
Benefits paid to participants	664,794	637,470	153,787	138,552	209,916	192,753	1,028,498	968,775
Transfer to investments	-	-	-	123,845	-	-	-	123,845
Administrative costs	25,040	69,600	10,800	27,200	6,922	4,841	42,762	101,641
Total Deductions	689,834	707,070	164,587	289,597	216,838	197,594	1,071,260	1,194,261
Net Increase	-	-	-	(134,845)	533,148	33,800	533,148	(101,045)
NET POSITION HELD IN TRUST FOR OPEB								
Beginning of Year	-	-	-	134,845	33,800	-	33,800	134,845
End of Year	$ -	$ -	$ -	$ -	$ 566,948	$ 33,800	$ 566,948	$ 33,800

See accompanying note to supplemental information.

NOTE TO SUPPLEMENTARY INFORMATION
JUNE 30, 2013

NOTE 1 - PURPOSE OF SCHEDULES

Schedule of Expenditures of Federal Awards

The accompanying schedule of expenditures of Federal awards includes the Federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the United States Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

The following schedule provides reconciliation between revenues reported on the Statement of Revenues, Expenditures and Changes in Fund Balance and the related expenditures reported on the Schedule of Expenditures of Federal Awards. The reconciliation amounts represent expenditures reported on the Schedule of Expenditure of Federal Awards.

Description	CFDA Number	Amount
Total Federal Revenues From the Statement of Revenues, Expenditures and Changes in Fund Balances:		$ 8,457,383
Commodities Received	10.555	213,126
Total Schedule of Expenditures of Federal Awards		$ 8,670,509

Local Education Agency Organization Structure

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

Schedule of Average Daily Attendance (ADA)

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

Schedule of Instructional Time

The District has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day. This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of *Education Code* Sections 46200 through 46206.

Districts must maintain their instructional minutes at either the 1982-83 actual minutes or the 1986-87 requirement, whichever is greater, as required by Section 46201.

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

Schedule of Financial Trends and Analysis

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

Non-Major Governmental Funds - Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance

The Non-Major Governmental Funds Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balance is included to provide information regarding the individual funds that have been included in the Non-Major Governmental Funds column on the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance.

Combining Statements – Fiduciary Trust Funds – Plan Net Position and Changes in Plan Net Position

The Welfare Benefits Plans Statements of Plan Net Position and Statement of Changes in Plan Net Position is included to provide information regarding the individual Trust that have been included in the Welfare Benefits Plans columns on the Net Position and Changes in Plan Net Position Statements.

Supplementary Information Unaudited

NEW HAVEN UNIFIED SCHOOL DISTRICT

ASSESSED VALUATION OF TAXABLE PROPERTIES AND SECURED TAX CHARGES AND DELINQUENCIES WITHIN THE NEW HAVEN UNIFIED SCHOOL DISTRICT BOUNDARIES - UNAUDITED
FOR THE YEAR ENDED JUNE 30, 2013

The total assessed valuation of taxable properties with the New Haven Unified School District boundaries are:

Secured	$	8,737,550,177
Unsecured		500,123,524
State Utility		2,414,628
Total 2012-13 Assessed Valuation	$	9,240,088,329

NOTE TO SUPPLEMENTARY INFORMATION - UNAUDITED
JUNE 30, 2013

NOTE 1 - PURPOSE OF SCHEDULES - UNAUDITED

Assessed Valuation of Taxable Properties and Secured Tax Charges and Delinquencies Within the New Haven Unified School District Boundaries

As part of the District's continuing disclosure certification for reporting to official depositories, the assessed valuation of taxable properties and secured tax charges and delinquencies within the New Haven Unified School District boundaries have been presented. This information was prepared by the Auditor/Controller's Office of Alameda County. We have not audited, and therefore do not express an opinion on this information.

INDEPENDENT AUDITORS' REPORTS

VAVRINEK, TRINE, DAY
& COMPANY, LLP
Certified Public Accountants

VALUE THE DIFFERENCE

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

Governing Board
New Haven Unified School District
Union City, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of New Haven Unified School District (the District) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise New Haven Unified School District's basic financial statements, and have issued our report thereon dated December 11, 2013.

Internal Control Over Financial Reporting

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

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

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

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Compliance and Other Matters

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

We noted certain matters that we reported to management of New Haven Unified School District in a separate letter dated December 11, 2013.

Purpose of This Report

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

Vavrinek, Trine, Day & Co., LLP

Pleasanton, California
December 11, 2013

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Governing Board
New Haven Unified School District
Union City, California

Report on Compliance for Each Major Federal Program

We have audited New Haven Unified School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of New Haven Unified School District's (the District) major Federal programs for the year ended June 30, 2013. New Haven Unified School District's major Federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of New Haven Unified School District's major Federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about New Haven Unified School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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Opinion on Each Major Federal Program

In our opinion, New Haven Unified School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of New Haven Unified School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered New Haven Unified School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of New Haven Unified School District's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Vavrinek, Trine, Day & Co., LLP

Pleasanton, California
December 11, 2013

VAVRINEK, TRINE, DAY
& COMPANY, LLP
Certified Public Accountants

VALUE THE DIFFERENCE

INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Governing Board
New Haven Unified School District
Union City, California

Report on State Compliance

We have audited New Haven Unified School District's compliance with the types of compliance requirements as identified in the *Standards and Procedures for Audit of California K-12 Local Educational Agencies 2012-2013* that could have a direct and material effect on each of the New Haven Unified School District's State government programs as noted below for the year ended June 30, 2013.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its State's programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance of each of the New Haven Unified School District's State programs based on our audit of the types of compliance requirements referred to above. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Standards and Procedures for Audits of California K-12 Local Educational Agencies 2012-2013*. These standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the applicable government programs noted below. An audit includes examining, on a test basis, evidence about New Haven Unified School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of New Haven Unified School District's compliance with those requirements.

Unmodified Opinion

In our opinion, New Haven Unified School District complied, in all material respects, with the compliance requirements referred to above that are applicable to the government programs noted below that were audited for the year ended June 30, 2013.

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

	Procedures in Audit Guide	Procedures Performed
Attendance Accounting:		
Attendance Reporting	6	Yes
Teacher Certification and Misassignments	3	Yes
Kindergarten Continuance	3	Yes
Independent Study	23	Yes
Continuation Education	10	Yes
Instructional Time:		
School Districts	6	Yes
County Offices of Education	3	Not Applicable
Instructional Materials:		
General Requirements	8	Yes
Ratios of Administrative Employees to Teachers	1	Yes
Classroom Teacher Salaries	1	Yes
Early Retirement Incentive	4	Not Applicable
Gann Limit Calculation	1	Yes
School Accountability Report Card	3	Yes
Juvenile Court Schools	8	Not Applicable
Class Size Reduction Program (including in charter schools):		
General Requirements	7	Yes
Option One Classes	3	Yes
Option Two Classes	4	Not Applicable
Districts or Charter Schools With Only One School Serving K-3	4	Not Applicable
After School Education and Safety Program:		
General Requirements	4	Not Applicable
After School	5	Not Applicable
Before School	6	Not Applicable
Charter Schools:		
Contemporaneous Records of Attendance	1	Not Applicable
Mode of Instruction	1	Not Applicable
Non Classroom-Based Instruction/Independent Study	15	Not Applicable
Determination of Funding for Non Classroom-Based Instruction	3	Not Applicable
Annual Instruction Minutes Classroom-Based	4	Not Applicable

Vavrinek, Trine, Day & Co., LLP

Pleasanton, California
December 11, 2013

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

NEW HAVEN UNIFIED SCHOOL DISTRICT

SUMMARY OF AUDITORS' RESULTS
FOR THE YEAR ENDED JUNE 30, 2013

FINANCIAL STATEMENTS	
Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No
FEDERAL AWARDS	
Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133?	No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.416	Race to the Top District
84.027, 84.027A, 84.173, 84.173A	Special Education Cluster
84.287	21st Century Learning Centers

Dollar threshold used to distinguish between Type A and Type B programs:	$ 300,000
Auditee qualified as low-risk auditee?	Yes
STATE AWARDS	
Type of auditors' report issued on compliance for programs:	Unmodified

NEW HAVEN UNIFIED SCHOOL DISTRICT

FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2013

None reported.

NEW HAVEN UNIFIED SCHOOL DISTRICT

FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

None reported.

STATE AWARDS FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

None reported.

NEW HAVEN UNIFIED SCHOOL DISTRICT

SUMMARY OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2013

Except as specified in previous sections of this report, summarized below is the current status of all audit findings reported in the prior year's schedule of financial statement findings.

Financial Statement Findings

2012-1 Attendance (10000)

Criteria or Specific Requirements
Education Code Sections 14502, 14503, and 41020 require accurate reporting of Average Daily Attendance (ADA).

Condition
During our review of attendance records at Conley Carabello School, we noted that the students in one class received apportionment for two days (1/16/12 and 1/23/12) when the school was closed. After further investigation, it appears that the error was due to the school calendar for those days were incorrectly entered in the attendance software as attendance days.

Questioned Costs
.54 ADA - $2,802

Effect
ADA is overstated by the two days claimed for the independent study students in the class.

Cause
Bell schedules were not properly entered in the attendance software.

Recommendation
The District should implement procedures to include monitor and review the attendance calendar to ensure that school days are entered correctly in the attendance system prior to school starts to ensure proper attendance reporting.

Current Status
Implemented

APPENDIX D

COUNTY INVESTMENT REPORT

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ALAMEDA COUNTY

Attachment I

COMPOSITION OF TREASURER'S CASH POOL
May 31, 2014

The following summarizes the profile of the investment portfolio by category as of May 31, 2014

Securities		Book Value*	Percentage Held	Percentage Allowed by Section 53601 - Investment Policy
LAIF		50,000,000.00	1.41%	N.A.
Certificate of Deposit		61,000,000.00	1.72%	no limit
Commercial Paper		299,696,055.28	8.45%	25%
Money Market Mutual Funds		179,000,000.00	5.04%	20%
Collateralized Money Market Bank A/C		195,000,000.00	5.50%	N.A.
Federal Agency Notes & Bonds		1,961,207,471.33	55.27%	no limit
Federal Agency Discount Notes		74,955,416.66	2.11%	no limit
Medium Term Notes		170,986,514.00	4.82%	30%
Negotiable CD		300,000,000.00	8.46%	30%
Treasury Securities - Coupon		49,960,937.50	1.41%	no limit
Municipal Securities		38,315,200.00	1.08%	no limit
Joint Powers Authority	$	140,000,000.00	3.95%	N.A.
Total Investments	**$**	**3,520,121,594.77**	**99.21%**	
Cash in Bank and on Hand	$	27,995,772.70	0.79%	
Total Treasurer's Pool	**$**	**3,548,117,367.47**	**100.00%**	

*The Book Value is obtained from the Union Bank Custodial Report

Alameda County Treasury
Portfolio Management
Investment Status Report - Investments
May 31, 2014

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase Date	YTM 360	YTM 365	Accrued Interest At Purchase	Current Principal	Book Value
Certificates of Deposit - Bank											
SYS10522	10522	BAYCOM	5,250,000.00	0.400	07/09/2014	01/10/2014	0.400	0.406		5,250,000.00	5,250,000.00
SYS10520	10520	COMBK	5,000,000.00	0.500	09/12/2014	12/12/2013	0.493	0.500		5,000,000.00	5,000,000.00
SYS10523	10523	SUMMIT	500,000.00	0.450	03/03/2015	03/03/2014	0.450	0.456		500,000.00	500,000.00
SYS10524	10524	TORREY	40,000,000.00	0.200	10/02/2014	04/04/2014	0.200	0.203		40,000,000.00	40,000,000.00
SYS10521	10521	TRIVAL	5,250,000.00	0.200	07/12/2014	01/02/2014	0.200	0.203		5,250,000.00	5,250,000.00
SYS10525	10525	UB-LOC	5,000,000.00	0.200	04/16/2015	04/16/2014	0.200	0.203		5,000,000.00	5,000,000.00
	Certificates of Deposit - Bank Totals		**61,000,000.00**				**0.243**	**0.247**	**0.00**	**61,000,000.00**	**61,000,000.00**
Commercial Paper - Discount											
06367KFB0	27273	BMO	50,000,000.00	0.160	06/11/2014	02/11/2014	0.162	0.165		49,973,333.33	49,973,333.33
06416KFG0	27271	BNS	50,000,000.00	0.210	06/16/2014	12/16/2013	0.213	0.216		49,946,916.50	49,946,916.50
89116FJQ4	27274	TD	50,000,000.00	0.160	09/24/2014	03/26/2014	0.162	0.165		49,959,555.56	49,959,555.56
89116FMX5	27275	TD	50,000,000.00	0.200	12/31/2014	04/07/2014	0.203	0.206		49,925,555.56	49,925,555.56
90526NFR1	27270	UBOC	50,000,000.00	0.230	06/25/2014	12/16/2013	0.233	0.237		49,938,986.00	49,938,986.00
90526NKA2	27276	UBOC	50,000,000.00	0.190	10/10/2014	04/10/2014	0.193	0.196		49,951,708.33	49,951,708.33
	Commercial Paper - Discount Totals		**300,000,000.00**				**0.195**	**0.197**	**0.00**	**299,696,055.28**	**299,696,055.28**
Federal Agency Issues - Coupon											
3133EAZK7	32930	FFCB	5,000,000.00	0.970	07/24/2017	07/25/2012	0.957	0.970	Received	5,000,000.00	5,000,000.00
3133EAUM8	32932	FFCB	5,960,000.00	0.375	06/18/2014	07/26/2012	0.301	0.305	Received	5,967,867.20	5,967,867.20
3133EAZK7	32933	FFCB	5,000,000.00	0.970	07/24/2017	07/26/2012	0.962	0.975	Received	4,998,750.00	4,998,750.00
3133EAYL6	32935	FFCB	5,000,000.00	0.300	07/18/2014	07/27/2012	0.311	0.315	Received	4,998,500.00	4,998,500.00
3133EAA81	32938	FFCB	5,000,000.00	0.780	01/30/2017	07/30/2012	0.769	0.780		5,000,000.00	5,000,000.00
3133EAA81	32939	FFCB	5,000,000.00	0.780	01/30/2017	07/30/2012	0.769	0.780		5,000,000.00	5,000,000.00
3133EAYL6	32940	FFCB	5,000,000.00	0.300	07/18/2014	07/30/2012	0.317	0.321	Received	4,997,950.00	4,997,950.00
3133EAYL6	32941	FFCB	5,000,000.00	0.300	07/18/2014	07/30/2012	0.317	0.321	Received	4,997,950.00	4,997,950.00
3133EAK98	32955	FFCB	7,500,000.00	0.850	02/15/2017	08/24/2012	0.838	0.850	Received	7,500,000.00	7,500,000.00
3133EAZ68	32968	FFCB	5,000,000.00	0.400	09/25/2015	09/25/2012	0.395	0.400		5,000,000.00	5,000,000.00
3133EA2P2	32969	FFCB	5,000,000.00	0.590	06/27/2016	09/27/2012	0.624	0.633		5,000,000.00	5,000,000.00
3133EA2L1	32970	FFCB	5,000,000.00	0.720	12/27/2016	09/27/2012	0.755	0.766		5,000,000.00	5,000,000.00
3133EA3K2	32979	FFCB	5,000,000.00	0.620	10/11/2016	10/11/2012	0.637	0.645		4,995,000.00	4,995,000.00
3133EA4Q8	32991	FFCB	5,000,000.00	0.500	04/18/2016	10/18/2012	0.493	0.500		5,000,000.00	5,000,000.00
3133EA4Q8	32992	FFCB	5,000,000.00	0.500	04/18/2016	10/18/2012	0.493	0.500		5,000,000.00	5,000,000.00
3133EA4Q8	32993	FFCB	5,000,000.00	0.500	04/18/2016	10/18/2012	0.493	0.500		5,000,000.00	5,000,000.00
3133EC3B8	33022	FFCB	10,000,000.00	0.520	05/19/2016	11/19/2012	0.513	0.520		10,000,000.00	10,000,000.00

Alameda County Treasury
Portfolio Management
Investment Status Report - Investments
May 31, 2014

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase Date	YTM 360	YTM 365	Accrued Interest At Purchase	Current Principal	Book Value
Federal Agency Issues - Coupon											
3133EC3B8	33025	FFCB	10,000,000.00	0.520	05/19/2016	11/23/2012	0.543	0.550	Received	9,989,500.00	9,989,500.00
3133EC3F9	33026	FFCB	10,000,000.00	0.550	08/26/2016	11/26/2012	0.562	0.570		9,992,500.00	9,992,500.00
3133EC3F9	33027	FFCB	10,000,000.00	0.550	08/26/2016	11/26/2012	0.542	0.550		10,000,000.00	10,000,000.00
3133EC3F9	33028	FFCB	10,000,000.00	0.550	08/26/2016	11/26/2012	0.562	0.570		9,992,500.00	9,992,500.00
3133EC3B8	33029	FFCB	7,475,000.00	0.520	05/19/2016	11/28/2012	0.513	0.520	Received	7,475,000.00	7,475,000.00
3133EC5B6	33030	FFCB	10,000,000.00	0.640	11/29/2016	11/30/2012	0.644	0.653	Received	9,995,000.00	9,995,000.00
3133EA4F2	33032	FFCB	10,000,000.00	0.640	01/11/2017	12/06/2012	0.631	0.640	Received	10,000,000.00	10,000,000.00
3133ECAJ3	33044	FFCB	10,000,000.00	0.400	12/18/2015	12/18/2012	0.428	0.434		9,995,000.00	9,995,000.00
3133ECAJ3	33045	FFCB	10,000,000.00	0.400	12/18/2015	12/18/2012	0.427	0.433		9,990,000.00	9,990,000.00
3133ECAK0	33049	FFCB	25,000,000.00	0.670	03/20/2017	12/20/2012	0.690	0.700		24,968,750.00	24,968,750.00
3133ECAS3	33054	FFCB	15,000,000.00	0.450	03/21/2016	12/27/2012	0.459	0.466	Received	14,992,500.00	14,992,500.00
3133EC6V1	33062	FFCB	10,000,000.00	0.390	12/17/2015	01/10/2013	0.407	0.412	Received	9,993,500.00	9,993,500.00
3133ECAL8	33063	FFCB	10,000,000.00	0.730	06/19/2017	01/10/2013	0.743	0.753	Received	9,990,000.00	9,990,000.00
3133EA6W3	33066	FFCB	10,000,000.00	0.270	11/05/2014	01/18/2013	0.266	0.270	Received	10,000,000.00	10,000,000.00
3133ECCY8	33069	FFCB	5,000,000.00	0.650	01/17/2017	01/23/2013	0.641	0.650	Received	5,000,000.00	5,000,000.00
3133ECFN9	33086	FFCB	5,000,000.00	0.820	02/21/2017	02/21/2013	0.809	0.820		5,000,000.00	5,000,000.00
3133ECGF5	33090	FFCB	10,000,000.00	0.800	02/27/2017	02/27/2013	0.789	0.800		10,000,000.00	10,000,000.00
3133ECHB3	33094	FFCB	10,000,000.00	0.450	03/07/2016	03/07/2013	0.477	0.484		9,990,000.00	9,990,000.00
3133ECHB3	33095	FFCB	5,000,000.00	0.450	03/07/2016	03/07/2013	0.469	0.475		4,996,250.00	4,996,250.00
3133ECFN9	33098	FFCB	10,000,000.00	0.820	02/21/2017	03/11/2013	0.809	0.820	Received	10,000,000.00	10,000,000.00
3133ECHE7	33099	FFCB	5,000,000.00	0.350	09/11/2015	03/11/2013	0.345	0.350		5,000,000.00	5,000,000.00
3133ECJ96	33101	FFCB	12,100,000.00	0.470	03/18/2016	03/18/2013	0.475	0.482		12,095,765.00	12,095,765.00
3133ECJQ8	33103	FFCB	10,000,000.00	0.750	03/20/2017	03/20/2013	0.740	0.750		10,000,000.00	10,000,000.00
3133ECHV9	33106	FFCB	5,000,000.00	0.350	07/30/2015	03/21/2013	0.345	0.350	Received	5,000,000.00	5,000,000.00
3133ECK52	33110	FFCB	5,000,000.00	0.450	03/28/2016	03/28/2013	0.460	0.467		4,997,500.00	4,997,500.00
3133ECKG8	33111	FFCB	10,000,000.00	0.900	10/02/2017	04/02/2013	0.888	0.900		10,000,000.00	10,000,000.00
3133ECLA0	33116	FFCB	10,000,000.00	0.410	04/12/2016	04/12/2013	0.404	0.410		10,000,000.00	10,000,000.00
3133ECL77	33117	FFCB	10,000,000.00	0.200	10/15/2014	04/15/2013	0.197	0.200		10,000,000.00	10,000,000.00
3133ECRY2	33154	FFCB	5,000,000.00	0.950	03/13/2017	06/13/2013	0.937	0.950		5,000,000.00	5,000,000.00
3133ECRY2	33155	FFCB	10,000,000.00	0.950	03/13/2017	06/13/2013	0.937	0.950		10,000,000.00	10,000,000.00
3133ECTR5	33171	FFCB	5,000,000.00	0.500	07/02/2015	07/02/2013	0.493	0.500		5,000,000.00	5,000,000.00
3133ECU69	33174	FFCB	10,000,000.00	1.980	07/09/2018	07/09/2013	1.953	1.980		10,000,000.00	10,000,000.00
3133ECXL3	33185	FFCB	10,000,000.00	0.360	08/19/2015	08/22/2013	0.402	0.408	Received	9,990,500.00	9,990,500.00
3133ED2V3	33191	FFCB	10,000,000.00	0.400	09/24/2015	10/25/2013	0.360	0.365	Received	10,006,600.00	10,006,600.00
3133ED6G2	33193	FFCB	10,000,000.00	0.160	11/04/2014	11/04/2013	0.158	0.160		10,000,000.00	10,000,000.00

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3133ED6J6	33194	FFCB	15,000,000.00	0.350	11/04/2015	11/12/2013	0.345	0.350	Received	15,000,000.00	15,000,000.00
3133ED7L0	33195	FFCB	5,000,000.00	0.330	11/13/2015	11/13/2013	0.325	0.330		5,000,000.00	5,000,000.00
3133ED7L0	33196	FFCB	10,000,000.00	0.330	11/13/2015	11/13/2013	0.325	0.330		10,000,000.00	10,000,000.00
3133ECME1	33202	FFCB	6,000,000.00	0.441	04/25/2016	11/19/2013	0.477	0.484	Received	5,994,000.00	5,994,000.00
3133EDAL6	33206	FFCB	10,000,000.00	0.280	08/25/2015	11/25/2013	0.322	0.327		10,000,000.00	10,000,000.00
3133EDAL6	33207	FFCB	10,000,000.00	0.280	08/25/2015	11/25/2013	0.322	0.327		10,000,000.00	10,000,000.00
3133EDAL6	33208	FFCB	10,000,000.00	0.280	08/25/2015	11/25/2013	0.322	0.327		10,000,000.00	10,000,000.00
3133EDGA4	33238	FFCB	25,000,000.00	1.070	09/05/2017	03/05/2014	1.055	1.070		25,000,000.00	25,000,000.00
3133EDGA4	33239	FFCB	10,000,000.00	1.070	09/05/2017	03/05/2014	1.063	1.077		9,997,500.00	9,997,500.00
3133EDGK2	33244	FFCB	10,000,000.00	0.340	03/10/2016	03/10/2014	0.335	0.340		10,000,000.00	10,000,000.00
3133EDJU7	33259	FFCB	10,000,000.00	0.670	10/17/2016	04/17/2014	0.671	0.680		9,997,500.00	9,997,500.00
3133EA2L1	33272	FFCB	15,000,000.00	0.720	12/27/2016	05/29/2014	0.641	0.649	45,600.00	15,000,000.00	15,045,600.00
313379TL3	32905	FHLB	5,000,000.00	0.375	06/12/2014	06/13/2012	0.370	0.375	Received	5,000,000.00	5,000,000.00
313379TL3	32909A	FHLB	10,000,000.00	0.375	06/12/2014	06/20/2012	0.384	0.389		9,998,000.00	9,998,000.00
313379TL3	32916A	FHLB	5,000,000.00	0.375	06/12/2014	06/22/2012	0.388	0.393		4,998,750.00	4,998,750.00
313379TL3	32921A	FHLB	5,000,000.00	0.375	06/12/2014	06/26/2012	0.385	0.390		4,999,250.00	4,999,250.00
313379SK6	32936	FHLB	5,000,000.00	0.400	07/02/2014	07/27/2012	0.210	0.213	Received	5,008,800.00	5,008,800.00
3133804V6	32944	FHLB	10,000,000.00	1.000	08/09/2017	08/09/2012	0.988	1.002		9,999,000.00	9,999,000.00
3133804V6	32945	FHLB	5,000,000.00	1.000	08/09/2017	08/09/2012	0.987	1.001		4,999,750.00	4,999,750.00
313379SK6	32946	FHLB	10,000,000.00	0.400	07/02/2014	08/15/2012	0.229	0.232	Received	10,013,090.00	10,013,090.00
313376ZQ1	32962	FHLB	5,000,000.00	0.375	03/13/2015	09/13/2012	0.313	0.317		5,009,300.00	5,009,300.00
313380MF1	32965	FHLB	5,000,000.00	1.000	09/18/2017	09/18/2012	1.012	1.026		4,993,750.00	4,993,750.00
313376ZQ1	32971	FHLB	6,250,000.00	0.375	03/13/2015	09/28/2012	0.356	0.361	Received	6,254,750.00	6,254,750.00
313380L96	33001	FHLB	5,000,000.00	0.500	11/20/2015	10/26/2012	0.512	0.519	Received	5,003,750.00	5,003,750.00
3133813G8	33004	FHLB	12,775,000.00	0.640	11/01/2016	11/05/2012	0.631	0.640	Received	12,775,000.00	12,775,000.00
3133813R4	33009	FHLB	10,000,000.00	1.000	11/09/2017	11/09/2012	0.986	1.000		10,000,000.00	10,000,000.00
3133813R4	33010	FHLB	5,000,000.00	1.000	11/09/2017	11/09/2012	0.986	1.000		5,000,000.00	5,000,000.00
3133813R4	33011	FHLB	5,000,000.00	1.000	11/09/2017	11/09/2012	0.986	1.000		5,000,000.00	5,000,000.00
3133812R5	33012	FHLB	10,000,000.00	0.650	11/13/2017	11/13/2012	0.779	0.790		10,000,000.00	10,000,000.00
313381AN5	33024	FHLB	5,000,000.00	0.800	05/23/2017	11/23/2012	0.800	0.811		4,997,500.00	4,997,500.00
3133813R4	33046	FHLB	10,000,000.00	1.000	11/09/2017	12/18/2012	0.986	1.000	Received	10,000,000.00	10,000,000.00
3133813R4	33047	FHLB	15,000,000.00	1.000	11/09/2017	12/18/2012	0.991	1.005	Received	14,996,250.00	14,996,250.00
3133813R4	33056	FHLB	10,000,000.00	1.000	11/09/2017	12/27/2012	0.986	1.000	Received	10,000,000.00	10,000,000.00
313381KQ7	33058	FHLB	10,000,000.00	0.500	06/28/2016	12/28/2012	0.493	0.500		10,000,000.00	10,000,000.00
3133813R4	33064	FHLB	10,000,000.00	1.000	11/09/2017	01/15/2013	0.988	1.002	Received	9,999,000.00	9,999,000.00

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3133813R4	33065	FHLB	10,000,000.00	1.000	11/09/2017	01/15/2013	0.988	1.002	Received	9,999,000.00	9,999,000.00
313381YP4	33070	FHLB	5,000,000.00	0.250	02/20/2015	01/25/2013	0.365	0.370		4,995,550.00	4,995,550.00
313381YP4	33071	FHLB	10,000,000.00	0.250	02/20/2015	01/25/2013	0.365	0.370		9,991,100.00	9,991,100.00
313381QX6	33072	FHLB	10,000,000.00	0.550	07/25/2016	01/25/2013	0.542	0.550		10,000,000.00	10,000,000.00
313381WL5	33075	FHLB	5,000,000.00	0.670	01/30/2017	01/30/2013	0.661	0.670		5,000,000.00	5,000,000.00
3133813R4	33078	FHLB	10,000,000.00	1.000	11/09/2017	02/01/2013	0.986	1.000	Received	10,000,000.00	10,000,000.00
313382A78	33092	FHLB	5,000,000.00	0.625	08/15/2016	02/28/2013	0.616	0.625	Received	5,000,000.00	5,000,000.00
313382DC4	33096	FHLB	4,444,444.44	0.470	03/07/2016	03/07/2013	0.464	0.470		4,444,444.44	4,444,444.44
313382GR8	33104	FHLB	10,000,000.00	0.750	03/20/2017	03/20/2013	0.749	0.759		9,996,500.00	9,996,500.00
313382W90	33131	FHLB	5,000,000.00	0.700	05/16/2018	05/16/2013	1.039	1.053		5,000,000.00	5,000,000.00
3133836L0	33140	FHLB	10,000,000.00	1.200	05/24/2018	05/28/2013	1.186	1.203		10,000,000.00	10,000,000.00
3133836L0	33141	FHLB	10,000,000.00	1.200	05/24/2018	05/28/2013	1.186	1.203		10,000,000.00	10,000,000.00
3133836L0	33142	FHLB	10,000,000.00	1.200	05/24/2018	05/28/2013	1.187	1.204		9,999,500.00	9,999,500.00
313383CD1	33145	FHLB	10,000,000.00	1.300	06/05/2018	06/05/2013	1.282	1.300		10,000,000.00	10,000,000.00
313383CD1	33146	FHLB	10,000,000.00	1.300	06/05/2018	06/05/2013	1.282	1.300		10,000,000.00	10,000,000.00
313383CD1	33147	FHLB	10,000,000.00	1.300	06/05/2018	06/05/2013	1.282	1.300		10,000,000.00	10,000,000.00
313383CD1	33148	FHLB	10,000,000.00	1.300	06/05/2018	06/05/2013	1.282	1.300		10,000,000.00	10,000,000.00
313383J69	33149	FHLB	10,000,000.00	1.600	06/12/2018	06/12/2013	1.578	1.600		10,000,000.00	10,000,000.00
313383J69	33150	FHLB	10,000,000.00	1.600	06/12/2018	06/12/2013	1.578	1.600		10,000,000.00	10,000,000.00
313383GR6	33151	FHLB	10,000,000.00	1.400	06/12/2018	06/12/2013	1.381	1.400		10,000,000.00	10,000,000.00
313383BB6	33157	FHLB	10,000,000.00	0.550	06/03/2016	06/17/2013	0.542	0.550	Received	10,000,000.00	10,000,000.00
313383G62	33158	FHLB	10,000,000.00	0.750	12/19/2016	06/19/2013	0.740	0.750		10,000,000.00	10,000,000.00
313383HX2	33159	FHLB	10,000,000.00	1.625	06/19/2018	06/19/2013	1.603	1.625		10,000,000.00	10,000,000.00
313383HX2	33160	FHLB	10,000,000.00	1.625	06/19/2018	06/19/2013	1.603	1.625		10,000,000.00	10,000,000.00
313383J44	33163	FHLB	5,000,000.00	0.750	06/26/2018	06/26/2013	1.324	1.342		5,000,000.00	5,000,000.00
313383HQ7	33164	FHLB	5,000,000.00	1.200	06/27/2018	06/27/2013	1.188	1.204		4,999,000.00	4,999,000.00
313381NL5	33169	FHLB	23,800,000.00	1.160	07/10/2018	06/28/2013	1.662	1.685	Received	23,199,401.05	23,199,401.05
313383ZC8	33188	FHLB	10,000,000.00	0.180	09/12/2014	09/12/2013	0.178	0.180		10,000,000.00	10,000,000.00
3130A0C81	33199	FHLB	10,000,000.00	0.125	11/18/2014	11/18/2013	0.161	0.163		9,996,200.00	9,996,200.00
3130A0BB5	33200	FHLB	10,000,000.00	0.125	11/04/2014	11/18/2013	0.145	0.147	Received	9,997,880.00	9,997,880.00
3130A0C81	33201	FHLB	15,000,000.00	0.125	11/18/2014	11/18/2013	0.170	0.172		14,992,916.10	14,992,916.10
3130A0CC2	33203	FHLB	10,000,000.00	0.125	11/20/2014	11/20/2013	0.160	0.162		9,996,300.00	9,996,300.00
3130A0DA5	33210	FHLB	10,000,000.00	0.125	11/26/2014	11/26/2013	0.150	0.152		9,997,300.00	9,997,300.00
3130A0DA5	33211	FHLB	10,000,000.00	0.125	11/26/2014	11/26/2013	0.158	0.160		9,996,500.00	9,996,500.00
3130A0FT2	33217	FHLB	20,000,000.00	0.170	12/11/2014	12/11/2013	0.170	0.172		19,999,540.00	19,999,540.00

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3130A0FW5	33220	FHLB	15,000,000.00	0.200	12/30/2014	12/19/2013	0.197	0.200		15,000,000.00	15,000,000.00
3130A0EY2	33224	FHLB	50,000,000.00	0.100	06/11/2014	12/27/2013	0.130	0.132	2,222.22	49,992,800.00	49,995,022.22
3130A12L1	33234	FHLB	20,000,000.00	0.875	02/28/2017	02/28/2014	0.863	0.875		20,000,000.00	20,000,000.00
3130A14E5	33235	FHLB	15,000,000.00	0.810	02/28/2017	02/28/2014	0.799	0.810		15,000,000.00	15,000,000.00
3130A0ZL7	33242	FHLB	25,000,000.00	0.810	03/10/2017	03/11/2014	0.800	0.811		25,000,000.00	25,000,000.00
3130A12K3	33243	FHLB	25,000,000.00	0.600	09/08/2017	03/10/2014	0.592	0.600		25,000,000.00	25,000,000.00
3130A12H0	33245	FHLB	25,000,000.00	0.730	12/12/2016	03/12/2014	0.793	0.804		25,000,000.00	25,000,000.00
3130A0XV7	33246	FHLB	4,000,000.00	0.600	03/12/2019	03/12/2014	2.462	2.496		4,000,000.00	4,000,000.00
3130A1C97	33247	FHLB	10,000,000.00	0.700	09/20/2016	03/21/2014	0.690	0.700	194.44	10,000,000.00	10,000,194.44
3130A1HR2	33249	FHLB	20,000,000.00	0.200	04/24/2015	03/26/2014	0.197	0.200		20,000,000.00	20,000,000.00
3130A15W4	33250	FHLB	15,000,000.00	0.875	03/27/2017	03/27/2014	0.863	0.875		15,000,000.00	15,000,000.00
3130A1GB8	33251	FHLB	10,000,000.00	0.500	04/03/2017	04/03/2014	0.592	0.600		10,000,000.00	10,000,000.00
3130A1LN6	33253	FHLB	40,000,000.00	0.125	04/02/2015	04/07/2014	0.145	0.147	416.67	39,991,320.00	39,991,736.67
3130A1KF4	33254	FHLB	17,150,000.00	0.125	04/02/2015	04/07/2014	0.148	0.150	297.74	17,145,712.50	17,146,010.24
3130A1GL6	33255	FHLB	10,000,000.00	1.150	04/07/2017	04/07/2014	1.134	1.150		10,000,000.00	10,000,000.00
3130A1PG7	33256	FHLB	20,000,000.00	0.125	04/14/2015	04/14/2014	0.123	0.125		20,000,000.00	20,000,000.00
3130A1NE4	33257	FHLB	10,000,000.00	0.100	01/14/2015	04/14/2014	0.181	0.183		9,998,340.00	9,998,340.00
3130A16M5	33258	FHLB	25,000,000.00	0.650	09/12/2016	04/16/2014	0.641	0.650	15,347.22	25,000,000.00	25,015,347.22
3130A1PH5	33260	FHLB	25,000,000.00	0.130	04/17/2015	04/17/2014	0.135	0.137		24,998,294.75	24,998,294.75
3130A1SK5	33261	FHLB	20,000,000.00	0.100	01/23/2015	04/25/2014	0.151	0.153	111.11	19,999,720.00	19,999,831.11
3130A1MZ8	33262	FHLB	15,000,000.00	0.700	04/30/2018	04/30/2014	0.690	0.700		15,000,000.00	15,000,000.00
3130A1TP3	33269	FHLBDN	2,000,000.00	0.800	11/22/2016	05/22/2014	0.789	0.800		2,000,000.00	2,000,000.00
3134G46D5	33153	FHLMC	5,000,000.00	1.200	06/12/2018	06/12/2013	1.189	1.205		4,998,750.00	4,998,750.00
3134G3M31	33156	FHLMC	5,000,000.00	1.000	09/27/2017	06/14/2013	1.152	1.168	Received	4,965,000.00	4,965,000.00
3134G4D54	33177	FHLMC	25,000,000.00	0.850	07/18/2016	07/18/2013	0.838	0.850		25,000,000.00	25,000,000.00
3134G4KC1	33197	FHLMC	10,000,000.00	0.400	11/13/2015	11/13/2013	0.395	0.400		10,000,000.00	10,000,000.00
3134G4KC1	33198	FHLMC	10,000,000.00	0.400	11/13/2015	11/13/2013	0.395	0.400		10,000,000.00	10,000,000.00
3134G3L24	33209	FHLMC	10,000,000.00	0.500	09/25/2015	11/26/2013	0.311	0.315	Received	10,033,700.00	10,033,700.00
3134G36F2	33214	FHLMC	10,000,000.00	0.420	09/18/2015	11/27/2013	0.306	0.310	Received	10,019,800.00	10,019,800.00
3134G4PA0	33218	FHLMC	25,000,000.00	1.150	12/18/2018	12/18/2013	1.918	1.944		25,000,000.00	25,000,000.00
3134G4NL8	33219	FHLMC	25,000,000.00	0.750	12/18/2018	12/18/2013	1.930	1.957		25,000,000.00	25,000,000.00
3134G4PX0	33221	FHLMC	11,000,000.00	0.500	06/27/2016	12/27/2013	0.493	0.500		11,000,000.00	11,000,000.00
3134G4PR3	33222	FHLMC	9,800,000.00	0.500	06/27/2018	12/27/2013	1.895	1.922		9,800,000.00	9,800,000.00
3134G4PX0	33223	FHLMC	10,000,000.00	0.500	06/27/2016	12/27/2013	0.493	0.500		10,000,000.00	10,000,000.00
3134G4RN0	33225	FHLMC	25,000,000.00	0.500	07/07/2017	01/07/2014	1.260	1.278		25,000,000.00	25,000,000.00

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Federal Agency Issues - Coupon											
3137EADP1	33236	FHLMC	10,000,000.00	0.875	03/07/2018	02/28/2014	1.165	1.181	Received	9,880,000.00	9,880,000.00
3134G4X29	33240	FHLMC	20,000,000.00	1.040	09/05/2017	03/05/2014	1.026	1.040		20,000,000.00	20,000,000.00
3134G4VW5	33241	FHLMC	10,000,000.00	0.875	03/10/2017	03/10/2014	0.866	0.878		9,999,000.00	9,999,000.00
3134G4YZ5	33252	FHLMC	10,000,000.00	0.700	10/07/2016	04/07/2014	0.690	0.700		10,000,000.00	10,000,000.00
3134G53Q6	33265	FHLMC	10,000,000.00	0.800	11/21/2016	05/21/2014	0.789	0.800		10,000,000.00	10,000,000.00
3134G53Q6	33266	FHLMC	10,000,000.00	0.800	11/21/2016	05/21/2014	0.789	0.800		10,000,000.00	10,000,000.00
3134G53Q6	33267	FHLMC	10,000,000.00	0.800	11/21/2016	05/21/2014	0.789	0.800		10,000,000.00	10,000,000.00
3134G53Q6	33268	FHLMC	10,000,000.00	0.800	11/21/2016	05/21/2014	0.789	0.800		10,000,000.00	10,000,000.00
3134G53K9	33270	FHLMC	8,000,000.00	1.350	11/22/2017	05/22/2014	1.332	1.350		8,000,000.00	8,000,000.00
3134G53K9	33271	FHLMC	10,000,000.00	1.350	11/22/2017	05/22/2014	1.332	1.350		10,000,000.00	10,000,000.00
3136G1BW8	33100	FNMA	10,000,000.00	0.550	07/29/2016	03/13/2013	0.542	0.550	Received	10,000,000.00	10,000,000.00
3136G1A66	33127	FNMA	5,000,000.00	0.700	12/26/2017	05/02/2013	1.065	1.080	Received	5,000,000.00	5,000,000.00
3135GORK1	33129	FNMA	5,000,000.00	0.900	11/07/2017	05/13/2013	0.888	0.900	Received	5,000,000.00	5,000,000.00
3135GOWU3	33130	FNMA	10,000,000.00	0.750	05/15/2017	05/15/2013	0.740	0.750		10,000,000.00	10,000,000.00
3135G0XH1	33132	FNMA	10,000,000.00	0.500	05/20/2016	05/20/2013	0.493	0.500		10,000,000.00	10,000,000.00
3135G0XH1	33133	FNMA	10,000,000.00	0.500	05/20/2016	05/20/2013	0.493	0.500		10,000,000.00	10,000,000.00
3135G0XH1	33134	FNMA	10,000,000.00	0.500	05/20/2016	05/20/2013	0.493	0.500		10,000,000.00	10,000,000.00
3135G0XH1	33135	FNMA	10,000,000.00	0.500	05/20/2016	05/20/2013	0.495	0.502		9,999,500.00	9,999,500.00
3135GOWJ8	33136	FNMA	10,000,000.00	0.875	05/21/2018	05/22/2013	0.980	0.994	Received	9,942,100.00	9,942,100.00
3135GOWJ8	33137	FNMA	10,000,000.00	0.875	05/21/2018	05/22/2013	1.016	1.030	Received	9,924,690.89	9,924,690.89
3135G0XC2	33138	FNMA	10,000,000.00	0.500	08/22/2016	05/23/2013	0.493	0.500	Received	10,000,000.00	10,000,000.00
3135GOWJ8	33144	FNMA	5,000,000.00	0.875	05/21/2018	06/05/2013	1.123	1.139	Received	4,919,100.00	4,919,100.00
3136G1NQ8	33161	FNMA	4,000,000.00	1.000	06/19/2017	06/19/2013	0.986	1.000		4,000,000.00	4,000,000.00
3136G1JS9	33190	FNMA	5,000,000.00	0.800	04/11/2017	09/26/2013	1.160	1.176	Received	4,935,000.00	4,935,000.00
3135G0WP4	33192	FNMA	10,000,000.00	0.500	04/29/2016	10/30/2013	0.493	0.500	Received	10,000,000.00	10,000,000.00
3136G1XR5	33204	FNMA	10,000,000.00	1.750	11/21/2017	11/21/2013	1.422	1.441		10,119,500.00	10,119,500.00
3135G0MZ3	33233	FNMA	20,000,000.00	0.875	08/28/2017	02/25/2014	0.952	0.965	Received	19,938,000.00	19,938,000.00
3136G1Z44	33237	FNMA	20,000,000.00	0.750	03/03/2017	03/03/2014	0.740	0.750		20,000,000.00	20,000,000.00
	Federal Agency Issues - Coupon Totals		**1,962,254,444.44**				**0.706**	**0.716**	**64,189.40**	**1,961,143,281.93**	**1,961,207,471.33**
Federal Agency Issues - Discount											
313385XR2	37905	FHLBDN	25,000,000.00	0.120	06/04/2014	12/09/2013	0.120	0.122		24,985,250.00	24,985,250.00
313397YG0	37903	FHLMCD	25,000,000.00	0.110	06/19/2014	12/09/2013	0.111	0.113		24,985,333.33	24,985,333.33
313397XW6	37904	FHLMCD	25,000,000.00	0.120	06/09/2014	12/09/2013	0.120	0.122		24,984,833.33	24,984,833.33

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	Federal Agency Issues - Discount Totals		75,000,000.00				0.117	0.119	0.00	74,955,416.66	74,955,416.66
Local Agency Investment Funds											
SYS40003	40003	LAIF	50,000,000.00	0.363		07/01/2010	0.358	0.363		50,000,000.00	50,000,000.00
	Local Agency Investment Funds Totals		50,000,000.00				0.358	0.363	0.00	50,000,000.00	50,000,000.00
Medium Term Notes											
88579YAD3	45580D	3M	10,000,000.00	1.375	09/29/2016	03/22/2012	1.465	1.485		10,018,222.24	10,018,222.24
037833AH3	45687	AAPL	10,000,000.00	0.450	05/03/2016	06/28/2013	1.167	1.184	Received	9,900,000.00	9,900,000.00
037833AH3	45743	AAPL	4,000,000.00	0.450	05/03/2016	12/11/2013	0.533	0.540	Received	3,991,440.00	3,991,440.00
037833AJ9	45768	AAPL	6,000,000.00	1.000	05/03/2018	03/11/2014	1.491	1.512	Received	5,877,000.00	5,877,000.00
084670AV0	45594D	BERKSH	10,000,000.00	3.200	02/11/2015	06/12/2012	2.766	2.805		10,208,097.22	10,208,097.22
22160KAD7	45686	COST	10,000,000.00	0.770	12/07/2015	06/28/2013	0.881	0.893	Received	9,971,000.00	9,971,000.00
36962G4G6	45564F	GE	5,000,000.00	3.750	11/14/2014	11/15/2011	3.381	3.428		5,045,946.60	5,045,946.60
36962G6M1	45717A	GE	3,000,000.00	1.000	12/11/2015	10/07/2013	0.981	0.994		3,010,032.00	3,010,032.00
36962G6R0	45745A	GE	5,000,000.00	1.000	01/08/2016	12/17/2013	0.730	0.740	Received	5,026,500.00	5,026,500.00
36962G7J7	45777	GE	5,000,000.00	1.250	05/15/2017	05/15/2014	1.238	1.255		4,999,250.00	4,999,250.00
459200GZ8	45571E	IBM	10,000,000.00	0.875	10/31/2014	11/08/2011	0.853	0.865		10,004,701.50	10,004,701.50
459200HL8	45737	IBM	4,000,000.00	0.450	05/06/2016	11/27/2013	0.572	0.580	Received	3,987,400.00	3,987,400.00
459200HL8	45738	IBM	2,000,000.00	0.450	05/06/2016	11/27/2013	0.572	0.580	Received	1,993,700.00	1,993,700.00
478160AY0	45595D	JNJ	7,500,000.00	2.150	05/15/2016	06/13/2012	1.465	1.485		7,699,575.00	7,699,575.00
478160BF0	45741	JNJ	2,000,000.00	0.700	11/28/2016	12/05/2013	0.731	0.741		1,997,580.00	1,997,580.00
191216BD1	45735	KO	10,000,000.00	0.750	11/01/2016	11/18/2013	0.691	0.700	Received	10,014,500.00	10,014,500.00
58933YAD7	45742A	MERCK	5,000,000.00	0.700	05/18/2016	12/06/2013	0.601	0.609		5,012,600.00	5,012,600.00
594918AB0	45598D	MSFT	5,000,000.00	2.950	06/01/2014	06/26/2012	2.351	2.384		5,068,610.94	5,068,610.94
64952WBE2	45615C	NYL	5,000,000.00	1.300	01/12/2015	09/04/2012	1.081	1.096		5,033,000.00	5,033,000.00
64952WBH5	45620D	NYL	5,000,000.00	0.750	07/24/2015	09/26/2012	0.720	0.730		5,009,100.01	5,009,100.01
713448BX5	45584E	PEP	5,000,000.00	0.750	03/05/2015	04/27/2012	0.765	0.775		5,001,866.68	5,001,866.68
713448BM9	45588C	PEP	5,000,000.00	3.100	01/15/2015	05/08/2012	2.436	2.470		5,129,937.50	5,129,937.50
717081DD2	45751A	PFIZER	10,000,000.00	0.090	01/15/2017	01/13/2014	0.228	0.232		9,958,600.00	9,958,600.00
742718DV8	45581D	PG	5,000,000.00	1.450	08/15/2016	03/28/2012	1.361	1.379		5,023,583.32	5,023,583.32
742718DV8	45590D	PG	1,400,000.00	1.450	08/15/2016	05/22/2012	1.250	1.268		1,415,952.24	1,415,952.24
742718DV8	45688B	PG	3,750,000.00	1.450	08/15/2016	07/03/2013	1.301	1.319		3,785,807.30	3,785,807.30
78008T2C7	45721A	RBC	7,000,000.00	1.150	03/13/2015	11/01/2013	0.761	0.772		7,046,666.67	7,046,666.67
931142DC4	45577E	WMT	7,500,000.00	2.800	04/15/2016	01/10/2012	2.154	2.184		7,734,750.50	7,734,750.50
931142CX9	45586D	WMT	2,000,000.00	1.500	10/25/2015	05/02/2012	1.182	1.198		2,021,094.28	2,021,094.28

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	Medium Term Notes Totals		**170,150,000.00**				**1.264**	**1.282**	**0.00**	**170,986,514.00**	**170,986,514.00**
Negotiable CD's - Bank - S & L											
06366BPL8	65707	BMO	50,000,000.00	0.140	07/11/2014	04/11/2014	0.140	0.142		50,000,000.00	50,000,000.00
06366BRE2	65709	BMO	50,000,000.00	0.170	10/20/2014	04/23/2014	0.170	0.172		50,000,000.00	50,000,000.00
06417HHC3	65705	BNS	50,000,000.00	0.190	08/09/2014	03/20/2014	0.190	0.193		50,000,000.00	50,000,000.00
PP6L5CEQ3	65708	BNS	50,000,000.00	0.200	11/12/2014	04/11/2014	0.200	0.203		50,000,000.00	50,000,000.00
905269LG9	65706	UBOC	50,000,000.00	0.200	09/10/2014	03/20/2014	0.200	0.203		50,000,000.00	50,000,000.00
905269MM5	65710	UBOC	50,000,000.00	0.210	11/19/2014	04/30/2014	0.210	0.213		50,000,000.00	50,000,000.00
	Negotiable CD's - Bank - S & L Totals		**300,000,000.00**				**0.185**	**0.188**	**0.00**	**300,000,000.00**	**300,000,000.00**
Money Market Mutual Funds											
SYS70048	70048	AMBECN	2,000,000.00	0.050		07/01/2010	0.049	0.050		2,000,000.00	2,000,000.00
SYS70037	70037	BLACKR	0.00	0.010		07/01/2010	0.010	0.010		0.00	0.00
SYS70056	70056	FID1	7,000,000.00	0.010		07/01/2010	0.010	0.010		7,000,000.00	7,000,000.00
SYS70056A	70056A	FID2	1,000,000.00	0.010		07/01/2010	0.010	0.010		1,000,000.00	1,000,000.00
SYS70043	70043	INVCO1	1,000,000.00	0.020		07/01/2010	0.020	0.020		1,000,000.00	1,000,000.00
SYS70053A	70053	INVCO2	1,000,000.00	0.200		07/01/2010	0.197	0.200		1,000,000.00	1,000,000.00
SYS70041	70041	JPM	2,000,000.00	0.120		07/01/2010	0.118	0.120		2,000,000.00	2,000,000.00
SYS70040	70040	MLSTNE	3,000,000.00	0.010		07/01/2010	0.010	0.010		3,000,000.00	3,000,000.00
SYS70052	70052	MS1	75,000,000.00	0.110		07/01/2010	0.108	0.110		75,000,000.00	75,000,000.00
SYS70052A	70052A	MS2	0.00	0.050		07/01/2010	0.049	0.050		0.00	0.00
SYS70060	70060	WA193	11,000,000.00	0.070		08/15/2013	0.069	0.070		11,000,000.00	11,000,000.00
SYS70061	70061	WAGOV	1,000,000.00	0.040		08/15/2013	0.039	0.040		1,000,000.00	1,000,000.00
SYS70046	70046	WLMCAP	75,000,000.00	0.020		07/01/2010	0.020	0.020		75,000,000.00	75,000,000.00
	Money Market Mutual Funds Totals		**179,000,000.00**				**0.062**	**0.063**	**0.00**	**179,000,000.00**	**179,000,000.00**
Treasury Securities - Coupon											
912828A26	80256	TNTS	50,000,000.00	0.250	11/30/2015	03/28/2014	0.293	0.297	Received	49,960,937.50	49,960,937.50
	Treasury Securities - Coupon Totals		**50,000,000.00**				**0.293**	**0.297**	**0.00**	**49,960,937.50**	**49,960,937.50**
Joint Powers Authority											
SYS150002	150002	CAMP	100,000,000.00	0.240		03/02/2011	0.237	0.240		100,000,000.00	100,000,000.00
SYS105000	150000	HERMMF	25,000,000.00	0.100		07/01/2010	0.099	0.100		25,000,000.00	25,000,000.00
SYS150001	150001	STFUND	15,000,000.00	0.100		07/01/2010	0.099	0.100		15,000,000.00	15,000,000.00
	Joint Powers Authority Totals		**140,000,000.00**				**0.197**	**0.200**	**0.00**	**140,000,000.00**	**140,000,000.00**

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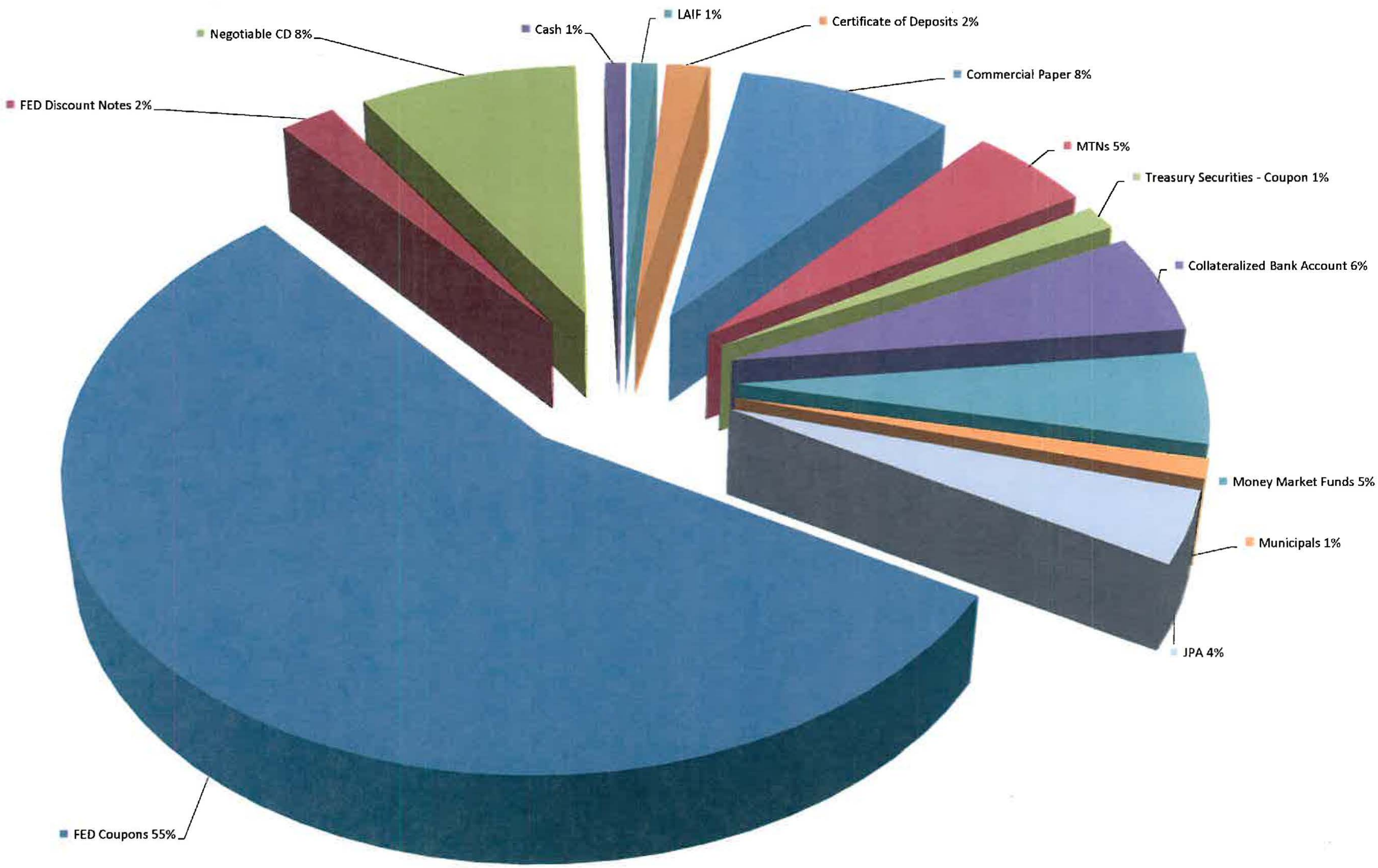
Collateralized MMKT Bank Accounts											
SYS100102	100002	CALBK	57,000,000.00	0.200		07/01/2011	0.197	0.200		57,000,000.00	57,000,000.00
SYS100003	100003	EWEST	60,000,000.00	0.300		07/01/2011	0.296	0.300		60,000,000.00	60,000,000.00
SYS10007	100007	FREMON	20,000,000.00	0.050		07/02/2013	0.049	0.050		20,000,000.00	20,000,000.00
SYS100005	100005	TORREY	6,000,000.00	0.200		06/20/2013	0.197	0.200		6,000,000.00	6,000,000.00
SYS100004	100004	TRIVAL	0.00	0.010		12/27/2012	0.010	0.010		0.00	0.00
SYS100000	100011	UBOC	27,000,000.00	0.085		07/01/2011	0.084	0.085		27,000,000.00	27,000,000.00
SYS100000	100022	UBOC	25,000,000.00	0.085		07/01/2011	0.084	0.085		25,000,000.00	25,000,000.00
	Collateralized MMKT Bank Accounts Totals		**195,000,000.00**				**0.182**	**0.185**	**0.00**	**195,000,000.00**	**195,000,000.00**
Municipal Bonds											
13063BN65	200007	CALRAN	4,000,000.00	0.850	02/01/2015	03/27/2013	0.634	0.643		4,015,200.00	4,015,200.00
91412GUT0	200008	CALRAN	3,000,000.00	0.634	05/15/2016	04/10/2014	0.625	0.634		3,000,000.00	3,000,000.00
000OAKLAND	200009	TRANS	20,000,000.00	0.200	10/01/2014	04/30/2014	0.197	0.200		20,000,000.00	20,000,000.00
000NHAVEN	200010	TRANS	11,300,000.00	0.200	10/01/2014	04/30/2014	0.197	0.200		11,300,000.00	11,300,000.00
	Municipal Bonds Totals		**38,300,000.00**				**0.277**	**0.280**	**0.00**	**38,315,200.00**	**38,315,200.00**
	Investment Totals		**3,520,704,444.44**				**0.527**	**0.535**	**64,189.40**	**3,520,057,405.37**	**3,520,121,594.77**

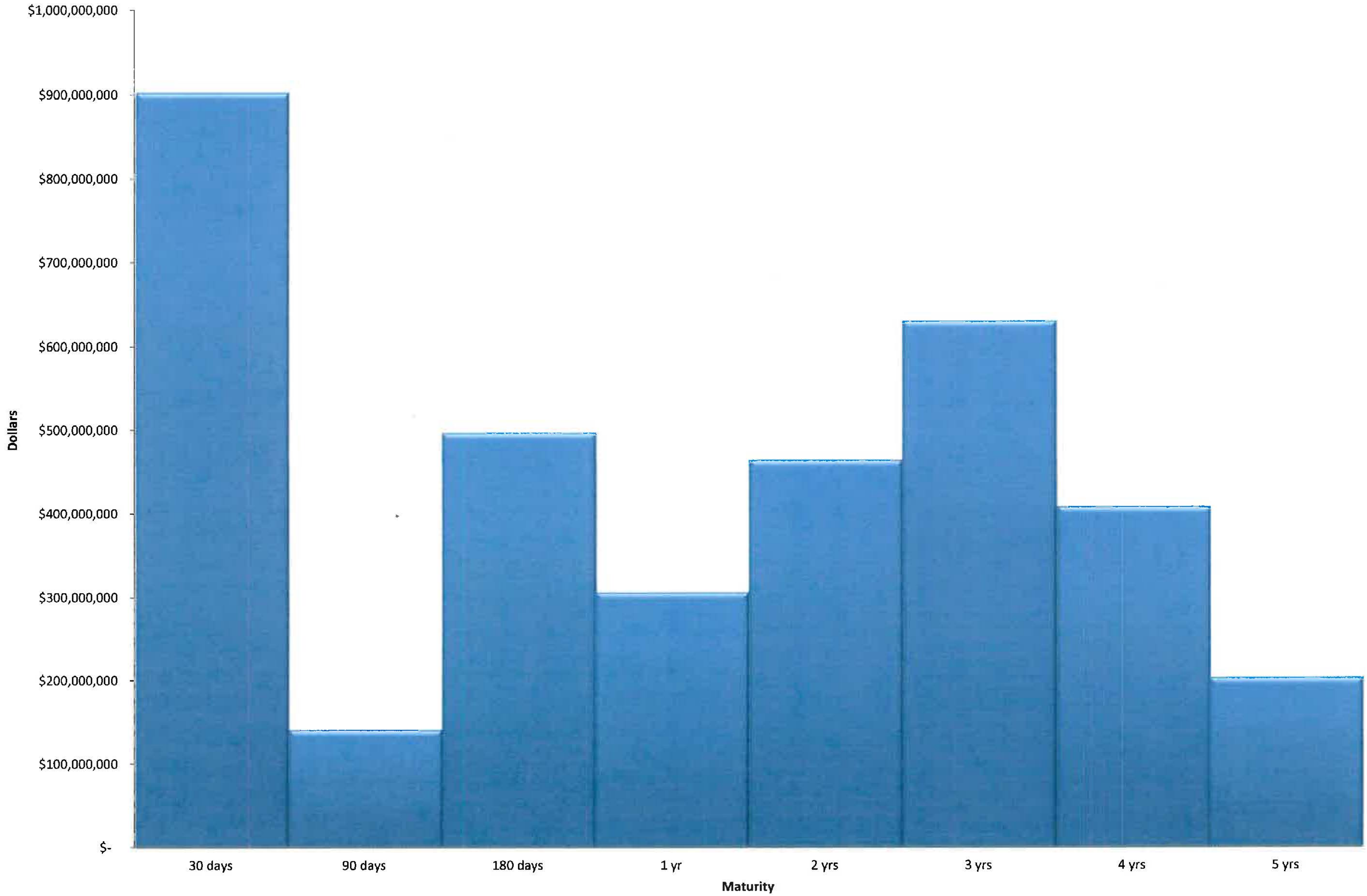
Summary of Treasurer's Investment Pool By Major Categories
May 31, 2014

Attachment 2



Summary of Treasurer's Invesments by Maturity
May 31, 2014

Attachment 3



APPENDIX E

FORMS OF OPINIONS OF BOND COUNSEL

2014A BONDS

[Letterhead of Quint & Thimmig LLP]

[2014A Bonds Closing Date]

Board of Education of the
New Haven Unified School District
34200 Alvarado-Niles Road
Union City, California 94587

OPINION: $50,375,000 New Haven Unified School District (Alameda County, California) 2014 General Obligation Refunding Bonds, Series A

Members of the Board of Education:

We have acted as bond counsel to the New Haven Unified School District (the "District") in connection with the issuance by the District of $50,375,000 principal amount of New Haven Unified School District (Alameda County, California) 2014 General Obligation Refunding Bonds, Series A (the "2014A Bonds"), pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with section 53506) of the California Government Code (the "Act"), and a resolution adopted by the Board of Education of the District on September 9, 2014 (the "Resolution"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the District contained in the Resolution and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify such facts by independent investigation.

Based upon our examination, we are of the opinion, as of the date hereof, that:

1. The District is duly created and validly existing as a school district with the power to cause the Board to issue the 2014A Bonds in its name and to perform its obligations under the Resolution and the 2014A Bonds.

2. The Resolution has been duly adopted by the District and creates a valid first lien on the funds pledged under the Resolution for the security of the 2014A Bonds.

3. The 2014A Bonds have been duly authorized, executed and delivered by the Board and are valid and binding general obligations of the District. The Board of Supervisors of Alameda County is required under the Act to levy a tax upon all taxable property in the District for the interest and redemption of all outstanding bonds of the District, including the 2014A Bonds. The 2014A Bonds are payable from an *ad valorem* tax levied without limitation as to rate or amount.

4. Subject to the District's compliance with certain covenants, interest on the 2014A Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax prefer-

ence in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended, but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such District covenants could cause interest on the 2014A Bonds to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the 2014A Bonds.

5. The interest on the 2014A Bonds is exempt from personal income taxation imposed by the State of California.

Ownership of the 2014A Bonds may result in other tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the 2014A Bonds.

The rights of the owners of the 2014A Bonds and the enforceability of the 2014A Bonds and the Resolution may be subject to the bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and also may be subject to the exercise of judicial discretion in accordance with general principles of equity.

Our opinion represents our legal judgment based upon such review of the law and the facts that we deem relevant to render our opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

2014B BONDS

[Letterhead of Quint & Thimmig LLP]

[2014B Bonds Closing Date]

Board of Education of the
New Haven Unified School District
34200 Alvarado-Niles Road
Union City, California 94587

OPINION: $9,315,000 New Haven Unified School District (Alameda County, California) 2014 General Obligation Refunding Bonds, Series B

Members of the Board of Education:

We have acted as bond counsel to the New Haven Unified School District (the "District") in connection with the issuance by the District of $9,315,000 principal amount of New Haven Unified School District (Alameda County, California) 2014 General Obligation Refunding Bonds, Series B (the "2014B Bonds"), pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with section 53506) of the California Government Code (the "Act"), and a resolution adopted by the Board of Education of the District on September 9, 2014 (the "Resolution"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the District contained in the Resolution and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify such facts by independent investigation.

Based upon our examination, we are of the opinion, as of the date hereof, that:

1. The District is duly created and validly existing as a school district with the power to cause the Board to issue the 2014B Bonds in its name and to perform its obligations under the Resolution and the 2014B Bonds.

2. The Resolution has been duly adopted by the District and creates a valid first lien on the funds pledged under the Resolution for the security of the 2014B Bonds.

3. The 2014B Bonds have been duly authorized, executed and delivered by the Board and are valid and binding general obligations of the District. The Board of Supervisors of Alameda County is required under the Act to levy a tax upon all taxable property in the District for the interest and redemption of all outstanding bonds of the District, including the 2014B Bonds. The 2014B Bonds are payable from an *ad valorem* tax levied without limitation as to rate or amount.

4. Subject to the District's compliance with certain covenants, interest on the 2014B Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended, but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such District covenants could cause interest on the 2014B Bonds to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the 2014B Bonds.

5. The interest on the 2014B Bonds is exempt from personal income taxation imposed by the State of California.

Ownership of the 2014B Bonds may result in other tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the 2014B Bonds.

The rights of the owners of the 2014B Bonds and the enforceability of the 2014B Bonds and the Resolution may be subject to the bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and also may be subject to the exercise of judicial discretion in accordance with general principles of equity.

Our opinion represents our legal judgment based upon such review of the law and the facts that we deem relevant to render our opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

APPENDIX F

FORMS OF CONTINUING DISCLOSURE CERTIFICATES

2014A BONDS

This CONTINUING DISCLOSURE CERTIFICATE (the "Disclosure Certificate") is executed and delivered by the NEW HAVEN UNIFIED SCHOOL DISTRICT (the "District") in connection with the issuance by the District of its $50,375,000 New Haven Unified School District (County of Alameda, California) 2014 General Obligation Refunding Bonds, Series A (the "2014A Bonds"). The 2014A Bonds are being issued pursuant to a resolution adopted by the Board of Education of the District on September 9, 2014 (the "Resolution"). The District covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate, unless otherwise defined in this Section 1, the following capitalized terms shall have the following meanings when used in this Disclosure Certificate:

"*Annual Report*" shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"*Beneficial Owner*" shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any 2014A Bonds (including persons holding 2014A Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any 2014A Bonds for federal income tax purposes.

"*Dissemination Agent*" shall mean the District or any successor Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation. In the absence of such a designation, the District shall act as the Dissemination Agent.

"*EMMA*" or "*Electronic Municipal Market Access*" means the centralized on-line repository for documents to be filed with the MSRB, such as official statements and disclosure information relating to municipal bonds, notes and other securities as issued by state and local governments.

"*Listed Events*" shall mean any of the events listed in Section 5(a) or 5(b) of this Disclosure Certificate.

"*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 which may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"*Participating Underwriter*" shall mean the original underwriter of the 2014A Bonds, required to comply with the Rule in connection with offering of the 2014A Bonds.

"*Rule*" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the owners and Beneficial Owners of the 2014A Bonds and in order to assist the Participating Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

Section 3. Provision of Annual Reports.

(a) *Delivery of Annual Report*. The District shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the District's fiscal year (which currently ends on June 30), commencing with the report for the 2013-14 Fiscal Year, which is due not later than March 31, 2015, file with EMMA, in a readable PDF or other electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date.

(b) *Change of Fiscal Year*. 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), and subsequent Annual Report filings shall be made no later than nine months after the end of such new fiscal year end.

(c) *Delivery of Annual Report to Dissemination Agent*. Not later than fifteen (15) Business Days prior to the date specified in subsection (a) (or, if applicable, subsection (b)) of this Section 3 for providing the Annual Report to EMMA, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If by such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall notify the District.

(d) *Report of Non-Compliance*. If the District is the Dissemination Agent and is unable to file an Annual Report by the date required in subsection (a) (or, if applicable, subsection (b)) of this Section 3, the District shall send a notice to EMMA substantially in the form attached hereto as Exhibit A. If the District is not the Dissemination Agent and is unable to provide an Annual Report to the Dissemination Agent by the date required in subsection (c) of this Section 3, the Dissemination Agent shall send a notice to EMMA in substantially the form attached hereto as Exhibit A.

(e) *Annual Compliance Certification*. The Dissemination Agent shall, if the Dissemination Agent is other than the District, file a report with the District certifying that the Annual Report has been filed with EMMA pursuant to Section 3 of this Disclosure Certificate, stating the date it was so provided and filed.

Section 4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) *Financial Statements.* Audited financial statements of the District for the preceding fiscal year, prepared in accordance generally accepted accounting principles. 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) *Other Annual Information.* To the extent not included in the audited final statements of the District, the Annual Report shall also include financial and operating data with respect to the District for preceding fiscal year, substantially similar to that provided in the corresponding tables and charts in the official statement for the 2014A Bonds, as follows:

(i) The District's approved budget for the then current fiscal year;

(ii) Assessed value of taxable property in the District as shown on the recent equalized assessment role; and

(iii) Property tax levies, collections and delinquencies for the District, for the most recent completed fiscal year.

(c) *Cross References.* 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 EMMA. The District shall clearly identify each such other document so included by reference.

If the document included by reference is a final official statement, it must be available from EMMA.

(d) *Further Information.* In addition to any of the information expressly required to be provided under paragraph (b) of this Section 4, the District shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Section 5. Reporting of Listed Events.

(a) *Reportable Events.* The District shall, or shall cause the Dissemination (if not the District) to, give notice of the occurrence of any of the following events with respect to the 2014A Bonds:

(1) Principal and interest payment delinquencies.
(2) Unscheduled draws on debt service reserves reflecting financial difficulties.
(3) Unscheduled draws on credit enhancements reflecting financial difficulties.
(4) Substitution of credit or liquidity providers, or their failure to perform.
(5) Defeasances.
(6) Rating changes.
(7) Tender offers.
(8) Bankruptcy, insolvency, receivership or similar event of the obligated person.
(9) 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.

(b) *Material Reportable Events.* The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the 2014A Bonds, if material:

(1) Non-payment related defaults.
(2) Modifications to rights of security holders.
(3) Bond calls.
(4) The release, substitution, or sale of property securing repayment of the securities.
(5) 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.
(6) Appointment of a successor or additional trustee, or the change of name of a trustee.

(c) *Time to Disclose.* Whenever the District obtains knowledge of the occurrence of a Listed Event, the District shall, or shall cause the Dissemination Agent (if not the District) to, file a notice of such occurrence with EMMA, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(5) and (b)(3) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to owners of affected 2014A Bonds under the Resolution.

Section 6. Identifying Information for Filings with EMMA. All documents provided to EMMA under this 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 defeasance, prior redemption or payment in full of all of the 2014A Bonds. If such termination occurs prior to the final maturity of the 2014A Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. Dissemination Agent.

(a) *Appointment of Dissemination Agent*. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate and may discharge any such agent, with or without appointing a successor Dissemination Agent. If the Dissemination Agent is not the District, the Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate. It is understood and agreed that any information that the Dissemination Agent may be instructed to file with EMMA shall be prepared and provided to it by the District. The Dissemination Agent has undertaken no responsibility with respect to the content of any reports, notices or disclosures provided to it under this Disclosure Certificate and has no liability to any person, including any 2014A Bondholder, with respect to any such reports, notices or disclosures. The fact that the Dissemination Agent or any affiliate thereof may have any fiduciary or banking relationship with the District shall not be construed to mean that the Dissemination Agent has actual knowledge of any event or condition, except as may be provided by written notice from the District.

(b) *Compensation of Dissemination Agent*. The Dissemination Agent shall be paid compensation by the District for its services provided hereunder in accordance with its schedule of fees as agreed to between the Dissemination Agent and the District from time to time and all expenses, legal fees and expenses and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent shall not be deemed to be acting in any fiduciary capacity for the District, owners or Beneficial Owners, or any other party. The Dissemination Agent may rely, and shall be protected in acting or refraining from acting, upon any direction from the District or an opinion of nationally recognized bond counsel. The Dissemination Agent may at any time resign by giving written notice of such resignation to the District. The Dissemination Agent shall not be liable hereunder except for its negligence or willful misconduct.

(c) *Responsibilities of Dissemination Agent*. In addition of the filing obligations of the Dissemination Agent set forth in Sections 3(e) and 5, the Dissemination Agent shall be obligated, and hereby agrees, to provide a request to the District to compile the information required for its Annual Report at least 30 days prior to the date such information is to be provided to the Dissemination Agent pursuant to subsection (c) of Section 3. The failure to provide or receive any such request shall not affect the obligations of the District under Section 3.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate (and the Dissemination Agent shall agree to any amendment so requested by the District that does not impose any greater duties or risk of liability on the Dissemination Agent), and any provision of this Disclosure Certificate may be waived, provided that all of the following conditions are satisfied:

(a) *Change in Circumstances*. If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a) or (b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the 2014A Bonds, or the type of business conducted.

(b) *Compliance as of Issue Date*. The undertaking, as amended or taking into account such waiver, would, in the opinion of a nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the 2014A Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances.

(c) *Consent of Holders; Non-impairment Opinion*. The amendment or waiver either (i) is approved by the 2014A Bondholders in the same manner as provided in the Resolution for amendments to the Resolution with the consent of 2014A Bondholders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the 2014A Bondholders or Beneficial Owners.

If this Disclosure Certificate is amended or any provision of this Disclosure Certificate is waived, the District shall describe such amendment or waiver in the next following Annual Report and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice 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. In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any 2014A Bondholder or Beneficial Owner 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. The sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and no implied covenants or obligations shall be read into this Disclosure Certificate against the Dissemination Agent, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees and expenses) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have the same rights, privileges and immunities hereunder as are afforded to the Paying Agent under the Resolution. The obligations of the District under this Section 12 shall survive resignation or removal of the Dissemination Agent and payment of the 2014A Bonds.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and the owners and Beneficial Owners from time to time of the 2014A Bonds, and shall create no rights in any other person or entity.

Date: [2014A Bonds Closing Date]

NEW HAVEN UNIFIED SCHOOL DISTRICT

By ____
Name ______________________________________
Title _______________________________________

EXHIBIT A

NOTICE TO EMMA OF FAILURE TO FILE ANNUAL REPORT

Name of Obligor:	New Haven Unified School District
Name of Issue:	New Haven Unified School District (County of Alameda, California) 2014 General Obligation Refunding Bonds, Series A
Date of Issuance:	[2014A Bonds Closing Date]

NOTICE IS HEREBY GIVEN that the Obligor has not provided an Annual Report with respect to the above-named Issue as required by the Continuing Disclosure Certificate, dated [2014A Bonds Closing Date], furnished by the Obligor in connection with the Issue. The Obligor anticipates that the Annual Report will be filed by _______________.

Dated: __________________________

NEW HAVEN UNIFIED SCHOOL DISTRICT, as Dissemination Agent

By ____
Title ______________________________________

cc: Paying Agent

2014B BONDS

This CONTINUING DISCLOSURE CERTIFICATE (the "Disclosure Certificate") is executed and delivered by the NEW HAVEN UNIFIED SCHOOL DISTRICT (the "District") in connection with the issuance by the District of its $9,315,000 New Haven Unified School District (County of Alameda, California) 2014 General Obligation Refunding Bonds, Series B (the "2014B Bonds"). The 2014B Bonds are being issued pursuant to a resolution adopted by the Board of Education of the District on September 9, 2014 (the "Resolution"). The District covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate, unless otherwise defined in this Section 1, the following capitalized terms shall have the following meanings when used in this Disclosure Certificate:

"*Annual Report*" shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"*Beneficial Owner*" shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any 2014B Bonds (including persons holding 2014B Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any 2014B Bonds for federal income tax purposes.

"*Dissemination Agent*" shall mean the District or any successor Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation. In the absence of such a designation, the District shall act as the Dissemination Agent.

"*EMMA*" or "*Electronic Municipal Market Access*" means the centralized on-line repository for documents to be filed with the MSRB, such as official statements and disclosure information relating to municipal bonds, notes and other securities as issued by state and local governments.

"*Listed Events*" shall mean any of the events listed in Section 5(a) or 5(b) of this Disclosure Certificate.

"*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 which may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"*Participating Underwriter*" shall mean the original underwriter of the 2014B Bonds, required to comply with the Rule in connection with offering of the 2014B Bonds.

"*Rule*" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the owners and Beneficial Owners of the 2014B Bonds and in order to assist the Participating Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

Section 3. Provision of Annual Reports.

(a) *Delivery of Annual Report*. The District shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the District's fiscal year (which currently ends on June 30), commencing with the report for the 2013-14 Fiscal Year, which is due not later than March 31, 2015, file with EMMA, in a readable PDF or other electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date.

(b) *Change of Fiscal Year*. 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), and subsequent Annual Report filings shall be made no later than nine months after the end of such new fiscal year end.

(c) *Delivery of Annual Report to Dissemination Agent*. Not later than fifteen (15) Business Days prior to the date specified in subsection (a) (or, if applicable, subsection (b)) of this Section 3 for providing the Annual Report to EMMA, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If by such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall notify the District.

(d) *Report of Non-Compliance*. If the District is the Dissemination Agent and is unable to file an Annual Report by the date required in subsection (a) (or, if applicable, subsection (b)) of this Section 3, the District shall send a notice to EMMA substantially in the form attached hereto as Exhibit A. If the District is not the Dissemination Agent and is unable to provide an Annual Report to the Dissemination Agent by the date required in subsection (c) of this Section 3, the Dissemination Agent shall send a notice to EMMA in substantially the form attached hereto as Exhibit A.

(e) *Annual Compliance Certification*. The Dissemination Agent shall, if the Dissemination Agent is other than the District, file a report with the District certifying that the Annual Report has been filed with EMMA pursuant to Section 3 of this Disclosure Certificate, stating the date it was so provided and filed.

Section 4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) *Financial Statements.* Audited financial statements of the District for the preceding fiscal year, prepared in accordance generally accepted accounting principles. 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) *Other Annual Information.* To the extent not included in the audited final statements of the District, the Annual Report shall also include financial and operating data with respect to the District for preceding fiscal year, substantially similar to that provided in the corresponding tables and charts in the official statement for the 2014B Bonds, as follows:

(i) The District's approved budget for the then current fiscal year;

(ii) Assessed value of taxable property in the District as shown on the recent equalized assessment role; and

(iii) Property tax levies, collections and delinquencies for the District, for the most recent completed fiscal year.

(c) *Cross References.* 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 EMMA. The District shall clearly identify each such other document so included by reference.

If the document included by reference is a final official statement, it must be available from EMMA.

(d) *Further Information.* In addition to any of the information expressly required to be provided under paragraph (b) of this Section 4, the District shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Section 5. Reporting of Listed Events.

(a) *Reportable Events.* The District shall, or shall cause the Dissemination (if not the District) to, give notice of the occurrence of any of the following events with respect to the 2014B Bonds:

(1) Principal and interest payment delinquencies.
(2) Unscheduled draws on debt service reserves reflecting financial difficulties.
(3) Unscheduled draws on credit enhancements reflecting financial difficulties.
(4) Substitution of credit or liquidity providers, or their failure to perform.
(5) Defeasances.
(6) Rating changes.
(7) Tender offers.
(8) Bankruptcy, insolvency, receivership or similar event of the obligated person.
(9) 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.

(b) *Material Reportable Events.* The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the 2014B Bonds, if material:

(1) Non-payment related defaults.
(2) Modifications to rights of security holders.
(3) Bond calls.
(4) The release, substitution, or sale of property securing repayment of the securities.
(5) 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.
(6) Appointment of a successor or additional trustee, or the change of name of a trustee.

(c) *Time to Disclose.* Whenever the District obtains knowledge of the occurrence of a Listed Event, the District shall, or shall cause the Dissemination Agent (if not the District) to, file a notice of such occurrence with EMMA, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(5) and (b)(3) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to owners of affected 2014B Bonds under the Resolution.

Section 6. Identifying Information for Filings with EMMA. All documents provided to EMMA under this 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 defeasance, prior redemption or payment in full of all of the 2014B Bonds. If such termination occurs prior to the final maturity of the 2014B Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. Dissemination Agent.

(a) *Appointment of Dissemination Agent*. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate and may discharge any such agent, with or without appointing a successor Dissemination Agent. If the Dissemination Agent is not the District, the Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate. It is understood and agreed that any information that the Dissemination Agent may be instructed to file with EMMA shall be prepared and provided to it by the District. The Dissemination Agent has undertaken no responsibility with respect to the content of any reports, notices or disclosures provided to it under this Disclosure Certificate and has no liability to any person, including any 2014B Bondholder, with respect to any such reports, notices or disclosures. The fact that the Dissemination Agent or any affiliate thereof may have any fiduciary or banking relationship with the District shall not be construed to mean that the Dissemination Agent has actual knowledge of any event or condition, except as may be provided by written notice from the District.

(b) *Compensation of Dissemination Agent*. The Dissemination Agent shall be paid compensation by the District for its services provided hereunder in accordance with its schedule of fees as agreed to between the Dissemination Agent and the District from time to time and all expenses, legal fees and expenses and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent shall not be deemed to be acting in any fiduciary capacity for the District, owners or Beneficial Owners, or any other party. The Dissemination Agent may rely, and shall be protected in acting or refraining from acting, upon any direction from the District or an opinion of nationally recognized bond counsel. The Dissemination Agent may at any time resign by giving written notice of such resignation to the District. The Dissemination Agent shall not be liable hereunder except for its negligence or willful misconduct.

(c) *Responsibilities of Dissemination Agent*. In addition of the filing obligations of the Dissemination Agent set forth in Sections 3(e) and 5, the Dissemination Agent shall be obligated, and hereby agrees, to provide a request to the District to compile the information required for its Annual Report at least 30 days prior to the date such information is to be provided to the Dissemination Agent pursuant to subsection (c) of Section 3. The failure to provide or receive any such request shall not affect the obligations of the District under Section 3.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate (and the Dissemination Agent shall agree to any amendment so requested by the District that does not impose any greater duties or risk of liability on the Dissemination Agent), and any provision of this Disclosure Certificate may be waived, provided that all of the following conditions are satisfied:

(a) *Change in Circumstances*. If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a) or (b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the 2014B Bonds, or the type of business conducted.

(b) *Compliance as of Issue Date*. The undertaking, as amended or taking into account such waiver, would, in the opinion of a nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the 2014B Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances.

(c) *Consent of Holders; Non-impairment Opinion*. The amendment or waiver either (i) is approved by the 2014B Bondholders in the same manner as provided in the Resolution for amendments to the Resolution with the consent of 2014B Bondholders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the 2014B Bondholders or Beneficial Owners.

If this Disclosure Certificate is amended or any provision of this Disclosure Certificate is waived, the District shall describe such amendment or waiver in the next following Annual Report and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice 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. In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any 2014B Bondholder or Beneficial Owner 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. The sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and no implied covenants or obligations shall be read into this Disclosure Certificate against the Dissemination Agent, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees and expenses) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have the same rights, privileges and immunities hereunder as are afforded to the Paying Agent under the Resolution. The obligations of the District under this Section 12 shall survive resignation or removal of the Dissemination Agent and payment of the 2014B Bonds.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and the owners and Beneficial Owners from time to time of the 2014B Bonds, and shall create no rights in any other person or entity.

Date: [2014B Bonds Closing Date]

NEW HAVEN UNIFIED SCHOOL DISTRICT

By ____________________________________
Name __________________________________
Title ___________________________________

EXHIBIT A

NOTICE TO EMMA OF FAILURE TO FILE ANNUAL REPORT

Name of Obligor:	New Haven Unified School District
Name of Issue:	New Haven Unified School District (County of Alameda, California) 2014 General Obligation Refunding Bonds, Series B
Date of Issuance:	[2014B Bonds Closing Date]

NOTICE IS HEREBY GIVEN that the Obligor has not provided an Annual Report with respect to the above-named Issue as required by the Continuing Disclosure Certificate, dated [2014B Bonds Closing Date], furnished by the Obligor in connection with the Issue. The Obligor anticipates that the Annual Report will be filed by _______________.

Dated: __________________________

NEW HAVEN UNIFIED SCHOOL DISTRICT, as Dissemination Agent

By ____
Title ______________________________________

cc: Paying Agent

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APPENDIX G

BOOK-ENTRY SYSTEM

The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal of and interest on the Bonds to Direct Participants, Indirect Participants or Beneficial Owners (as such terms are defined below) of the Bonds, confirmation and transfer of beneficial ownership interests in the Bonds and other Bond related transactions by and between DTC, Direct Participants, Indirect Participants and Beneficial Owners of the Bonds is based solely on information furnished by DTC to the District which the District believes to be reliable, but the District and the Underwriter do not and cannot make any independent representations concerning these matters and do not take responsibility for the accuracy or completeness thereof. Neither the DTC, Direct Participants, 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 the DTC Participants, as the case may be.

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

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). 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 and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as tenders, defaults, and proposed amendments to the Bonds documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Paying Agent and request that copies of notices be provided directly to them.

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

Payments of principal of and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, the Bond certificates will be printed and delivered to DTC.

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

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds, or (b) the District determines that DTC shall no longer act and delivers a written certificate to the Paying Agent to that effect, then the District will discontinue the Book-Entry System with DTC for the Bonds. If the District determines to replace DTC with another qualified securities depository, the District will prepare or direct the preparation of a new single separate, fully registered Bond for each maturity of the Bonds registered in the name of such successor or substitute securities depository as are not inconsistent with the terms of the Resolution. If the District fails to identify another qualified securities depository to replace the incumbent securities depository for the Bonds, then the Bonds shall no longer be restricted to being registered in the Bond registration books in the name of the incumbent securities depository or its nominee, but shall be registered in whatever name or names the incumbent securities depository or its nominee transferring or exchanging the Bonds shall designate.

In the event that the Book-Entry System is discontinued, the following provisions would also apply: (i) the Bonds will be made available in physical form, (ii) payment of principal of and interest on the Bonds will be payable upon surrender thereof at the trust office of the Paying Agent identified in the Resolution, and (iii) the Bonds will be transferable and exchangeable as provided in the Resolution.

The District and the Paying Agent do not have any responsibility or obligation to DTC Participants, to the persons for whom they act as nominees, to Beneficial Owners, or to any other person who is not shown on the registration books as being an owner of the Bonds, with respect to (i) the accuracy of any records maintained by DTC or any DTC Participants; (ii) the payment by DTC or any DTC Participant of any amount in respect of the principal of and interest on the Bonds; (iii) the delivery of any notice which is permitted or required to be given to registered owners under the Resolution; (iv) any consent given or other action taken by DTC as registered owner; or (v) any other matter arising with respect to the Bonds or the Resolution. The District and the Paying Agent cannot and do not give any assurances that DTC, DTC Participants or others will distribute payments of principal of and interest on the Bonds paid to DTC or its nominee, as the registered owner, or any notices to the Beneficial Owners or that they will do so on a timely basis or will serve and act in a manner described in this Official Statement. The District and the Paying Agent 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 in respect to the Bonds or any error or delay relating thereto.

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APPENDIX H

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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MUNICIPAL BOND INSURANCE POLICY

ISSUER: [NAME OF ISSUER]

Policy No: _____

MEMBER: [NAME OF MEMBER]

BONDS: $__________ in aggregate principal amount of [NAME OF TRANSACTION] [and maturing on]

Effective Date: _________

Risk Premium: $__________
Member Surplus Contribution: $ _________
Total Insurance Payment: $_________

BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") for the Bonds named above (as set forth in the documentation providing for the issuance and securing of the Bonds), for the benefit of the Owners or, at the election of BAM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the first Business Day following the Business Day on which BAM shall have received Notice of Nonpayment, BAM will disburse (but without duplication in the case of duplicate claims for the same Nonpayment) to or for the benefit of each Owner of the Bonds, the face amount of principal of and interest on the Bonds that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by BAM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of such principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in BAM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by BAM is incomplete, it shall be deemed not to have been received by BAM for purposes of the preceding sentence, and BAM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, any of whom may submit an amended Notice of Nonpayment. Upon disbursement under this Policy in respect of a Bond and to the extent of such payment, BAM shall become the owner of such Bond, any appurtenant coupon to such Bond and right to receipt of payment of principal of or interest on such Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under such Bond. Payment by BAM either to the Trustee or Paying Agent for the benefit of the Owners, or directly to the Owners, on account of any Nonpayment shall discharge the obligation of BAM under this Policy with respect to said Nonpayment.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent (as defined herein) are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless BAM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration) and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment made to an Owner by or on behalf of the Issuer of principal or interest that is Due for Payment, which payment has been recovered from such Owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means delivery to BAM of a notice of claim and certificate, by certified mail, email or telecopy as set forth on the attached Schedule or other acceptable electronic delivery, in a form satisfactory to BAM, from and signed by an Owner, the Trustee or the Paying Agent, which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount, (d) payment instructions and (e) the date such claimed amount becomes or became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer, the Member or any other person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

BAM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee, the Paying Agent, the Member and the Issuer specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee, the Paying Agent, the Member or the Issuer (a) copies of all notices required to be delivered to BAM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to BAM and shall not be deemed received until received by both and (b) all payments required to be made by BAM under this Policy may be made directly by BAM or by the Insurer's Fiscal Agent on behalf of BAM. The Insurer's Fiscal Agent is the agent of BAM only, and the Insurer's Fiscal Agent shall in no event be liable to the Trustee, Paying Agent or any Owner for any act of the Insurer's Fiscal Agent or any failure of BAM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, BAM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to BAM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy. This Policy may not be canceled or revoked.

This Policy sets forth in full the undertaking of BAM and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. THIS POLICY IS ISSUED WITHOUT CONTINGENT MUTUAL LIABILITY FOR ASSESSMENT.

In witness whereof, BUILD AMERICA MUTUAL ASSURANCE COMPANY has caused this Policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By: ____

Authorized Officer

CALIFORNIA

ENDORSEMENT TO

MUNICIPAL BOND INSURANCE POLICY

NO.

This Policy is not covered by the California Insurance Guaranty Association established pursuant to Article 15.2 of Chapter 1 of Part 2 of Division 1 of the California Law.

Nothing herein shall be construed to waive, alter, reduce or amend coverage in any other section of the Policy. If found contrary to the Policy language, the terms of this Endorsement supersede the Policy language

IN WITNESS WHEREOF, BUILDAMERICA MUTUAL ASSURANCE COMPANY has caused this policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By

____

Authorized Officer

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