

# SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT (Los Angeles County, California)

## Post Pricing Book

\$105,915,000 2019 Refunding General Obligation Bonds (Federally Taxable)

\$115,000,000 2019 General Obligation Bonds, Election of 2012, Series E

November 8, 2019



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# SECTION 1

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## Financing Summary

# 2019 REFUNDING GENERAL OBLIGATION BONDS (FEDERALLY TAXABLE) 2019 GENERAL OBLIGATION BONDS, ELECTION OF 2012, SERIES E

## NEW ISSUE -- FULL BOOK-ENTRY

RATINGS: Moody's: "Aaa"  
Standard & Poor's: "AA+"  
See "RATINGS" herein

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, based upon existing laws, regulations, rulings, court decisions, and assuming (among other things) compliance with certain covenants, interest on the Bonds is exempt from State of California personal income taxes. Interest on the Bonds is not excluded from gross income for federal income tax purposes. Bond Counsel expresses no opinion regarding any other tax consequences caused by the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. See "TAX MATTERS" herein.

\$105,915,000

### SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT (Los Angeles County, California) 2019 Refunding General Obligation Bonds (Federally Taxable)

**Dated:** Date of Delivery

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

**Authority and Purpose.** The captioned bonds (the "Bonds") are being issued by the Santa Monica-Malibu Unified School District (the "District") pursuant to certain provisions of the California Government Code and a resolution of the Board of Trustees of the District adopted on September 11, 2019 (the "Bond Resolution"). The Bonds are being issued for the purpose of refinancing certain outstanding general obligation bonds of the District. See "THE BONDS -- Authority for Issuance" and "THE REFINANCING PLAN" herein.

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

**Redemption.** The Bonds are subject to redemption prior to maturity as described herein. See "THE BONDS -- Optional Redemption" and "-- Mandatory Sinking Fund Redemption."

**Book-Entry Only.** The Bonds will be issued in book-entry form only and will be initially issued and registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"). Purchasers will not receive physical certificates representing their interests in the Bonds. See "THE BONDS -- Book-Entry Only System."

**Payments.** The Bonds are dated the date of delivery and are being issued as current interest bonds. The Bonds accrue interest at the rates set forth on the inside cover page hereof, payable semiannually on each February 1 and August 1 until maturity, commencing February 1, 2020. Payments of principal of and interest on the Bonds will be paid by U.S. Bank National Association, Los Angeles, California, as agent for the Treasurer and Tax Collector of Los Angeles, California, the designated paying agent, registrar and transfer agent (the "Paying Agent"), to DTC for subsequent disbursement to DTC Participants who will remit such payments to the beneficial owners of the Bonds. See "THE BONDS."

MATURITY SCHEDULE  
(see inside front cover)

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

The Bonds will be offered when, as and if issued and accepted by the Underwriters, subject to the approval as to legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel to the District, and subject to certain other conditions. Jones Hall, A Professional Law Corporation, is also serving as Disclosure Counsel to the District. Norton Rose Fulbright US LLP, Los Angeles, California is serving as Underwriters' Counsel. It is anticipated that the Bonds, in book-entry form, will be available for delivery through the facilities of DTC, on or about November 6, 2019.

RAYMOND JAMES



The date of this Official Statement is October 7, 2019

## NEW ISSUE -- FULL BOOK-ENTRY

RATINGS: Moody's: "Aaa"  
Standard & Poor's: "AA+"  
See "RATINGS" herein.

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

\$115,000,000

### SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT (Los Angeles County, California) General Obligation Bonds Election of 2012, Series E

**Dated:** Date of Delivery

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

**Authority and Purpose.** The captioned bonds (the "Bonds") are being issued by the Santa Monica-Malibu Unified School District (the "District") pursuant to certain provisions of the California Government Code and a resolution of the Board of Education of the District adopted on September 19, 2019 (the "Bond Resolution"). The Bonds were authorized at an election of the registered voters of the District held on November 6, 2012 (the "Authorization") which authorized the issuance of \$385,000,000 principal amount of general obligation bonds to finance the renovation, construction and improvement of school facilities. The Bonds are the fifth and final series of bonds to be issued under the Authorization. See "THE FINANCING PLAN" and "THE BONDS -- Authority for Issuance."

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

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

**Book-Entry Only.** The Bonds will be issued in book-entry form only and will be initially issued and registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"). Purchasers will not receive physical certificates representing their interests in the Bonds. See "THE BONDS -- Book-Entry Only System."

**Payments.** The Bonds are dated the date of delivery and are being issued as current interest bonds. The Bonds accrue interest at the rates set forth on the inside cover page hereof, payable semiannually on each February 1 and August 1 until maturity, commencing February 1, 2020. Payments of principal of and interest on the Bonds will be paid by U.S. Bank National Association, Los Angeles, California, as agent for the Treasurer and Tax Collector of Los Angeles, California, the designated paying agent, registrar and transfer agent (the "Paying Agent"), to DTC for subsequent disbursement to DTC Participants who will remit such payments to the beneficial owners of the Bonds. See "THE BONDS."

MATURITY SCHEDULE  
(see inside front cover)

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

The Bonds will be offered when, as and if issued and accepted by the Underwriters, subject to the approval as to legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel to the District, and subject to certain other conditions. Jones Hall, A Professional Law Corporation, is also serving as Disclosure Counsel to the District. Norton Rose Fulbright US LLP, Los Angeles, California is serving as Underwriters' Counsel. It is anticipated that the Bonds, in book-entry form, will be available for delivery through the facilities of DTC, on or about November 6, 2019.

RAYMOND JAMES



The date of this Official Statement is October 23, 2019.

## FINANCING SUMMARY

	2019 Refunding General Obligation Bonds (Federally Taxable)	2019 General Obligation Bonds Election of 2012, Series E
Par Amount	\$105,915,000	\$115,000,000
Tax Status	Taxable	Tax-Exempt
Pricing Date	10/7/2019	10/23/2019
Closing Date	11/6/2019	11/6/2019
Payment Dates	Principal: 8/1, commencing 8/1/2020 through 8/1/2043; Interest: 2/1 and 8/1, commencing 2/1/2020	Principal: 8/1, commencing 8/1/2022 through 8/1/2036 Interest: 2/1 and 8/1, commencing 2/1/2020
Redemption Provisions	8/1/2029 at 100% of par	8/1/2026 at 100% of par
Credit Ratings	Aaa / AA+ / --	Aaa / AA+ / --

2019 Refunding General Obligation Bonds (Federally Taxable) Refunding Statistics		
Bonds Refunded	General Obligation Bonds Election of 2012 Series D	Election of 2006 General Obligation Bonds Series D
Maturities Refunded	2039 – 2043	2026 – 2031; 2036-2037
Total Par Refunded	\$40,650,000	\$52,805,000
Gross / Net PV Savings	\$15,209,003 / \$10,162,060	
Net PV Savings % of Refunded Par	10.87%	

## SECTION 2a

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Pricing Day Summary – Monday, October 7, 2019

2019 Refunding General Obligation Bonds (Federally Taxable)



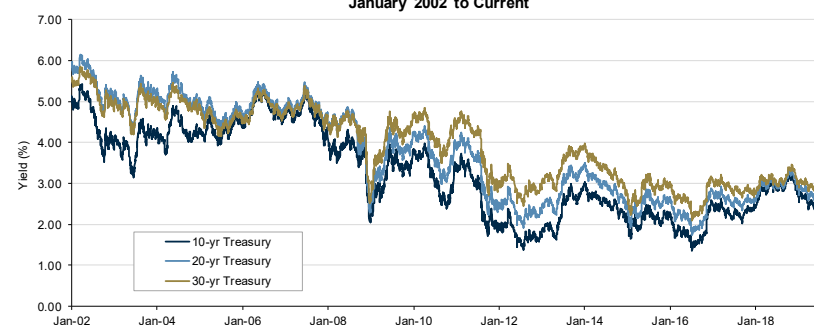
## MARKET COMMENTARY (MONDAY, OCTOBER 7<sup>th</sup>)

- Weaker than expected manufacturing and services data fueled a rally in bonds the previous week.
- Treasury market traded lower in anticipation of the release of significant economic data over the week, following a satisfying employment report the previous Friday.
- Treasury rates rose 6-8 bps higher between Monday and Tuesday with the 10-year note trading at 1.70% vs. 1.62% on Monday and the 30-year bond trading at 2.18% compared to 2.10% on Monday
- Municipals had another heavy calendar of \$10 billion, up from \$9.6 billion from the prior week, made up of mostly taxable deals as issuers took advantage of low rates for refundings.

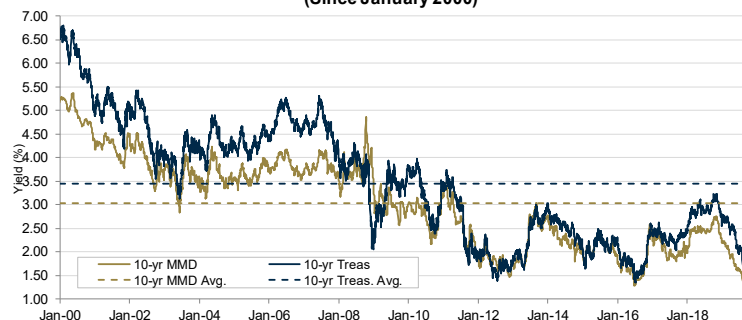
### KEY INTEREST RATES

Rate	Today 10/7/2019	Last Week 9/30/2019	Last Month 9/9/2019	Last Year 10/8/2018
Federal Funds Rate	2.00	2.00	2.25	2.25
Prime Rate	5.00	5.00	5.25	5.25
LIBOR (1 month)	1.98	2.02	2.05	2.28
LIBOR (3 month)	2.03	2.09	2.14	2.41
SIFMA	1.49	1.61	1.75	1.36
SIFMA/1 MLIBOR %	75.3	79.9	85.4	59.7
B.B. 20 Bond Index	2.62	2.66	2.97	4.24
B.B. Rev. Index	3.10	3.14	3.45	4.75
30-Day Visible Supply	11.2 B	13.0 B	12.7 B	7.6 B
10-Year MMD	1.41	1.42	1.32	2.08

10-Year, 20-Year and 30-Year Treasury  
January 2002 to Current



10-Year AAA MMD vs. 10-Year Treasury  
(Since January 2000)



### GENERAL OBLIGATION TAXABLE MARKET

Year	Treasury	AAA Taxable	65% Taxable	Spread to AAA Tax-Exempt	LIBOR	70% LIBOR	SIFMA
1	1.74	1.49	0.97	-0.08	1.79	1.25	1.17
5	1.43	1.74	1.13	0.06	1.37	0.96	0.94
10	1.56	2.13	1.38	0.10	1.45	1.01	1.09
20	1.79	2.74	1.78	0.07	1.59	1.11	1.29
30	2.03	2.79	1.81	-0.09	1.61	1.13	1.36

## PRICING DAY SUMMARY (MONDAY, OCTOBER 7<sup>th</sup>)

- The District's Federally Taxable 2019 Refunding General Obligation Bonds ("2019 Refunding GO Bonds") were received well by investors. The bonds didn't attract a large oversubscription but sufficient demand allowed bond yields to tighten by two basis points in select maturities and by 4 basis points in the final maturity, 2043.
- The financing team chose to act quickly and lock in rates on Monday instead of Tuesday (originally planned pricing date) to get ahead of significant competing supply of \$10 billion for the week. The strategy was a success given that SMMUSD's rates were 1 to 3 basis points lower than a comparably rated taxable transaction for San Mateo Union HSD that priced on October 9.
- The 2019 Refunding GO Bonds achieved a TIC of 2.95% with 24-year repayment periods.
- The 2019 Refunding GO Bonds were oversubscribed by 3.2 times.

### Key Statistics

	2019 Refunding General Obligation Bonds (Federally Taxable)
Par	105,915,000.00
TIC	2.95%
Net Debt Service	156,700,853.88
Repayment Ratio	1.48x
\$ of orders	340,830,000.00
Subscription (\$ of orders / par)	3.22x
No. of orders	47
No. of accounts (investors)	28

### Largest Investors by \$ of Orders Submitted

2019 Refunding General Obligation Bonds (Federally Taxable)		
Investor	\$ of orders	\$ of orders (% of par)
Guggenheim Partners, LLC	52,000,000	49.10%
First Republic Bank	37,760,000	35.65%
Schroder Investment Management	37,235,000	35.16%
Fundamental Advisors	22,370,000	21.12%
Goldman Sachs Asset Management	16,315,000	15.40%
Mackay Shields Financial Corporation	14,610,000	13.79%
CONNING & CO	13,750,000	12.98%
Millennium Fixed Income Ltd Fund	12,000,000	11.33%
Merrill Lynch Relative Value	10,000,000	9.44%
New England Asset Management -S	10,000,000	9.44%

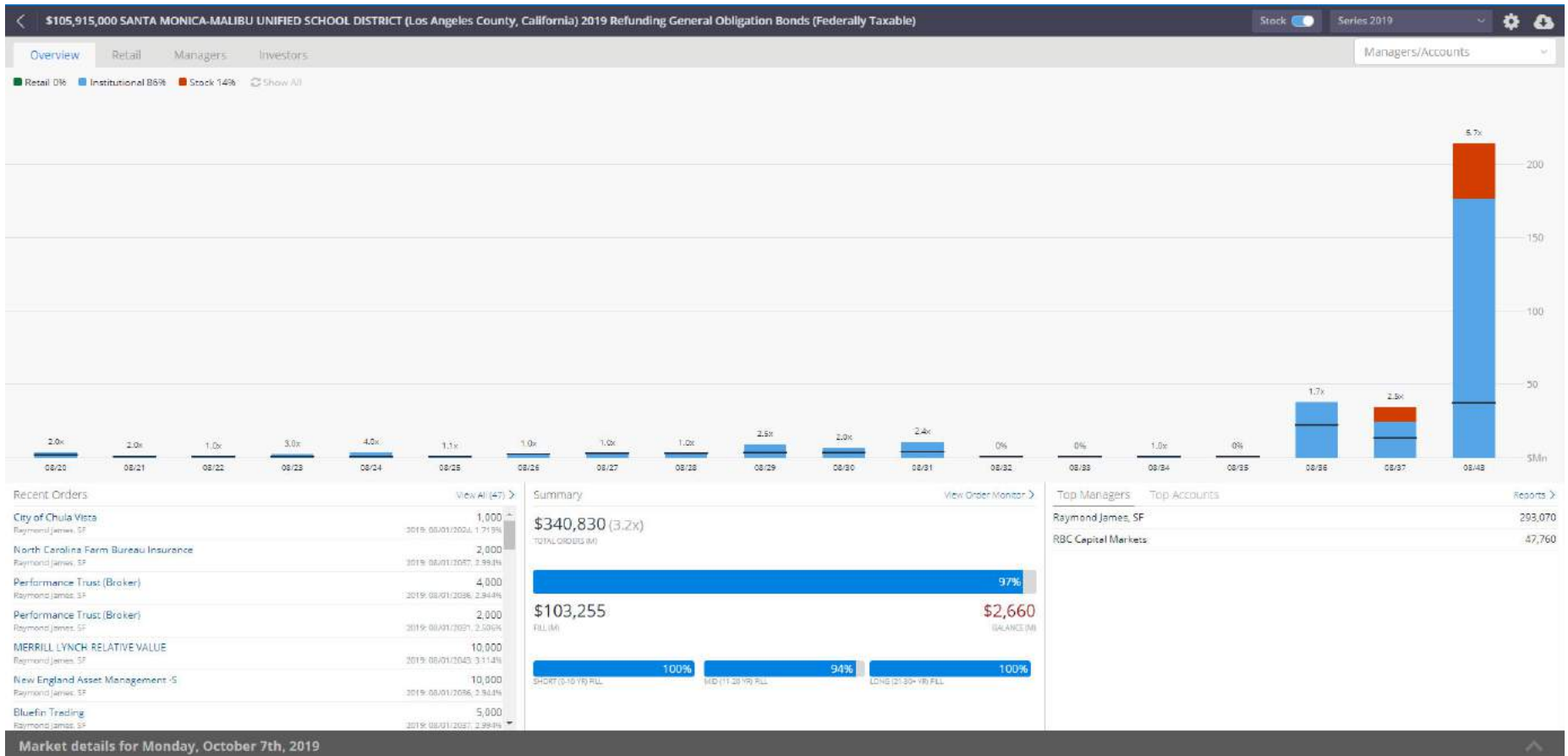


## PRICING DAY SUMMARY (MONDAY, OCTOBER 7<sup>th</sup>)

FINAL - Taxable Scale						Pre-Pricing Taxable Scale				
<b>Par</b> \$105,915,000 <b>Issuer</b> SANTA MONICA-MALIBU USD <b>Sale Date</b> 10/7/19 <b>Tax Status</b> TAXABLE <b>Ratings</b> Aaa/AA+/NR <b>Call</b> 8/1/29 <b>Call Price</b> 100% <b>Closing</b> 11/6/19						<b>Par</b> \$106,040,000 <b>Issuer</b> SANTA MONICA-MALIBU USD <b>Sale Date</b> 10/7/19 <b>Tax Status</b> TAXABLE <b>Ratings</b> Aaa/AA+/NR <b>Call</b> 8/1/29 <b>Call Price</b> 100% <b>Closing</b> 11/6/19				
Maturity	Par (1,000s)	Coupon	Stated Yield	Spread to UST	Yield Difference from Pre-Pricing	Maturity	Par (1,000s)	Coupon	Stated Yield	Spread to UST
2020	2,065	1.590%	1.590%	0.13%	unchanged	2020	1,715	1.562%	1.562%	0.13%
2021	950	1.610%	1.610%	0.15%	unchanged	2021	955	1.582%	1.582%	0.15%
2022	965	1.610%	1.610%	0.20%	unchanged	2022	970	1.580%	1.580%	0.20%
2023	980	1.669%	1.669%	0.28%	-0.02%	2023	985	1.662%	1.662%	0.30%
2024	1,000	1.719%	1.719%	0.33%	-0.02%	2024	1,000	1.712%	1.712%	0.35%
2025	1,015	1.924%	1.924%	0.45%	unchanged	2025	1,015	1.903%	1.903%	0.45%
2026	2,925	2.024%	2.024%	0.55%	unchanged	2026	2,930	2.003%	2.003%	0.55%
2027	3,180	2.156%	2.156%	0.60%	unchanged	2027	3,190	2.137%	2.137%	0.60%
2028	3,460	2.206%	2.206%	0.65%	unchanged	2028	3,470	2.187%	2.187%	0.65%
2029	3,755	2.306%	2.306%	0.750%	unchanged	2029	3,765	2.287%	2.287%	0.75%
2030	3,595	2.406%	2.406%	0.850%	unchanged	2030	3,600	2.387%	2.387%	0.85%
2031	4,610	2.506%	2.506%	0.950%	unchanged	2031	4,615	2.487%	2.487%	0.95%
2032	855	2.586%	2.586%	1.030%	-0.02%	2032	855	2.587%	2.587%	1.05%
2033	880	2.686%	2.686%	1.130%	-0.02%	2033	875	2.687%	2.687%	1.15%
2034	895	2.786%	2.786%	1.230%	-0.02%	2034	895	2.787%	2.787%	1.25%
2035	925	2.874%	2.874%	0.830%	-0.02%	2035	925	2.880%	2.880%	0.85%
2036	22,370	2.944%	2.944%	0.900%	unchanged	2036	22,390	2.930%	2.930%	0.90%
2037	13,730	2.994%	2.994%	0.950%	unchanged	2037	13,745	2.980%	2.980%	0.95%
2038						2038				
2039						2039				
2040						2040				
2041						2041				
2042						2042				
2043	37,760	3.114%	3.114%	1.084%	-0.04%	2043	38,145	3.150%	3.150%	1.12%

## ORDER FLOW BY MATURITY– 2019 REFUNDING GENERAL OBLIGATION BONDS (FEDERALLY TAXABLE)

- At the end of the order period on pricing day, the District's 2019 Refunding GO Bonds were approximately 3.22 times oversubscribed with 27 separate accounts placing orders.



## SECTION 2b

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Pricing Day Summary - Wednesday, October 23, 2019

General Obligation Bonds, Election of 2012, Series E

## MARKET COMMENTARY (WEDNESDAY, OCTOBER 23<sup>rd</sup>)

- The treasury market traded slightly weaker over the week, as a Brexit deal was reached with the EU, but failed to gain fast track approval from Parliament, leading to another delay. Earnings and economic releases last week were mixed leading to recession concerns. The week anticipated a busy economic calendar capped off by the positive October Employment report on Friday.
- The week ended with MMD yields higher by +3 bps in five years, by +4 bps in ten years and by +3 bps in thirty years.
- Municipal calendar jumped to \$15 billion for the week; \$11.7 billion negotiated and \$3.4 billion competitive, with the taxable portion comprising 45% of the total calendar. It was the 42<sup>nd</sup> consecutive week of inflows to bond funds. The heightened calendar led to muni underperformance the previous week as investors sought a concession in the market.

### KEY INTEREST RATES

Rate	Today 10/21/2019	Last Week 10/14/2019	Last Month 9/23/2019	Last Year 10/22/2018
Federal Funds Rate	2.00	2.00	2.00	2.25
Prime Rate	5.00	5.00	5.00	5.25
LIBOR (1 month)	1.85	1.91	2.02	2.29
LIBOR (3 month)	1.95	2.00	2.11	2.49
SIFMA	1.29	1.61	1.75	1.36
SIFMA/1 M LIBOR %	69.7	84.1	86.7	59.5
B.B. 20 Bond Index	2.70	2.59	2.76	4.35
B.B. Rev. Index	3.18	3.07	3.24	4.86
30-Day Visible Supply	15.6 B	15.8 B	10.4 B	7.7 B
10-Year MMD	1.41	1.40	1.43	2.73

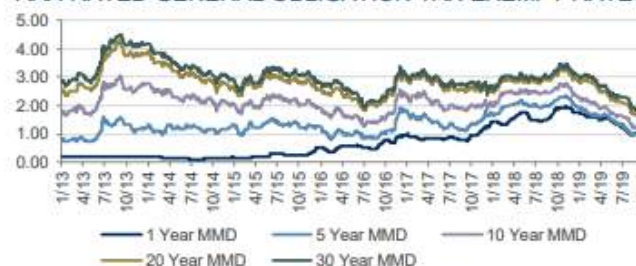
### GENERAL OBLIGATION TAX-EXEMPT BOND MARKETS

Year	AAA Tax-Exempt	Current Tax-Exempt Credit Spreads			1 Month Ago Tax-Exempt Credit Spreads			1 Year Ago Tax-Exempt Credit Spreads		
		AA	A	BBB	AA	A	BBB	AA	A	BBB
1	1.05	0.01	0.07	0.35	0.01	0.07	0.35	0.01	0.19	0.46
5	1.07	0.06	0.24	0.54	0.06	0.24	0.54	0.07	0.38	0.70
10	1.28	0.12	0.28	0.60	0.12	0.28	0.60	0.17	0.47	0.82
20	1.71	0.18	0.35	0.63	0.18	0.35	0.63	0.20	0.49	0.83
30	1.90	0.18	0.35	0.63	0.18	0.35	0.63	0.20	0.49	0.81

### GENERAL OBLIGATION TAXABLE MARKET

Year	Treasury	AAA Taxable	65% Taxable	Spread to AAA Tax-Exempt	LIBOR	70% LIBOR	SIFMA
1	1.74	1.49	0.97	-0.08	1.79	1.25	1.17
5	1.43	1.74	1.13	0.06	1.37	0.96	0.94
10	1.56	2.13	1.38	0.10	1.45	1.01	1.09
20	1.79	2.74	1.78	0.07	1.59	1.11	1.29
30	2.03	2.79	1.81	-0.09	1.61	1.13	1.36

### AAA-RATED GENERAL OBLIGATION TAX-EXEMPT RATES



## PRICING DAY SUMMARY (WEDNESDAY, OCTOBER 23<sup>rd</sup>)

- The District's General Obligation Bonds, Election of 2012, Series E ("Series E Bonds") were received well by the market as a mix of 3% and 4% coupons were utilized due to strong investor demand for these coupons. This also had the effect of minimizing overall true interest cost (TIC) and limiting the amount of excess original issue premium (OIP) generated.
- The Series E Bonds achieved a TIC of 2.34% with a 17-year repayment period.
- The Series E Bonds attracted some oversubscription (1.43x) with the utilization of higher coupons in certain maturities, allowing tightening of yields in select years.

### Key Statistics

General Obligation Bonds Election of 2012, Series E	
Par	115,000,000.00
TIC	2.34%
Net Debt Service	145,648,665.37
Repayment Ratio	1.27x
\$ of orders	164,190,000.00
Subscription (\$ of orders / par)	1.43x
No. of orders	63
No. of accounts (investors)	26

### Largest Investors by \$ of Orders Submitted

General Obligation Bonds, Election of 2012, Series E		
Investor	\$ of orders	\$ of orders (% of par)
First Republic Bank	25,050,000	21.78%
Brown Brothers Harriman	13,000,000	11.30%
Individuals	11,470,000	9.97%
State Farm Insurance Companies	11,140,000	9.69%
Morgan Stanley Relative Value	10,355,000	9.00%
Blackrock Financial Management SMA	8,870,000	7.71%
Nuveen Asset Management	8,395,000	7.30%
Morgan Stanley Private Wealth Mgmt	7,975,000	6.93%
Breckinridge Capital Advisors, Inc.	5,000,000	4.35%
Concordia Advisors, LLC	5,000,000	4.35%

## PRICING DAY SUMMARY (WEDNESDAY, OCTOBER 23<sup>rd</sup>)

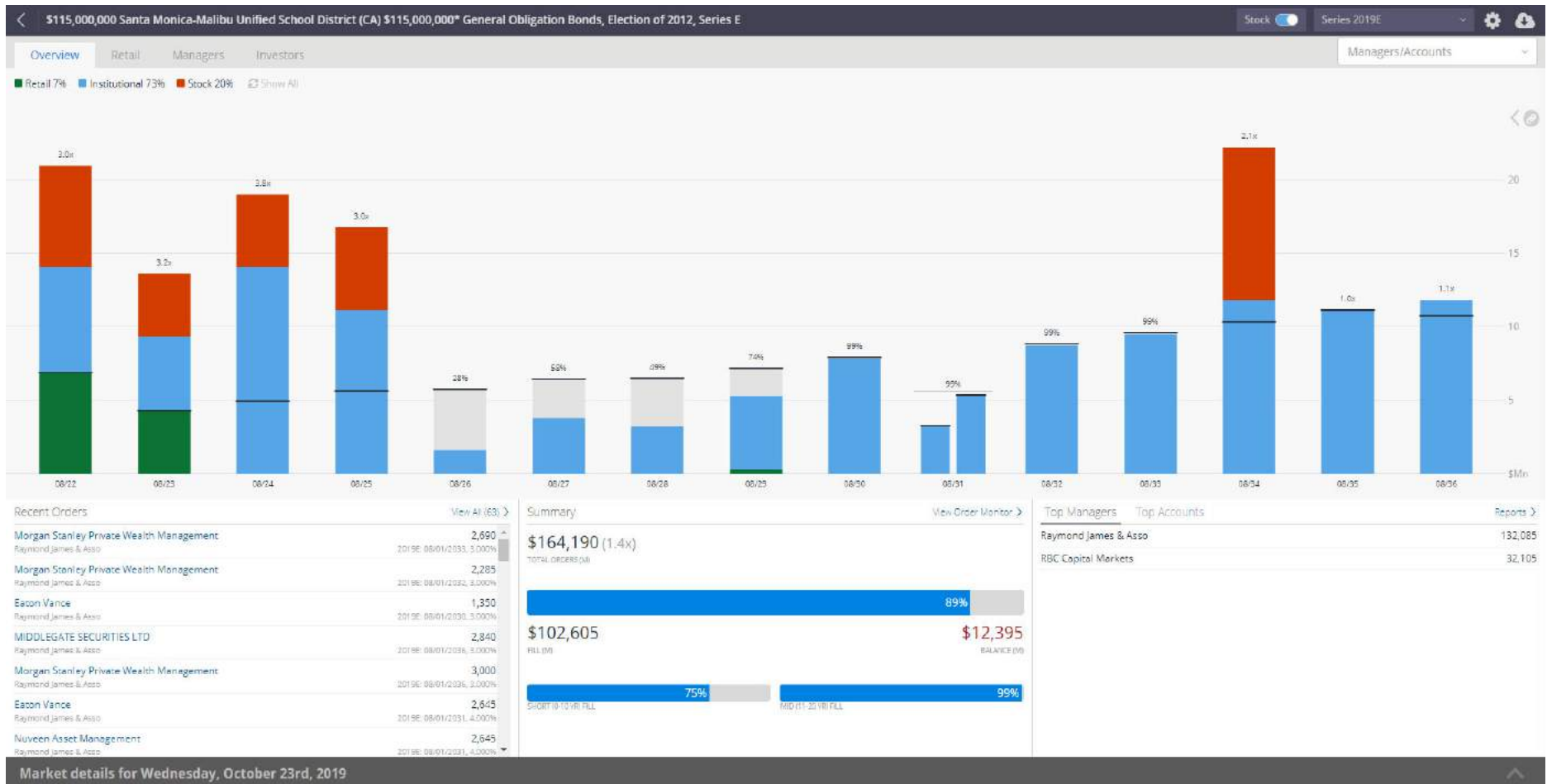
Proposed Final Scale					
Par	\$115,000,000				
Issuer	SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT				
Sale Date	10/23/19				
Tax Status	Tax-Exempt				
Ratings	Aaa/AA+				
Call	8/1/26	Call Price	100%		
Closing	11/6/19				
Spread to MMD Difference from Pre- Pricing					
2020	1.16%				
2021	1.15%				
2022	1.15%	6,900	4.00%	0.95%	-0.20%
2023	1.16%	4,215	4.00%	0.96%	-0.20%
2024	1.18%	4,875	4.00%	0.98%	-0.20%
2025	1.23%	5,580	4.00%	1.03%	-0.20%
2026	1.30%	5,700	4.00%	1.13%	-0.17%
2027	1.36%	6,395	4.00%	1.21%	-0.15% / 0.17%
2028	1.42%	6,445	4.00%	1.30%	-0.12% / 0.42%
2029	1.50%	7,120	4.00%	1.40%	-0.10% / 0.60%
2030	1.56%	7,850	3.00%	1.86%	0.30% / 0.68%
2031	1.61%	3,250	3.00%	2.01%	0.40% / 0.78%
2031	1.61%	5,290	4.00%	1.65%	0.04% / 0.91%
2032	1.65%	8,785	3.00%	2.15%	0.50% / 0.86%
2033	1.69%	9,490	3.00%	2.27%	0.58% / 0.92%
2034	1.73%	10,245	3.00%	2.36%	0.63% / 0.94%
2035	1.77%	11,020	3.00%	2.45%	0.68% / 0.96%
2036	1.81%	11,840	3.00%	2.51%	0.70% / 0.96%

Prepricing Scale					
Par	\$115,000,000				
Issuer	SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT				
Sale Date	10/23/19				
Tax Status	Tax-Exempt				
Ratings	Aaa/AA+				
Call	8/1/26	Call Price	100%		
Closing	11/6/19				
Spread to MMD Difference from Pre- Pricing					
2020	1.16%				
2021	1.15%				
2022	1.15%	7,060	4.00%	0.97%	-0.18%
2023	1.16%	4,000	4.00%	0.98%	-0.18%
2024	1.18%	4,645	4.00%	1.00%	-0.18%
2025	1.23%	5,330	4.00%	1.05%	-0.18%
2026	1.30%	5,445	4.00%	1.13%	-0.17%
2027	1.35%	6,115	4.00%	1.20%	-0.15% / 0.17%
2028	1.41%	6,160	4.00%	1.29%	-0.12% / 0.42%
2029	1.49%	6,820	4.00%	1.39%	-0.10% / 0.60%
2030	1.55%	7,465	4.00%	1.50%	-0.05% / 0.76%
2031	1.60%	8,135	3.00%	2.00%	0.40% / 0.78%
2032	1.64%	8,320	3.00%	2.14%	0.50% / 0.87%
2033	1.68%	9,005	3.00%	2.26%	0.58% / 0.92%
2034	1.72%	9,735	3.00%	2.35%	0.63% / 0.95%
2035	1.76%	10,485	3.00%	2.44%	0.68% / 0.97%
2036	1.80%	11,280	3.00%	2.50%	0.70% / 0.97%
2037	1.84%	5,000	3.00%	2.56%	0.72% / 0.97%



## ORDER FLOW BY MATURITY– GENERAL OBLIGATION BONDS, ELECTION OF 2012, SERIES E

- At the end of the order period on pricing day, the District's Series E Bonds were approximately 1.43 times oversubscribed with 25 separate accounts placing orders.



## SECTION 3a

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Bond Sale Comparables

2019 Refunding General Obligation Bonds

## BOND SALE COMPARABLES – 2019 REFUNDING GENERAL OBLIGATION BONDS (FEDERALLY TAXABLE)

FINAL - Taxable Scale				
Par	\$105,915,000			
Issuer	SANTA MONICA-MALIBU USD			
Sale Date	10/7/19			
Tax Status	TAXABLE			
Ratings	Aaa/AA+/NR			
Call	8/1/29	Call Price	100%	
Closing	11/6/19			
Maturity	Par (1,000s)	Coupon	Stated Yield	Spread to UST
2020	2,065	1.590%	1.590%	0.13%
2021	950	1.610%	1.610%	0.15%
2022	965	1.610%	1.610%	0.20%
2023	980	1.669%	1.669%	0.28%
2024	1,000	1.719%	1.719%	0.33%
2025	1,015	1.924%	1.924%	0.45%
2026	2,925	2.024%	2.024%	0.55%
2027	3,180	2.156%	2.156%	0.60%
2028	3,460	2.206%	2.206%	0.65%
2029	3,755	2.306%	2.306%	0.750%
2030	3,595	2.406%	2.406%	0.850%
2031	4,610	2.506%	2.506%	0.950%
2032	855	2.586%	2.586%	1.030%
2033	880	2.686%	2.686%	1.130%
2034	895	2.786%	2.786%	1.230%
2035	925	2.874%	2.874%	0.830%
2036	22,370	2.944%	2.944%	0.900%
2037	13,730	2.994%	2.994%	0.950%
2038				
2039				
2040				
2041				
2042				
2043	37,760	3.114%	3.114%	1.084%

Final Scale				
Par	\$115,180,000			
Issuer	VENTURA CNTY CA CMNTY CLG DIST, CA			
Sale Date	10/2/19			
Tax Status	Taxable			
Ratings	Aa1/AA+/NR			
Call	NC	Call Price	100%	
Closing	10/31/19			
Maturity	Par (1,000s)	Coupon	Stated Yield	Spread to UST
2020	2,990	1.634%	1.634%	
2021	2,250	1.654%	1.654%	0.18%
2022	5,650	1.657%	1.657%	0.22%
2023	5,710	1.750%	1.750%	0.32%
2024	5,780	1.800%	1.800%	0.37%
2025	10,865	1.991%	1.991%	0.47%
2026	11,345	2.111%	2.111%	0.59%
2027	10,155	2.217%	2.217%	0.62%
2028	5,650	2.317%	2.317%	0.72%
2029	26,405	2.367%	2.367%	0.77%
2030	28,380	2.417%	2.417%	0.82%

## BOND SALE COMPARABLES – 2019 REFUNDING GENERAL OBLIGATION BONDS (FEDERALLY TAXABLE)

FINAL - Taxable Scale				
Par	\$105,915,000			
Issuer	SANTA MONICA-MALIBU USD			
Sale Date	10/7/19			
Tax Status	TAXABLE			
Ratings	Aaa/AA+/NR			
Call	8/1/29	Call Price	100%	
Closing	11/6/19			
Maturity	Par (1,000s)	Coupon	Stated Yield	Spread to UST
2020	2,065	1.590%	1.590%	0.13%
2021	950	1.610%	1.610%	0.15%
2022	965	1.610%	1.610%	0.20%
2023	980	1.669%	1.669%	0.28%
2024	1,000	1.719%	1.719%	0.33%
2025	1,015	1.924%	1.924%	0.45%
2026	2,925	2.024%	2.024%	0.55%
2027	3,180	2.156%	2.156%	0.60%
2028	3,460	2.206%	2.206%	0.65%
2029	3,755	2.306%	2.306%	0.750%
2030	3,595	2.406%	2.406%	0.850%
2031	4,610	2.506%	2.506%	0.950%
2032	855	2.586%	2.586%	1.030%
2033	880	2.686%	2.686%	1.130%
2034	895	2.786%	2.786%	1.230%
2035	925	2.874%	2.874%	0.830%
2036	22,370	2.944%	2.944%	0.900%
2037	13,730	2.994%	2.994%	0.950%
2038				
2039				
2040				
2041				
2042				
2043	37,760	3.114%	3.114%	1.084%

Final Scale				
Par	\$42,925,000			
Issuer	TAMALPAIS CA UNION HIGH SCH DI, CA			
Sale Date	9/19/19			
Tax Status	Taxable			
Ratings	Aaa/NR/NR			
Call	NC	Call Price	100%	
Closing	10/9/19			
Maturity	Par (1,000s)	Coupon	Stated Yield	Spread to UST
2020	1,295	1.898%	1.898%	
2021	3,735	1.938%	1.938%	0.20%
2022	3,770	1.925%	1.925%	0.24%
2023	6,275	1.971%	1.971%	0.31%
2024	6,420	2.021%	2.021%	0.36%
2025	6,545	2.165%	2.165%	0.43%
2026	6,640	2.265%	2.265%	0.53%
2027	5,570	2.363%	2.363%	0.58%
2028	2,675	2.413%	2.413%	0.63%

## BOND SALE COMPARABLES – 2019 REFUNDING GENERAL OBLIGATION BONDS (FEDERALLY TAXABLE)

FINAL - Taxable Scale					Final Scale					
Par	\$105,915,000				Par	\$40,355,000				
Issuer	SANTA MONICA-MALIBU USD				Issuer	San Mateo Union High School District				
Sale Date	10/7/19				Sale Date	10/9/19				
Tax Status	TAXABLE				Tax Status	Tax-Exempt				
Ratings	Aaa/AA+/NR				Ratings	Aaa/NR/NR				
Call	8/1/29	Call Price	100%		Call	9/1/29	Call Price	100%		
Closing	11/6/19				Closing	11/7/19				
Maturity	Par (1,000s)	Coupon	Stated Yield	Spread to UST	Maturity	UST	Par (1,000s)	Coupon	Stated Yield	Spread to UST
2020	2,065	1.590%	1.590%	0.13%	2020	1.474%	900	1.604%	1.604%	0.13%
2021	950	1.610%	1.610%	0.15%	2021	1.474%	675	1.624%	1.624%	0.15%
2022	965	1.610%	1.610%	0.20%	2022	1.434%	685	1.634%	1.634%	0.20%
2023	980	1.669%	1.669%	0.28%	2023	1.409%	695	1.689%	1.689%	0.28%
2024	1,000	1.719%	1.719%	0.33%	2024	1.409%	705	1.739%	1.739%	0.33%
2025	1,015	1.924%	1.924%	0.45%	2025	1.500%	720	1.950%	1.950%	0.45%
2026	2,925	2.024%	2.024%	0.55%	2026	1.500%	4,055	2.050%	2.050%	0.55%
2027	3,180	2.156%	2.156%	0.60%	2027	1.587%	4,375	2.187%	2.187%	0.60%
2028	3,460	2.206%	2.206%	0.65%	2028	1.587%	4,720	2.237%	2.237%	0.65%
2029	3,755	2.306%	2.306%	0.750%	2029	1.587%	5,095	2.337%	2.337%	0.75%
2030	3,595	2.406%	2.406%	0.850%	2030	1.587%	5,480	2.417%	2.417%	0.83%
2031	4,610	2.506%	2.506%	0.950%	2031	1.587%	5,900	2.537%	2.537%	0.95%
2032	855	2.586%	2.586%	1.030%	2032	1.587%	6,350	2.617%	2.617%	1.03%
2033	880	2.686%	2.686%	1.130%						
2034	895	2.786%	2.786%	1.230%						
2035	925	2.874%	2.874%	0.830%						
2036	22,370	2.944%	2.944%	0.900%						
2037	13,730	2.994%	2.994%	0.950%						
2038										
2039										
2040										
2041										
2042										
2043	37,760	3.114%	3.114%	1.084%						

## SECTION 3b

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Bond Sale Comparables

General Obligation Bonds, Election of 2012, Series E



## BOND SALE COMPARABLES – GENERAL OBLIGATION BONDS, ELECTION OF 2012, SERIES E

FINAL - Tax-Exempt Scale						Final Scale							Final Scale					
Par	\$115,000,000					Par	\$180,000,000						Par	\$28,000,000				
Issuer	SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT					Issuer	SONOMA COUNTY JR COLL DIST						Issuer	BURLINGAME CA ELEM SCH DIST				
Sale Date	10/23/19					Sale Date	10/22/19						Sale Date	10/8/19				
Ratings	Aaa/AA+					Ratings	Aa2/AA/NR						Ratings	Aa1/NR/NR				
Call	8/1/26 Call Price 100%					Call	8/1/29 Call Price 100%						Call	8/1/29 Call Price 100%				
Closing	11/6/19					Closing	11/12/19						Closing	10/22/19				
Maturity	Par (1,000s)	Coupon	Stated Yield	Yield to Maturity (YTM)	Spread to MMD Stated/YTM	Maturity	MMD	Par (1,000s)	Coupon	Stated Yield	Yield to Maturity (YTM)	Spread to MMD Stated/YTM	Maturity	Par (1,000s)	Coupon	Stated Yield	Yield to Maturity (YTM)	Spread to MMD Stated/YTM
2020						2020	1.16%	20,535	4.000%	1.010%		-0.15%		1,215	3.000%	0.980%		-0.11%
2021						2021	1.15%	19,635	4.000%	1.000%		-0.15%	2021	1,320	4.000%	0.930%		-0.13%
2022	6,900	4.000%	0.95%		-0.20%	2022	1.15%	19,525	4.000%	1.000%		-0.15%	2022	1,405	4.000%	0.920%		-0.13%
2023	4,215	4.000%	0.96%		-0.20%	2023	1.16%	3,015	4.000%	1.010%		-0.15%	2023	850	3.000%	0.940%		-0.11%
2024	4,875	4.000%	0.98%		-0.20%	2024	1.18%	3,295	4.000%	1.010%		-0.17%	2024	815	3.000%	0.940%		-0.11%
2025	5,580	4.000%	1.03%		-0.20%	2025	1.23%	3,590	4.000%	1.050%		-0.18%	2025	650	4.000%	0.960%		-0.12%
2026	5,700	4.000%	1.13%		-0.17%	2026	1.30%	3,900	4.000%	1.140%		-0.16%	2026	700	4.000%	1.000%		-0.13%
2027	6,395	4.000%	1.21%	1.53%	-0.15% / 0.17%	2027	1.35%	4,225	4.000%	1.250%		-0.10%	2027	745	4.000%	1.080%		-0.10%
2028	6,445	4.000%	1.30%	1.84%	-0.12% / 0.42%	2028	1.41%	4,565	4.000%	1.330%		-0.08%	2028	795	4.000%	1.130%		-0.10%
2029	7,120	4.000%	1.40%	2.10%	-0.10% / 0.60%	2029	1.49%	4,925	4.000%	1.400%		-0.09%	2029	855	4.000%	1.210%		-0.07%
2030	7,850	3.000%	1.86%	2.24%	0.30% / 0.68%	2030	1.55%	5,305	4.000%	1.530%	1.72%	-0.02% / 0.17%	2030	925	4.000%	1.280%	1.49%	-0.05% / 0.16%
2031	3,250	3.000%	2.01%	2.39%	0.40% / 0.78%	2031	1.60%	5,700	4.000%	1.700%	2.02%	0.10% / 0.42%	2031	1,005	4.000%	1.410%	1.77%	0.03% / 0.39%
2032	5,290	4.000%	1.65%	2.52%	0.04% / 0.91%	2032	1.64%	6,115	4.000%	1.820%	2.24%	0.18% / 0.60%	2032	1,095	4.000%	1.550%	2.02%	0.13% / 0.60%
2033	8,785	3.000%	2.15%	2.51%	0.50% / 0.86%	2033	1.68%	6,555	4.000%	1.910%	2.41%	0.23% / 0.73%	2033	1,195	3.000%	2.000%	2.25%	0.54% / 0.79%
2034	9,490	3.000%	2.27%	2.61%	0.58% / 0.92%	2034	1.72%	7,010	4.000%	1.990%	2.55%	0.27% / 0.83%	2034	1,300	3.000%	2.070%	2.34%	0.57% / 0.84%
2035	10,245	3.000%	2.36%	2.67%	0.63% / 0.94%	2035	1.76%	7,495	3.000%	2.560%	2.70%	0.80% / 0.94%	2035	1,415	3.000%	2.160%	2.44%	0.62% / 0.90%
2036	11,020	3.000%	2.45%	2.73%	0.68% / 0.96%	2036	1.80%	7,925	3.000%	2.610%	2.75%	0.81% / 0.95%	2036	1,220	3.000%	2.250%	2.52%	0.67% / 0.94%
2037	11,840	3.000%	2.51%	2.77%	0.70% / 0.96%	2037	1.84%	8,370	3.000%	2.660%	2.79%	0.82% / 0.95%	2037	1,290	3.000%	2.320%	2.58%	0.70% / 0.96%
						2038	1.88%	8,835	2.875%	2.840%	2.86%	0.96% / 0.98%	2038	1,405	3.000%	2.390%	2.64%	0.73% / 0.98%
						2039	1.91%	9,320	3.000%	2.760%	2.86%	0.85% / 0.95%	2039	1,740	3.000%	2.460%	2.69%	0.76% / 0.99%
						2040	1.94%	9,820	2.875%	2.890%		0.95%						
						2041	1.97%	10,340	3.000%	2.840%	2.92%	0.87% / 0.95%						
													2042	6,060	3.000%	2.570%	2.78%	0.78% / 0.99%

## BOND SALE COMPARABLES – GENERAL OBLIGATION BONDS, ELECTION OF 2012, SERIES E

FINAL - Tax-Exempt Scale							Final Scale						Final Scale					
Par \$115,000,000							Par \$55,000,000						Par \$12,000,000					
Issuer SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT							Issuer NOVATO CA UNIF SCH DIST						Issuer MORAGA CA ELEM SCH DIST					
Sale Date 10/23/19							Sale Date 10/2/19						Sale Date 10/1/19					
Ratings Aaa/AA+							Ratings Aa1/NR/NR						Ratings NR/AA+/NR					
Call 8/1/26 Call Price 100%							Call 8/1/29 Call Price 100%						Call 8/1/27 Call Price 100%					
Closing 11/6/19							Closing 10/16/19						Closing 10/16/19					
Maturity	Par (1,000s)	Coupon	Stated Yield	Yield to Maturity (YTM)	Spread to MMD Stated/YTM		Maturity	Par (1,000s)	Coupon	Stated Yield	Yield to Maturity (YTM)	Spread to MMD Stated/YTM	Maturity	Par (1,000s)	Coupon	Stated Yield	Yield to Maturity (YTM)	Spread to MMD Stated/YTM
2020							2020	3,445	5.000%	1.040%		-0.20%	2020	950	4.000%	1.080%		
2021							2021	6,000	5.000%	1.020%		-0.19%	2021	980	4.000%	1.040%		-0.19%
2022	6,900	4.000%	0.95%		-0.20%		2022	175	5.000%	1.020%		-0.18%	2022	195	4.000%	1.050%		-0.17%
2023	4,215	4.000%	0.96%		-0.20%		2023	270	5.000%	1.020%		-0.18%	2023	230	4.000%	1.050%		-0.17%
2024	4,875	4.000%	0.98%		-0.20%		2024	370	5.000%	1.020%		-0.18%	2024	115	4.000%	1.050%		-0.17%
2025	5,580	4.000%	1.03%		-0.20%		2025	480	5.000%	1.030%		-0.18%	2025	135	4.000%	1.060%		-0.17%
2026	5,700	4.000%	1.13%		-0.17%		2026	600	5.000%	1.060%		-0.18%	2026	155	4.000%	1.090%		-0.17%
2027	6,395	4.000%	1.21%	1.53%	-0.15% / 0.17%		2027	725	5.000%	1.100%		-0.17%	2027	180	4.000%	1.160%		-0.14%
2028	6,445	4.000%	1.30%	1.84%	-0.12% / 0.42%		2028	860	5.000%	1.150%		-0.17%	2028	205	4.000%	1.240%	1.51%	-0.11% / 0.16%
2029	7,120	4.000%	1.40%	2.10%	-0.10% / 0.60%		2029	1,010	5.000%	1.250%		-0.12%	2029	230	4.000%	1.310%	1.78%	-0.09% / 0.38%
2030	7,850	3.000%	1.86%	2.24%	0.30% / 0.68%		2030	1,165	4.000%	1.350%	1.55%	-0.07% / 0.13%	2030	260	4.000%	1.380%	2.00%	-0.07% / 0.55%
2031	3,250	3.000%	2.01%	2.39%	0.40% / 0.78%		2031	1,330	4.000%	1.500%	1.85%	0.03% / 0.38%	2031	285	4.000%	1.480%	2.21%	-0.02% / 0.71%
2031	5,290	4.000%	1.65%	2.52%	0.04% / 0.91%		2032	1,505	4.000%	1.620%	2.08%	0.11% / 0.57%	2032	315	3.000%	2.000%	2.35%	0.46% / 0.81%
2032	8,785	3.000%	2.15%	2.51%	0.50% / 0.86%		2033	1,695	2.000%	2.200%		0.65%	2033	345	3.000%	2.090%	2.44%	0.51% / 0.86%
2033	9,490	3.000%	2.27%	2.61%	0.58% / 0.92%		2034	1,900	2.125%	2.250%		0.66%	2034	380	3.000%	2.180%	2.52%	0.56% / 0.90%
2034	10,245	3.000%	2.36%	2.67%	0.63% / 0.94%		2035	2,115	2.250%	2.350%		0.72%	2035	415	3.000%	2.270%	2.60%	0.61% / 0.94%
2035	11,020	3.000%	2.45%	2.73%	0.68% / 0.96%		2036	2,345	3.000%	2.280%	2.54%	0.61% / 0.87%	2036	445	3.000%	2.360%	2.66%	0.66% / 0.96%
2036	11,840	3.000%	2.51%	2.77%	0.70% / 0.96%		2037	2,590	3.000%	2.350%	2.60%	0.64% / 0.89%	2037	485	3.000%	2.430%	2.71%	0.69% / 0.97%
							2038	2,855	3.000%	2.410%	2.65%	0.66% / 0.90%	2038	520	3.000%	2.490%	2.75%	0.71% / 0.97%
							2039	3,130	3.000%	2.520%	2.73%	0.73% / 0.94%	2039	565	3.000%	2.550%	2.79%	0.73% / 0.97%
							2040	3,425	3.000%	2.550%	2.75%	0.73% / 0.93%	2040	605	4.000%	2.240%	3.17%	0.39% / 1.32%
							2041	3,740	3.000%	2.580%	2.78%	0.73% / 0.93%						
							2042	4,075	3.000%	2.610%	2.80%	0.73% / 0.92%	2042	1,370	4.000%	2.320%	3.26%	0.41% / 1.35%

## BOND SALE COMPARABLES – GENERAL OBLIGATION BONDS, ELECTION OF 2012, SERIES E

FINAL - Tax-Exempt Scale						Final Scale						Final Scale					
Par	\$115,000,000					Par	\$55,285,000					Par	\$55,000,000				
Issuer	SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT					Issuer	DEL MAR CA UNION SCH DIST					Issuer	LOS ALTOS CA SCH DIST				
Sale Date	10/23/19					Sale Date	10/1/19					Sale Date	9/26/19				
Ratings	Aaa/AA+					Ratings	Aaa/NR/NR					Ratings	Aa1/AA+/NR				
Call	8/1/26	Call Price 100%				Call	8/1/29	Call Price 100%				Call	8/1/27	Call Price 100%			
Closing	11/6/19					Closing	10/16/19					Closing	10/17/19				
Par			Yield to			Par			Yield to			Par			Yield to		
Maturity	(1,000s)	Coupon	Stated Yield	Maturity (YTM)	Spread to MMD Stated/YTM	Maturity	(1,000s)	Coupon	Stated Yield	Maturity (YTM)	Spread to MMD Stated/YTM	Maturity	(1,000s)	Coupon	Stated Yield	Maturity (YTM)	Spread to MMD Stated/YTM
2020						2020	5,225	4.000%	1.080%		-0.18%						
2021						2021	5,425	4.000%	1.040%		-0.19%						
2022	6,900	4.000%	0.95%		-0.20%	2022	960	4.000%	1.050%		-0.17%						
2023	4,215	4.000%	0.96%		-0.20%	2023	460	1.500%	1.050%		-0.17%		2023	2,000	4.000%	1.030%	-0.20%
2024	4,875	4.000%	0.98%		-0.20%	2024	540	4.000%	1.050%		-0.17%		2024	850	4.000%	1.050%	-0.18%
2025	5,580	4.000%	1.03%		-0.20%	2025	640	4.000%	1.040%		-0.19%		2025	1,000	4.000%	1.060%	-0.18%
2026	5,700	4.000%	1.13%		-0.17%	2026	745	4.000%	1.070%		-0.19%		2026	1,070	4.000%	1.090%	-0.18%
2027	6,395	4.000%	1.21%	1.53%	-0.15% / 0.17%	2027	860	4.000%	1.110%		-0.19%		2027	1,230	4.000%	1.130%	-0.18%
2028	6,445	4.000%	1.30%	1.84%	-0.12% / 0.42%	2028	980	4.000%	1.180%		-0.17%		2028	1,370	4.000%	1.200%	1.47% -0.16% / 0.11%
2029	7,120	4.000%	1.40%	2.10%	-0.10% / 0.60%	2029	1,110	4.000%	1.250%		-0.15%		2029	1,520	4.000%	1.250%	1.73% -0.16% / 0.32%
2030	7,850	3.000%	1.86%	2.24%	0.30% / 0.68%	2030	1,250	4.000%	1.410%	1.61%	-0.04% / 0.16%		2030	1,675	4.000%	1.330%	1.97% -0.13% / 0.51%
2031	3,250	3.000%	2.01%	2.39%	0.40% / 0.78%	2031	1,400	4.000%	1.570%	1.91%	0.07% / 0.41%		2031	1,845	4.000%	1.430%	2.18% -0.08% / 0.67%
2031	5,290	4.000%	1.65%	2.52%	0.04% / 0.91%	2032	1,555	4.000%	1.670%	2.12%	0.13% / 0.58%		2032	2,020	3.000%	1.970%	2.33% 0.42% / 0.78%
2032	8,785	3.000%	2.15%	2.51%	0.50% / 0.86%	2033	1,725	4.000%	1.760%	2.29%	0.18% / 0.71%		2033	2,185	3.000%	2.060%	2.42% 0.47% / 0.83%
2033	9,490	3.000%	2.27%	2.61%	0.58% / 0.92%	2034	1,905	4.000%	1.830%	2.43%	0.21% / 0.81%		2034	2,360	3.000%	2.150%	2.51% 0.52% / 0.88%
2034	10,245	3.000%	2.36%	2.67%	0.63% / 0.94%	2035	2,095	4.000%	1.950%	2.59%	0.29% / 0.93%		2035	2,545	3.000%	2.240%	2.58% 0.57% / 0.91%
2035	11,020	3.000%	2.45%	2.73%	0.68% / 0.96%	2036	2,300	3.000%	2.290%	2.54%	0.59% / 0.84%		2036	2,735	3.000%	2.330%	2.65% 0.62% / 0.94%
2036	11,840	3.000%	2.51%	2.77%	0.70% / 0.96%	2037	2,495	3.000%	2.380%	2.62%	0.64% / 0.88%		2037	2,940	3.000%	2.400%	2.70% 0.65% / 0.95%
						2038	2,695	2.500%	2.650%		0.87%		2038	3,150	3.000%	2.460%	2.74% 0.67% / 0.95%
						2039	2,900	2.625%	2.700%		0.88%		2039	3,370	4.000%	2.180%	3.12% 0.35% / 1.29%
						2040	3,115	2.625%	2.740%		0.89%		2040	3,635	4.000%	2.210%	3.16% 0.35% / 1.30%
						2041	3,340	2.750%	2.780%		0.90%		2041	3,915	4.000%	2.240%	3.20% 0.35% / 1.31%

# APPENDIX A

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## Final Numbers

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Santa Monica-Malibu Unified School District  
2019 Refunding General Obligation Bonds (Federally Taxable)  
Optional Redemption August 1, 2029 at 100% of par  
\*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

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## SOURCES AND USES OF FUNDS

Santa Monica-Malibu Unified School District  
2019 Refunding General Obligation Bonds (Federally Taxable)  
Optional Redemption August 1, 2029 at 100% of par  
\*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

## Sources:

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Bond Proceeds:	
Par Amount	105,915,000.00
	<hr/>
	105,915,000.00

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## Uses:

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Refunding Escrow Deposits:	
Cash Deposit	395.59
Open Market Purchases	<hr/>
	105,296,854.40
	105,297,249.99
	<hr/>
Delivery Date Expenses:	
Cost of Issuance	252,343.26
Underwriter's Discount	<hr/>
	365,406.75
	617,750.01
	<hr/>
	105,915,000.00

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## BOND PRICING

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
 \*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Serials:					
	08/01/2020	2,065,000	1.590%	1.590%	100.000
	08/01/2021	950,000	1.610%	1.610%	100.000
	08/01/2022	965,000	1.610%	1.610%	100.000
	08/01/2023	980,000	1.669%	1.669%	100.000
	08/01/2024	1,000,000	1.719%	1.719%	100.000
	08/01/2025	1,015,000	1.924%	1.924%	100.000
	08/01/2026	2,925,000	2.024%	2.024%	100.000
	08/01/2027	3,180,000	2.156%	2.156%	100.000
	08/01/2028	3,460,000	2.206%	2.206%	100.000
	08/01/2029	3,755,000	2.306%	2.306%	100.000
	08/01/2030	3,595,000	2.406%	2.406%	100.000
	08/01/2031	4,610,000	2.506%	2.506%	100.000
	08/01/2032	855,000	2.586%	2.586%	100.000
	08/01/2033	880,000	2.686%	2.686%	100.000
	08/01/2034	895,000	2.786%	2.786%	100.000
	08/01/2035	925,000	2.874%	2.874%	100.000
	08/01/2036	22,370,000	2.944%	2.944%	100.000
	08/01/2037	13,730,000	2.994%	2.994%	100.000
		68,155,000			
2043 Term:					
	08/01/2038	585,000	3.114%	3.114%	100.000
	08/01/2039	6,350,000	3.114%	3.114%	100.000
	08/01/2040	6,655,000	3.114%	3.114%	100.000
	08/01/2041	8,025,000	3.114%	3.114%	100.000
	08/01/2042	8,420,000	3.114%	3.114%	100.000
	08/01/2043	7,725,000	3.114%	3.114%	100.000
		37,760,000			
		105,915,000			

Dated Date	11/06/2019	
Delivery Date	11/06/2019	
First Coupon	02/01/2020	
Par Amount	105,915,000.00	
Original Issue Discount		
Production	105,915,000.00	100.000000%
Underwriter's Discount	-365,406.75	-0.345000%
Purchase Price	105,549,593.25	99.655000%
Accrued Interest		
Net Proceeds	105,549,593.25	

## BOND SUMMARY STATISTICS

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
 \*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

Dated Date	11/06/2019
Delivery Date	11/06/2019
First Coupon	02/01/2020
Last Maturity	08/01/2043
Arbitrage Yield	2.921833%
True Interest Cost (TIC)	2.949328%
Net Interest Cost (NIC)	2.959617%
All-In TIC	2.968389%
Average Coupon	2.938323%
Average Life (years)	16.201
Weighted Average Maturity (years)	16.201
Duration of Issue (years)	12.748
Par Amount	105,915,000.00
Bond Proceeds	105,915,000.00
Total Interest	50,420,447.13
Net Interest	50,785,853.88
Total Debt Service	156,335,447.13
Maximum Annual Debt Service	24,615,495.40
Average Annual Debt Service	6,586,396.84

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serials	68,155,000.00	100.000	2.776%	13.094	72,373.55
2043 Term	37,760,000.00	100.000	3.114%	21.809	63,059.20
	105,915,000.00			16.201	135,432.75

	TIC	All-In TIC	Arbitrage Yield
Par Value	105,915,000.00	105,915,000.00	105,915,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-365,406.75	-365,406.75	
- Cost of Issuance Expense		-252,343.26	
- Other Amounts			
Target Value	105,549,593.25	105,297,249.99	105,915,000.00
Target Date	11/06/2019	11/06/2019	11/06/2019
Yield	2.949328%	2.968389%	2.921833%

## SUMMARY OF REFUNDING RESULTS

Santa Monica-Malibu Unified School District  
2019 Refunding General Obligation Bonds (Federally Taxable)  
Optional Redemption August 1, 2029 at 100% of par  
\*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

Dated Date	11/06/2019
Delivery Date	11/06/2019
Arbitrage yield	2.921833%
Escrow yield	1.402696%
Value of Negative Arbitrage	5,253,912.15
Bond Par Amount	105,915,000.00
True Interest Cost	2.949328%
Net Interest Cost	2.959617%
All-In TIC	2.968389%
Average Coupon	2.938323%
Average Life	16.201
Weighted Average Maturity	16.201
Par amount of refunded bonds	93,455,000.00
Average coupon of refunded bonds	4.613320%
Average life of refunded bonds	17.810
Remaining weighted average maturity of refunded bonds	17.999
PV of prior debt to 11/06/2019 @ 2.921833%	116,077,059.79
Net PV Savings	10,162,059.79
Percentage savings of refunded bonds	10.873746%
Percentage savings of refunding bonds	9.594543%

## SUMMARY OF BONDS REFUNDED

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
 \*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
General Obligation Bonds, Election of 2012, Series D:					
SER2	08/01/2039	5.000%	6,630,000.00	08/01/2023	100.000
T1	08/01/2040	5.000%	7,090,000.00	08/01/2023	100.000
	08/01/2041	5.000%	8,785,000.00	08/01/2023	100.000
	08/01/2042	5.000%	9,390,000.00	08/01/2023	100.000
	08/01/2043	5.000%	8,755,000.00	08/01/2023	100.000
			40,650,000.00		
GO 2006 Election Series D (unrefunded):					
CIB_SER1	07/01/2026	5.000%	1,985,000.00	07/01/2023	100.000
	07/01/2027	5.000%	2,295,000.00	07/01/2023	100.000
	07/01/2028	4.000%	2,630,000.00	07/01/2023	100.000
	07/01/2029	4.000%	2,965,000.00	07/01/2023	100.000
	07/01/2030	4.000%	2,820,000.00	07/01/2023	100.000
	07/01/2031	4.000%	3,910,000.00	07/01/2023	100.000
CIB_TM37	07/01/2036	4.500%	12,000,000.00	07/01/2023	100.000
	07/01/2036	4.000%	10,505,000.00	07/01/2023	100.000
	07/01/2037	4.000%	13,695,000.00	07/01/2023	100.000
			52,805,000.00		
			93,455,000.00		

## SAVINGS

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
 \*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

Date	Prior Debt Service	Refunding Debt Service	Unrefunded Debt Service	Refunding Net Cash Flow	Savings	Present Value to 11/06/2019 @ 2.9218328%
08/01/2020	16,474,437.50	4,238,150.53	12,226,937.50	16,465,088.03	9,349.47	34,840.30
08/01/2021	10,102,237.50	3,869,371.00	5,854,737.50	9,724,108.50	378,129.00	373,917.82
08/01/2022	10,395,637.50	3,869,076.00	6,148,137.50	10,017,213.50	378,424.00	363,603.09
08/01/2023	10,702,637.50	3,868,539.50	6,455,137.50	10,323,677.00	378,960.50	353,790.80
08/01/2024	11,107,962.50	3,872,183.30	6,860,462.50	10,732,645.80	375,316.70	340,603.88
08/01/2025	11,351,662.50	3,869,993.30	7,104,162.50	10,974,155.80	377,506.70	332,826.55
08/01/2026	11,590,462.50	5,760,464.70	5,357,962.50	11,118,427.20	472,035.30	405,130.41
08/01/2027	11,919,612.50	5,956,262.70	5,476,362.50	11,432,625.20	486,987.30	405,666.57
08/01/2028	12,008,462.50	6,167,701.90	5,344,962.50	11,512,664.40	495,798.10	401,057.24
08/01/2029	12,346,662.50	6,386,374.30	5,453,362.50	11,839,736.80	506,925.70	398,239.57
08/01/2030	12,681,662.50	6,139,784.00	6,051,962.50	12,191,746.50	489,916.00	373,755.77
08/01/2031	13,246,412.50	7,068,288.30	5,639,512.50	12,707,800.80	538,611.70	399,259.77
08/01/2032	9,088,412.50	3,197,761.70	5,547,912.50	8,745,674.20	342,738.30	245,462.11
08/01/2033	9,183,812.50	3,200,651.40	5,643,312.50	8,843,963.90	339,848.60	236,612.66
08/01/2034	9,283,612.50	3,192,014.60	5,743,112.50	8,935,127.10	348,485.40	235,593.10
08/01/2035	9,382,212.50	3,197,079.90	5,841,712.50	9,038,792.40	343,420.10	225,763.82
08/01/2036	31,989,212.50	24,615,495.40	5,943,712.50	30,559,207.90	1,430,004.60	921,644.57
08/01/2037	22,319,162.50	15,316,922.60	6,043,862.50	21,360,785.10	958,377.40	597,884.72
08/01/2038	8,547,575.00	1,760,846.40	6,515,075.00	8,275,921.40	271,653.60	161,389.99
08/01/2039	8,662,500.00	7,507,629.50		7,507,629.50	1,154,870.50	655,093.06
08/01/2040	8,791,000.00	7,614,890.50		7,614,890.50	1,176,109.50	647,467.17
08/01/2041	10,131,500.00	8,777,653.80		8,777,653.80	1,353,846.20	722,997.21
08/01/2042	10,297,250.00	8,922,755.30		8,922,755.30	1,374,494.70	712,288.77
08/01/2043	9,192,750.00	7,965,556.50		7,965,556.50	1,227,193.50	617,170.83
	290,796,850.00	156,335,447.13	119,252,400.00	275,587,847.13	15,209,002.87	10,162,059.79

Savings Summary

PV of savings from cash flow	10,162,059.79
Net PV Savings	10,162,059.79

## NET DEBT SERVICE

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
 \*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

Period Ending	Principal	Coupon	Interest	Total Debt Service	Net Debt Service
08/01/2020	2,065,000	1.590%	2,173,150.53	4,238,150.53	4,238,150.53
08/01/2021	950,000	1.610%	2,919,371.00	3,869,371.00	3,869,371.00
08/01/2022	965,000	1.610%	2,904,076.00	3,869,076.00	3,869,076.00
08/01/2023	980,000	1.669%	2,888,539.50	3,868,539.50	3,868,539.50
08/01/2024	1,000,000	1.719%	2,872,183.30	3,872,183.30	3,872,183.30
08/01/2025	1,015,000	1.924%	2,854,993.30	3,869,993.30	3,869,993.30
08/01/2026	2,925,000	2.024%	2,835,464.70	5,760,464.70	5,760,464.70
08/01/2027	3,180,000	2.156%	2,776,262.70	5,956,262.70	5,956,262.70
08/01/2028	3,460,000	2.206%	2,707,701.90	6,167,701.90	6,167,701.90
08/01/2029	3,755,000	2.306%	2,631,374.30	6,386,374.30	6,386,374.30
08/01/2030	3,595,000	2.406%	2,544,784.00	6,139,784.00	6,139,784.00
08/01/2031	4,610,000	2.506%	2,458,288.30	7,068,288.30	7,068,288.30
08/01/2032	855,000	2.586%	2,342,761.70	3,197,761.70	3,197,761.70
08/01/2033	880,000	2.686%	2,320,651.40	3,200,651.40	3,200,651.40
08/01/2034	895,000	2.786%	2,297,014.60	3,192,014.60	3,192,014.60
08/01/2035	925,000	2.874%	2,272,079.90	3,197,079.90	3,197,079.90
08/01/2036	22,370,000	2.944%	2,245,495.40	24,615,495.40	24,615,495.40
08/01/2037	13,730,000	2.994%	1,586,922.60	15,316,922.60	15,316,922.60
08/01/2038	585,000	3.114%	1,175,846.40	1,760,846.40	1,760,846.40
08/01/2039	6,350,000	3.114%	1,157,629.50	7,507,629.50	7,507,629.50
08/01/2040	6,655,000	3.114%	959,890.50	7,614,890.50	7,614,890.50
08/01/2041	8,025,000	3.114%	752,653.80	8,777,653.80	8,777,653.80
08/01/2042	8,420,000	3.114%	502,755.30	8,922,755.30	8,922,755.30
08/01/2043	7,725,000	3.114%	240,556.50	7,965,556.50	7,965,556.50
	105,915,000		50,420,447.13	156,335,447.13	156,335,447.13



## NET DEBT SERVICE

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
 \*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

Period Ending	Principal	Coupon	Interest	Total Debt Service	Net Debt Service
02/01/2020			697,048.28	697,048.28	697,048.28
08/01/2020	2,065,000	1.590%	1,476,102.25	3,541,102.25	3,541,102.25
02/01/2021			1,459,685.50	1,459,685.50	1,459,685.50
08/01/2021	950,000	1.610%	1,459,685.50	2,409,685.50	2,409,685.50
02/01/2022			1,452,038.00	1,452,038.00	1,452,038.00
08/01/2022	965,000	1.610%	1,452,038.00	2,417,038.00	2,417,038.00
02/01/2023			1,444,269.75	1,444,269.75	1,444,269.75
08/01/2023	980,000	1.669%	1,444,269.75	2,424,269.75	2,424,269.75
02/01/2024			1,436,091.65	1,436,091.65	1,436,091.65
08/01/2024	1,000,000	1.719%	1,436,091.65	2,436,091.65	2,436,091.65
02/01/2025			1,427,496.65	1,427,496.65	1,427,496.65
08/01/2025	1,015,000	1.924%	1,427,496.65	2,442,496.65	2,442,496.65
02/01/2026			1,417,732.35	1,417,732.35	1,417,732.35
08/01/2026	2,925,000	2.024%	1,417,732.35	4,342,732.35	4,342,732.35
02/01/2027			1,388,131.35	1,388,131.35	1,388,131.35
08/01/2027	3,180,000	2.156%	1,388,131.35	4,568,131.35	4,568,131.35
02/01/2028			1,353,850.95	1,353,850.95	1,353,850.95
08/01/2028	3,460,000	2.206%	1,353,850.95	4,813,850.95	4,813,850.95
02/01/2029			1,315,687.15	1,315,687.15	1,315,687.15
08/01/2029	3,755,000	2.306%	1,315,687.15	5,070,687.15	5,070,687.15
02/01/2030			1,272,392.00	1,272,392.00	1,272,392.00
08/01/2030	3,595,000	2.406%	1,272,392.00	4,867,392.00	4,867,392.00
02/01/2031			1,229,144.15	1,229,144.15	1,229,144.15
08/01/2031	4,610,000	2.506%	1,229,144.15	5,839,144.15	5,839,144.15
02/01/2032			1,171,380.85	1,171,380.85	1,171,380.85
08/01/2032	855,000	2.586%	1,171,380.85	2,026,380.85	2,026,380.85
02/01/2033			1,160,325.70	1,160,325.70	1,160,325.70
08/01/2033	880,000	2.686%	1,160,325.70	2,040,325.70	2,040,325.70
02/01/2034			1,148,507.30	1,148,507.30	1,148,507.30
08/01/2034	895,000	2.786%	1,148,507.30	2,043,507.30	2,043,507.30
02/01/2035			1,136,039.95	1,136,039.95	1,136,039.95
08/01/2035	925,000	2.874%	1,136,039.95	2,061,039.95	2,061,039.95
02/01/2036			1,122,747.70	1,122,747.70	1,122,747.70
08/01/2036	22,370,000	2.944%	1,122,747.70	23,492,747.70	23,492,747.70
02/01/2037			793,461.30	793,461.30	793,461.30
08/01/2037	13,730,000	2.994%	793,461.30	14,523,461.30	14,523,461.30
02/01/2038			587,923.20	587,923.20	587,923.20
08/01/2038	585,000	3.114%	587,923.20	1,172,923.20	1,172,923.20
02/01/2039			578,814.75	578,814.75	578,814.75
08/01/2039	6,350,000	3.114%	578,814.75	6,928,814.75	6,928,814.75
02/01/2040			479,945.25	479,945.25	479,945.25
08/01/2040	6,655,000	3.114%	479,945.25	7,134,945.25	7,134,945.25
02/01/2041			376,326.90	376,326.90	376,326.90
08/01/2041	8,025,000	3.114%	376,326.90	8,401,326.90	8,401,326.90
02/01/2042			251,377.65	251,377.65	251,377.65
08/01/2042	8,420,000	3.114%	251,377.65	8,671,377.65	8,671,377.65
02/01/2043			120,278.25	120,278.25	120,278.25
08/01/2043	7,725,000	3.114%	120,278.25	7,845,278.25	7,845,278.25
	105,915,000		50,420,447.13	156,335,447.13	156,335,447.13

## REFUNDED BOND DEBT SERVICE

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
 \*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

G.O. Bonds, 2006 Election, Series D

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
01/01/2020			1,107,500	1,107,500	
07/01/2020			1,107,500	1,107,500	
08/01/2020					2,215,000
01/01/2021			1,107,500	1,107,500	
07/01/2021			1,107,500	1,107,500	
08/01/2021					2,215,000
01/01/2022			1,107,500	1,107,500	
07/01/2022			1,107,500	1,107,500	
08/01/2022					2,215,000
01/01/2023			1,107,500	1,107,500	
07/01/2023			1,107,500	1,107,500	
08/01/2023					2,215,000
01/01/2024			1,107,500	1,107,500	
07/01/2024			1,107,500	1,107,500	
08/01/2024					2,215,000
01/01/2025			1,107,500	1,107,500	
07/01/2025			1,107,500	1,107,500	
08/01/2025					2,215,000
01/01/2026			1,107,500	1,107,500	
07/01/2026	1,985,000	5.000%	1,107,500	3,092,500	
08/01/2026					4,200,000
01/01/2027			1,057,875	1,057,875	
07/01/2027	2,295,000	5.000%	1,057,875	3,352,875	
08/01/2027					4,410,750
01/01/2028			1,000,500	1,000,500	
07/01/2028	2,630,000	4.000%	1,000,500	3,630,500	
08/01/2028					4,631,000
01/01/2029			947,900	947,900	
07/01/2029	2,965,000	4.000%	947,900	3,912,900	
08/01/2029					4,860,800
01/01/2030			888,600	888,600	
07/01/2030	2,820,000	4.000%	888,600	3,708,600	
08/01/2030					4,597,200
01/01/2031			832,200	832,200	
07/01/2031	3,910,000	4.000%	832,200	4,742,200	
08/01/2031					5,574,400
01/01/2032			754,000	754,000	
07/01/2032			754,000	754,000	
08/01/2032					1,508,000
01/01/2033			754,000	754,000	
07/01/2033			754,000	754,000	
08/01/2033					1,508,000
01/01/2034			754,000	754,000	
07/01/2034			754,000	754,000	
08/01/2034					1,508,000
01/01/2035			754,000	754,000	
07/01/2035			754,000	754,000	
08/01/2035					1,508,000
01/01/2036			754,000	754,000	
07/01/2036	22,505,000	** %	754,000	23,259,000	

## REFUNDED BOND DEBT SERVICE

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
 \*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

G.O. Bonds, 2006 Election, Series D

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
08/01/2036					24,013,000
01/01/2037			273,900	273,900	
07/01/2037	13,695,000	4.000%	273,900	13,968,900	
08/01/2037					14,242,800
	52,805,000		33,046,950	85,851,950	85,851,950

## REFUNDED BOND DEBT SERVICE

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
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G.O. Bonds, Election of 2012, Series D

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/01/2020			1,016,250	1,016,250	
08/01/2020			1,016,250	1,016,250	2,032,500
02/01/2021			1,016,250	1,016,250	
08/01/2021			1,016,250	1,016,250	2,032,500
02/01/2022			1,016,250	1,016,250	
08/01/2022			1,016,250	1,016,250	2,032,500
02/01/2023			1,016,250	1,016,250	
08/01/2023			1,016,250	1,016,250	2,032,500
02/01/2024			1,016,250	1,016,250	
08/01/2024			1,016,250	1,016,250	2,032,500
02/01/2025			1,016,250	1,016,250	
08/01/2025			1,016,250	1,016,250	2,032,500
02/01/2026			1,016,250	1,016,250	
08/01/2026			1,016,250	1,016,250	2,032,500
02/01/2027			1,016,250	1,016,250	
08/01/2027			1,016,250	1,016,250	2,032,500
02/01/2028			1,016,250	1,016,250	
08/01/2028			1,016,250	1,016,250	2,032,500
02/01/2029			1,016,250	1,016,250	
08/01/2029			1,016,250	1,016,250	2,032,500
02/01/2030			1,016,250	1,016,250	
08/01/2030			1,016,250	1,016,250	2,032,500
02/01/2031			1,016,250	1,016,250	
08/01/2031			1,016,250	1,016,250	2,032,500
02/01/2032			1,016,250	1,016,250	
08/01/2032			1,016,250	1,016,250	2,032,500
02/01/2033			1,016,250	1,016,250	
08/01/2033			1,016,250	1,016,250	2,032,500
02/01/2034			1,016,250	1,016,250	
08/01/2034			1,016,250	1,016,250	2,032,500
02/01/2035			1,016,250	1,016,250	
08/01/2035			1,016,250	1,016,250	2,032,500
02/01/2036			1,016,250	1,016,250	
08/01/2036			1,016,250	1,016,250	2,032,500
02/01/2037			1,016,250	1,016,250	
08/01/2037			1,016,250	1,016,250	2,032,500
02/01/2038			1,016,250	1,016,250	
08/01/2038			1,016,250	1,016,250	2,032,500
02/01/2039			1,016,250	1,016,250	
08/01/2039	6,630,000	5.000%	1,016,250	7,646,250	8,662,500
02/01/2040			850,500	850,500	
08/01/2040	7,090,000	5.000%	850,500	7,940,500	8,791,000
02/01/2041			673,250	673,250	
08/01/2041	8,785,000	5.000%	673,250	9,458,250	10,131,500
02/01/2042			453,625	453,625	
08/01/2042	9,390,000	5.000%	453,625	9,843,625	10,297,250
02/01/2043			218,875	218,875	
08/01/2043	8,755,000	5.000%	218,875	8,973,875	9,192,750
	40,650,000		45,042,500	85,692,500	85,692,500

## UNREFUNDED BOND DEBT SERVICE

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
 \*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

G.O. Bonds, 2006 Election, Series D

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
01/01/2020			139,762.50	139,762.50	
07/01/2020	525,000	4.000%	139,762.50	664,762.50	
08/01/2020					804,525
01/01/2021			129,262.50	129,262.50	
07/01/2021	710,000	4.000%	129,262.50	839,262.50	
08/01/2021					968,525
01/01/2022			115,062.50	115,062.50	
07/01/2022	905,000	4.000%	115,062.50	1,020,062.50	
08/01/2022					1,135,125
01/01/2023			96,962.50	96,962.50	
07/01/2023	1,115,000	4.500%	96,962.50	1,211,962.50	
08/01/2023					1,308,925
01/01/2024			71,875.00	71,875.00	
07/01/2024	1,430,000	5.000%	71,875.00	1,501,875.00	
08/01/2024					1,573,750
01/01/2025			36,125.00	36,125.00	
07/01/2025	1,600,000	3.500%	36,125.00	1,636,125.00	
08/01/2025					1,672,250
01/01/2026			8,125.00	8,125.00	
07/01/2026			8,125.00	8,125.00	
08/01/2026					16,250
01/01/2027			8,125.00	8,125.00	
07/01/2027			8,125.00	8,125.00	
08/01/2027					16,250
01/01/2028			8,125.00	8,125.00	
07/01/2028			8,125.00	8,125.00	
08/01/2028					16,250
01/01/2029			8,125.00	8,125.00	
07/01/2029			8,125.00	8,125.00	
08/01/2029					16,250
01/01/2030			8,125.00	8,125.00	
07/01/2030	500,000	3.250%	8,125.00	508,125.00	
08/01/2030					516,250
	6,785,000		1,259,350.00	8,044,350.00	8,044,350

## UNREFUNDED BOND DEBT SERVICE

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
 \*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

G.O. Bonds, Election of 2012, Series D

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/01/2020			1,508,706.25	1,508,706.25	
08/01/2020	8,405,000	4.000%	1,508,706.25	9,913,706.25	11,422,412.50
02/01/2021			1,340,606.25	1,340,606.25	
08/01/2021	2,205,000	4.000%	1,340,606.25	3,545,606.25	4,886,212.50
02/01/2022			1,296,506.25	1,296,506.25	
08/01/2022	2,420,000	4.000%	1,296,506.25	3,716,506.25	5,013,012.50
02/01/2023			1,248,106.25	1,248,106.25	
08/01/2023	2,650,000	3.000%	1,248,106.25	3,898,106.25	5,146,212.50
02/01/2024			1,208,356.25	1,208,356.25	
08/01/2024	2,870,000	4.000%	1,208,356.25	4,078,356.25	5,286,712.50
02/01/2025			1,150,956.25	1,150,956.25	
08/01/2025	3,130,000	4.000%	1,150,956.25	4,280,956.25	5,431,912.50
02/01/2026			1,088,356.25	1,088,356.25	
08/01/2026	3,165,000	4.000%	1,088,356.25	4,253,356.25	5,341,712.50
02/01/2027			1,025,056.25	1,025,056.25	
08/01/2027	3,410,000	4.000%	1,025,056.25	4,435,056.25	5,460,112.50
02/01/2028			956,856.25	956,856.25	
08/01/2028	3,415,000	4.000%	956,856.25	4,371,856.25	5,328,712.50
02/01/2029			888,556.25	888,556.25	
08/01/2029	3,660,000	4.000%	888,556.25	4,548,556.25	5,437,112.50
02/01/2030			815,356.25	815,356.25	
08/01/2030	3,905,000	4.000%	815,356.25	4,720,356.25	5,535,712.50
02/01/2031			737,256.25	737,256.25	
08/01/2031	4,165,000	4.000%	737,256.25	4,902,256.25	5,639,512.50
02/01/2032			653,956.25	653,956.25	
08/01/2032	4,240,000	4.000%	653,956.25	4,893,956.25	5,547,912.50
02/01/2033			569,156.25	569,156.25	
08/01/2033	4,505,000	4.000%	569,156.25	5,074,156.25	5,643,312.50
02/01/2034			479,056.25	479,056.25	
08/01/2034	4,785,000	4.000%	479,056.25	5,264,056.25	5,743,112.50
02/01/2035			383,356.25	383,356.25	
08/01/2035	5,075,000	4.000%	383,356.25	5,458,356.25	5,841,712.50
02/01/2036			281,856.25	281,856.25	
08/01/2036	5,380,000	3.250%	281,856.25	5,661,856.25	5,943,712.50
02/01/2037			194,431.25	194,431.25	
08/01/2037	5,655,000	3.250%	194,431.25	5,849,431.25	6,043,862.50
02/01/2038			102,537.50	102,537.50	
08/01/2038	6,310,000	3.250%	102,537.50	6,412,537.50	6,515,075.00
	79,350,000		31,858,050.00	111,208,050.00	111,208,050.00

## ESCROW DESCRIPTIONS DETAIL

Santa Monica-Malibu Unified School District  
2019 Refunding General Obligation Bonds (Federally Taxable)  
Optional Redemption August 1, 2029 at 100% of par  
\*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

G.O. Bonds, 2006 Election, Series D

Type of Security	Maturity Date	Par Amount	Rate
Cashflow		58,807,216	
		58,807,216	

## ESCROW DESCRIPTIONS DETAIL

Santa Monica-Malibu Unified School District  
2019 Refunding General Obligation Bonds (Federally Taxable)  
Optional Redemption August 1, 2029 at 100% of par  
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G.O. Bonds, Election of 2012, Series D

Type of Security	Maturity Date	Par Amount	Rate
Cashflow		46,490,033.99	
		46,490,033.99	



## ESCROW DESCRIPTIONS DETAIL

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
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Escrow

Type of Security	CUSIP or ID	Maturity Date	Par Amount	Rate	Yield	Price	Interest Class	Interest Frequency	Interest Day Basis
Nov 6, 2019:									
TNote	9128283N8	12/31/2019	696,000	1.875%	1.576%	100.042973	Periodic	Semiannual	ACT/ACT
TNote	912828H52	01/31/2020	419,000	1.250%	1.798%	99.871098	Periodic	Semiannual	ACT/ACT
TNote	912828XH8	06/30/2020	702,000	1.625%	1.679%	99.964859	Periodic	Semiannual	ACT/ACT
TNote	912828Y46	07/31/2020	422,000	2.625%	1.575%	100.761729	Periodic	Semiannual	ACT/ACT
TNote	912828N48	12/31/2020	708,000	1.750%	1.601%	100.167994	Periodic	Semiannual	ACT/ACT
TNote	9128285X4	01/31/2021	427,000	2.500%	1.565%	101.136735	Periodic	Semiannual	ACT/ACT
TNote	912828S27	06/30/2021	714,000	1.125%	1.563%	99.289098	Periodic	Semiannual	ACT/ACT
TNote	912828WY2	07/31/2021	433,000	2.250%	1.487%	101.300804	Periodic	Semiannual	ACT/ACT
TNote	912828U81	12/31/2021	718,000	2.000%	1.440%	101.179735	Periodic	Semiannual	ACT/ACT
TNote	912828V72	01/31/2022	438,000	1.875%	1.443%	100.945342	Periodic	Semiannual	ACT/ACT
TNote	912828XW5	06/30/2022	725,000	1.750%	1.403%	100.898495	Periodic	Semiannual	ACT/ACT
TNote	9128282P4	07/31/2022	442,000	1.875%	1.416%	101.226599	Periodic	Semiannual	ACT/ACT
TNote	912828N30	12/31/2022	731,000	2.125%	1.392%	102.250069	Periodic	Semiannual	ACT/ACT
TNote	9128283U2	01/31/2023	446,000	2.375%	1.395%	103.085981	Periodic	Semiannual	ACT/ACT
TNote	912828S35	06/30/2023	53,544,000	1.375%	1.411%	99.872950	Periodic	Semiannual	ACT/ACT
TNote	912828Y61	07/31/2023	41,101,000	2.750%	1.389%	104.934340	Periodic	Semiannual	ACT/ACT
			102,666,000						

## ESCROW COST DETAIL

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
 \*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

G.O. Bonds, 2006 Election, Series D

Type of Security	Maturity Date	Par Amount	Rate	Total Cost
Cashflow		58,807,216		58,807,216.00
		58,807,216		58,807,216.00

Escrow	Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost	Yield	Adjusted Yield
	11/06/2019	58,807,216		58,807,216.00	1.402696%	1.402696%
		58,807,216	0.00	58,807,216.00		

## ESCROW COST DETAIL

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
 \*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

G.O. Bonds, Election of 2012, Series D

	Type of Security	Maturity Date	Par Amount	Rate	Total Cost	
	Cashflow		46,490,033.99		46,490,033.99	
			46,490,033.99		46,490,033.99	
Escrow	Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost	Yield	Adjusted Yield
	11/06/2019	46,490,033.99		46,490,033.99	1.402696%	1.402696%
		46,490,033.99	0.00	46,490,033.99		

## ESCROW COST DETAIL

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
 \*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

Escrow

Type of Security	Maturity Date	Par Amount	Rate	Yield	Price	Cost	Accrued Interest	Total Cost
TNote	12/31/2019	696,000	1.875%	1.576430%	100.04297348	696,299.10	4,574.59	700,873.69
TNote	01/31/2020	419,000	1.250%	1.797915%	99.87109763	418,459.90	1,394.77	419,854.67
TNote	06/30/2020	702,000	1.625%	1.678524%	99.96485881	701,753.31	3,998.82	705,752.13
TNote	07/31/2020	422,000	2.625%	1.574936%	100.76172891	425,214.50	2,949.99	428,164.49
TNote	12/31/2020	708,000	1.750%	1.601271%	100.16799431	709,189.40	4,343.23	713,532.63
TNote	01/31/2021	427,000	2.500%	1.565073%	101.13673532	431,853.86	2,842.80	434,696.66
TNote	06/30/2021	714,000	1.125%	1.562970%	99.28909843	708,924.16	2,815.74	711,739.90
TNote	07/31/2021	433,000	2.250%	1.486589%	101.30080439	438,632.48	2,594.47	441,226.95
TNote	12/31/2021	718,000	2.000%	1.440278%	101.17973452	726,470.49	5,033.80	731,504.29
TNote	01/31/2022	438,000	1.875%	1.443016%	100.94534220	442,140.60	2,187.02	444,327.62
TNote	06/30/2022	725,000	1.750%	1.403098%	100.89849535	731,514.09	4,447.52	735,961.61
TNote	07/31/2022	442,000	1.875%	1.415672%	101.22659890	447,421.57	2,207.00	449,628.57
TNote	12/31/2022	731,000	2.125%	1.392059%	102.25006931	747,448.01	5,445.25	752,893.26
TNote	01/31/2023	446,000	2.375%	1.395337%	103.08598107	459,763.48	2,820.83	462,584.31
TNote	06/30/2023	53,544,000	1.375%	1.410697%	99.87294989	53,475,972.29	258,080.63	53,734,052.92
TNote	07/31/2023	41,101,000	2.750%	1.388957%	104.93433953	43,129,062.89	300,997.81	43,430,060.70
		102,666,000				104,690,120.13	606,734.27	105,296,854.40

Escrow	Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost	Yield
	11/06/2019	105,296,854.40	395.59	105,297,249.99	1.402696%
		105,296,854.40	395.59	105,297,249.99	

## ESCROW REQUIREMENTS

Santa Monica-Malibu Unified School District  
2019 Refunding General Obligation Bonds (Federally Taxable)  
Optional Redemption August 1, 2029 at 100% of par  
\*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

G.O. Bonds, 2006 Election, Series D

Period Ending	Interest	Principal Redeemed	Total
01/01/2020	1,107,500.00		1,107,500.00
07/01/2020	1,107,500.00		1,107,500.00
01/01/2021	1,107,500.00		1,107,500.00
07/01/2021	1,107,500.00		1,107,500.00
01/01/2022	1,107,500.00		1,107,500.00
07/01/2022	1,107,500.00		1,107,500.00
01/01/2023	1,107,500.00		1,107,500.00
07/01/2023	1,107,500.00	52,805,000.00	53,912,500.00
	8,860,000.00	52,805,000.00	61,665,000.00

ESCROW REQUIREMENTS

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
 \*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

G.O. Bonds, Election of 2012, Series D

Period Ending	Interest	Principal Redeemed	Total
02/01/2020	1,016,250.00		1,016,250.00
08/01/2020	1,016,250.00		1,016,250.00
02/01/2021	1,016,250.00		1,016,250.00
08/01/2021	1,016,250.00		1,016,250.00
02/01/2022	1,016,250.00		1,016,250.00
08/01/2022	1,016,250.00		1,016,250.00
02/01/2023	1,016,250.00		1,016,250.00
08/01/2023	1,016,250.00	40,650,000.00	41,666,250.00
	8,130,000.00	40,650,000.00	48,780,000.00

## ESCROW SUFFICIENCY

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
 \*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
11/06/2019		395.59	395.59	395.59
12/31/2019		1,107,845.63	1,107,845.63	1,108,241.22
01/01/2020	1,107,500.00		-1,107,500.00	741.22
01/31/2020		1,016,051.25	1,016,051.25	1,016,792.47
02/01/2020	1,016,250.00		-1,016,250.00	542.47
06/30/2020		1,107,320.63	1,107,320.63	1,107,863.10
07/01/2020	1,107,500.00		-1,107,500.00	363.10
07/31/2020		1,016,432.50	1,016,432.50	1,016,795.60
08/01/2020	1,016,250.00		-1,016,250.00	545.60
12/31/2020		1,107,616.88	1,107,616.88	1,108,162.48
01/01/2021	1,107,500.00		-1,107,500.00	662.48
01/31/2021		1,015,893.75	1,015,893.75	1,016,556.23
02/01/2021	1,016,250.00		-1,016,250.00	306.23
06/30/2021		1,107,421.88	1,107,421.88	1,107,728.11
07/01/2021	1,107,500.00		-1,107,500.00	228.11
07/31/2021		1,016,556.25	1,016,556.25	1,016,784.36
08/01/2021	1,016,250.00		-1,016,250.00	534.36
12/31/2021		1,107,405.63	1,107,405.63	1,107,939.99
01/01/2022	1,107,500.00		-1,107,500.00	439.99
01/31/2022		1,016,685.00	1,016,685.00	1,017,124.99
02/01/2022	1,016,250.00		-1,016,250.00	874.99
06/30/2022		1,107,225.63	1,107,225.63	1,108,100.62
07/01/2022	1,107,500.00		-1,107,500.00	600.62
07/31/2022		1,016,578.75	1,016,578.75	1,017,179.37
08/01/2022	1,016,250.00		-1,016,250.00	929.37
12/31/2022		1,106,881.88	1,106,881.88	1,107,811.25
01/01/2023	1,107,500.00		-1,107,500.00	311.25
01/31/2023		1,016,435.00	1,016,435.00	1,016,746.25
02/01/2023	1,016,250.00		-1,016,250.00	496.25
06/30/2023		53,912,115.00	53,912,115.00	53,912,611.25
07/01/2023	53,912,500.00		-53,912,500.00	111.25
07/31/2023		41,666,138.75	41,666,138.75	41,666,250.00
08/01/2023	41,666,250.00		-41,666,250.00	
	110,445,000.00	110,445,000.00	0.00	

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ESCROW STATISTICS

Santa Monica-Malibu Unified School District  
 2019 Refunding General Obligation Bonds (Federally Taxable)  
 Optional Redemption August 1, 2029 at 100% of par  
 \*\*\*FINAL VERIFIED\*\*\* as of October 7, 2019

	Total Escrow Cost	Modified Duration (years)	PV of 1 bp change	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Escrow:								
	105,297,249.99	3.387	35,653.14	1.402696%	1.402095%	100,039,117.36	5,253,912.15	4,220.48
	105,297,249.99		35,653.14			100,039,117.36	5,253,912.15	4,220.48

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Delivery date 11/06/2019  
 Arbitrage yield 2.921833%



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Santa Monica-Malibu Unified School District  
General Obligation Bonds  
Election of 2012, Series E  
\*\*\*\*\*

Subject to optional redemption 8/1/26 at 100% of par  
as of 10/23/2019  
\*\*\*FINAL\*\*\*

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## SOURCES AND USES OF FUNDS

Santa Monica-Malibu Unified School District  
General Obligation Bonds  
Election of 2012, Series E

\*\*\*\*\*

Subject to optional redemption 8/1/26 at 100% of par  
as of 10/23/2019

\*\*\*FINAL\*\*\*

## Sources:

## Bond Proceeds:

Par Amount	115,000,000.00
Premium	10,820,619.35

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	125,820,619.35
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## Uses:

## Project Fund Deposits:

Project Fund	114,775,000.00
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## Other Fund Deposits:

Deposit to Debt Service Fund	10,423,869.35
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## Delivery Date Expenses:

Cost of Issuance	225,000.00
Underwriter's Discount	396,750.00
	<hr/> 621,750.00

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	125,820,619.35
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## BOND SUMMARY STATISTICS

Santa Monica-Malibu Unified School District  
 General Obligation Bonds  
 Election of 2012, Series E

\*\*\*\*\*

Subject to optional redemption 8/1/26 at 100% of par  
 as of 10/23/2019

\*\*\*FINAL\*\*\*

Dated Date	11/06/2019
Delivery Date	11/06/2019
First Coupon	02/01/2020
Last Maturity	08/01/2036
Arbitrage Yield	1.819159%
True Interest Cost (TIC)	2.342811%
Net Interest Cost (NIC)	2.460085%
All-In TIC	2.362718%
Average Coupon	3.296780%
Average Life (years)	10.833
Weighted Average Maturity (years)	10.673
Duration of Issue (years)	9.128
Par Amount	115,000,000.00
Bond Proceeds	125,820,619.35
Total Interest	41,072,534.72
Net Interest	30,648,665.37
Total Debt Service	156,072,534.72
Maximum Annual Debt Service	11,796,700.00
Average Annual Debt Service	9,325,495.85

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Current Interest Bonds	115,000,000.00	109.409	3.297%	10.833	71,036.25
	115,000,000.00			10.833	71,036.25

	TIC	All-In TIC	Arbitrage Yield
Par Value	115,000,000.00	115,000,000.00	115,000,000.00
+ Accrued Interest			
+ Premium (Discount)	10,820,619.35	10,820,619.35	10,820,619.35
- Underwriter's Discount	-396,750.00	-396,750.00	
- Cost of Issuance Expense		-225,000.00	
- Other Amounts			
Target Value	125,423,869.35	125,198,869.35	125,820,619.35
Target Date	11/06/2019	11/06/2019	11/06/2019
Yield	2.342811%	2.362718%	1.819159%

## BOND PRICING

Santa Monica-Malibu Unified School District  
General Obligation Bonds  
Election of 2012, Series E

\*\*\*\*\*

Subject to optional redemption 8/1/26 at 100% of par  
as of 10/23/2019

\*\*\*FINAL\*\*\*

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Current Interest Bonds:									
	08/01/2022	6,900,000	4.000%	0.950%	108.217				566,973.00
	08/01/2023	4,270,000	4.000%	0.960%	111.129				475,208.30
	08/01/2024	4,935,000	4.000%	0.980%	113.941				687,988.35
	08/01/2025	5,645,000	4.000%	1.030%	116.500				931,425.00
	08/01/2026	5,765,000	4.000%	1.130%	118.563				1,070,156.95
	08/01/2027	6,465,000	4.000%	1.210%	117.994 C	1.525%	08/01/2026	100.000	1,163,312.10
	08/01/2028	6,520,000	4.000%	1.300%	117.358 C	1.840%	08/01/2026	100.000	1,131,741.60
	08/01/2029	7,205,000	4.000%	1.400%	116.656 C	2.099%	08/01/2026	100.000	1,200,064.80
	08/01/2030	7,935,000	3.000%	1.860%	107.184 C	2.243%	08/01/2026	100.000	570,050.40
	08/01/2031	3,250,000	3.000%	2.010%	106.206 C	2.390%	08/01/2026	100.000	201,695.00
	08/01/2031	5,385,000	4.000%	1.650%	114.921 C	2.523%	08/01/2026	100.000	803,495.85
	08/01/2032	8,885,000	3.000%	2.150%	105.301 C	2.511%	08/01/2026	100.000	470,993.85
	08/01/2033	9,595,000	3.000%	2.270%	104.533 C	2.605%	08/01/2026	100.000	434,941.35
	08/01/2034	10,355,000	3.000%	2.360%	103.962 C	2.673%	08/01/2026	100.000	410,265.10
	08/01/2035	11,140,000	3.000%	2.450%	103.393 C	2.733%	08/01/2026	100.000	377,980.20
	08/01/2036	10,750,000	3.000%	2.510%	103.017 C	2.773%	08/01/2026	100.000	324,327.50
		115,000,000							10,820,619.35

Dated Date 11/06/2019  
Delivery Date 11/06/2019  
First Coupon 02/01/2020

Par Amount 115,000,000.00  
Premium 10,820,619.35

Production 125,820,619.35 109.409234%  
Underwriter's Discount -396,750.00 -0.345000%

Purchase Price 125,423,869.35 109.064234%  
Accrued Interest

Net Proceeds 125,423,869.35

## NET DEBT SERVICE

Santa Monica-Malibu Unified School District  
General Obligation Bonds  
Election of 2012, Series E

\*\*\*\*\*

Subject to optional redemption 8/1/26 at 100% of par  
as of 10/23/2019

\*\*\*FINAL\*\*\*

Period Ending	Principal	Coupon	Interest	Total Debt Service	Deposit to Debt Service Fund	Net Debt Service
08/01/2020			2,930,384.72	2,930,384.72	2,930,384.72	
08/01/2021			3,980,900.00	3,980,900.00	3,980,900.00	
08/01/2022	6,900,000	4.000%	3,980,900.00	10,880,900.00	3,512,584.63	7,368,315.37
08/01/2023	4,270,000	4.000%	3,704,900.00	7,974,900.00		7,974,900.00
08/01/2024	4,935,000	4.000%	3,534,100.00	8,469,100.00		8,469,100.00
08/01/2025	5,645,000	4.000%	3,336,700.00	8,981,700.00		8,981,700.00
08/01/2026	5,765,000	4.000%	3,110,900.00	8,875,900.00		8,875,900.00
08/01/2027	6,465,000	4.000%	2,880,300.00	9,345,300.00		9,345,300.00
08/01/2028	6,520,000	4.000%	2,621,700.00	9,141,700.00		9,141,700.00
08/01/2029	7,205,000	4.000%	2,360,900.00	9,565,900.00		9,565,900.00
08/01/2030	7,935,000	3.000%	2,072,700.00	10,007,700.00		10,007,700.00
08/01/2031	8,635,000	** %	1,834,650.00	10,469,650.00		10,469,650.00
08/01/2032	8,885,000	3.000%	1,521,750.00	10,406,750.00		10,406,750.00
08/01/2033	9,595,000	3.000%	1,255,200.00	10,850,200.00		10,850,200.00
08/01/2034	10,355,000	3.000%	967,350.00	11,322,350.00		11,322,350.00
08/01/2035	11,140,000	3.000%	656,700.00	11,796,700.00		11,796,700.00
08/01/2036	10,750,000	3.000%	322,500.00	11,072,500.00		11,072,500.00
	115,000,000		41,072,534.72	156,072,534.72	10,423,869.35	145,648,665.37

## NET DEBT SERVICE

Santa Monica-Malibu Unified School District  
General Obligation Bonds  
Election of 2012, Series E

\*\*\*\*\*

Subject to optional redemption 8/1/26 at 100% of par  
as of 10/23/2019

\*\*\*FINAL\*\*\*

Period Ending	Principal	Coupon	Interest	Total Debt Service	Deposit to Debt Service Fund	Net Debt Service
02/01/2020			939,934.72	939,934.72	939,934.72	
08/01/2020			1,990,450.00	1,990,450.00	1,990,450.00	
02/01/2021			1,990,450.00	1,990,450.00	1,990,450.00	
08/01/2021			1,990,450.00	1,990,450.00	1,990,450.00	
02/01/2022			1,990,450.00	1,990,450.00	1,990,450.00	
08/01/2022	6,900,000	4.000%	1,990,450.00	8,890,450.00	1,522,134.63	7,368,315.37
02/01/2023			1,852,450.00	1,852,450.00		1,852,450.00
08/01/2023	4,270,000	4.000%	1,852,450.00	6,122,450.00		6,122,450.00
02/01/2024			1,767,050.00	1,767,050.00		1,767,050.00
08/01/2024	4,935,000	4.000%	1,767,050.00	6,702,050.00		6,702,050.00
02/01/2025			1,668,350.00	1,668,350.00		1,668,350.00
08/01/2025	5,645,000	4.000%	1,668,350.00	7,313,350.00		7,313,350.00
02/01/2026			1,555,450.00	1,555,450.00		1,555,450.00
08/01/2026	5,765,000	4.000%	1,555,450.00	7,320,450.00		7,320,450.00
02/01/2027			1,440,150.00	1,440,150.00		1,440,150.00
08/01/2027	6,465,000	4.000%	1,440,150.00	7,905,150.00		7,905,150.00
02/01/2028			1,310,850.00	1,310,850.00		1,310,850.00
08/01/2028	6,520,000	4.000%	1,310,850.00	7,830,850.00		7,830,850.00
02/01/2029			1,180,450.00	1,180,450.00		1,180,450.00
08/01/2029	7,205,000	4.000%	1,180,450.00	8,385,450.00		8,385,450.00
02/01/2030			1,036,350.00	1,036,350.00		1,036,350.00
08/01/2030	7,935,000	3.000%	1,036,350.00	8,971,350.00		8,971,350.00
02/01/2031			917,325.00	917,325.00		917,325.00
08/01/2031	8,635,000	** %	917,325.00	9,552,325.00		9,552,325.00
02/01/2032			760,875.00	760,875.00		760,875.00
08/01/2032	8,885,000	3.000%	760,875.00	9,645,875.00		9,645,875.00
02/01/2033			627,600.00	627,600.00		627,600.00
08/01/2033	9,595,000	3.000%	627,600.00	10,222,600.00		10,222,600.00
02/01/2034			483,675.00	483,675.00		483,675.00
08/01/2034	10,355,000	3.000%	483,675.00	10,838,675.00		10,838,675.00
02/01/2035			328,350.00	328,350.00		328,350.00
08/01/2035	11,140,000	3.000%	328,350.00	11,468,350.00		11,468,350.00
02/01/2036			161,250.00	161,250.00		161,250.00
08/01/2036	10,750,000	3.000%	161,250.00	10,911,250.00		10,911,250.00
	115,000,000		41,072,534.72	156,072,534.72	10,423,869.35	145,648,665.37

## FORM 8038 STATISTICS

Santa Monica-Malibu Unified School District  
 General Obligation Bonds  
 Election of 2012, Series E

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Subject to optional redemption 8/1/26 at 100% of par  
 as of 10/23/2019

\*\*\*FINAL\*\*\*

Dated Date 11/06/2019  
 Delivery Date 11/06/2019

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Serial Current Interest Bonds:						
	08/01/2022	6,900,000.00	4.000%	108.217	7,466,973.00	6,900,000.00
	08/01/2023	4,270,000.00	4.000%	111.129	4,745,208.30	4,270,000.00
	08/01/2024	4,935,000.00	4.000%	113.941	5,622,988.35	4,935,000.00
	08/01/2025	5,645,000.00	4.000%	116.500	6,576,425.00	5,645,000.00
	08/01/2026	5,765,000.00	4.000%	118.563	6,835,156.95	5,765,000.00
	08/01/2027	6,465,000.00	4.000%	117.994	7,628,312.10	6,465,000.00
	08/01/2028	6,520,000.00	4.000%	117.358	7,651,741.60	6,520,000.00
	08/01/2029	7,205,000.00	4.000%	116.656	8,405,064.80	7,205,000.00
	08/01/2030	7,935,000.00	3.000%	107.184	8,505,050.40	7,935,000.00
	08/01/2031	3,250,000.00	3.000%	106.206	3,451,695.00	3,250,000.00
	08/01/2031	5,385,000.00	4.000%	114.921	6,188,495.85	5,385,000.00
	08/01/2032	8,885,000.00	3.000%	105.301	9,355,993.85	8,885,000.00
	08/01/2033	9,595,000.00	3.000%	104.533	10,029,941.35	9,595,000.00
	08/01/2034	10,355,000.00	3.000%	103.962	10,765,265.10	10,355,000.00
	08/01/2035	11,140,000.00	3.000%	103.393	11,517,980.20	11,140,000.00
	08/01/2036	10,750,000.00	3.000%	103.017	11,074,327.50	10,750,000.00
		115,000,000.00			125,820,619.35	115,000,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	08/01/2036	3.000%	11,074,327.50	10,750,000.00		
Entire Issue			125,820,619.35	115,000,000.00	10.6728	1.8192%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	621,750.00
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00

## PROOF OF ARBITRAGE YIELD

Santa Monica-Malibu Unified School District  
General Obligation Bonds  
Election of 2012, Series E

\*\*\*\*\*

Subject to optional redemption 8/1/26 at 100% of par  
as of 10/23/2019

\*\*\*FINAL\*\*\*

Date	Debt Service	PV Factor	Present Value to 11/06/2019 @ 1.8191590768%
02/01/2020	939,934.72	0.995733308	935,924.31
08/01/2020	1,990,450.00	0.986757960	1,964,092.38
02/01/2021	1,990,450.00	0.977863513	1,946,388.43
08/01/2021	1,990,450.00	0.969049240	1,928,844.06
02/01/2022	1,990,450.00	0.960314416	1,911,457.83
08/01/2022	8,890,450.00	0.951658327	8,460,670.77
02/01/2023	1,852,450.00	0.943080262	1,747,009.03
08/01/2023	6,122,450.00	0.934579518	5,721,916.37
02/01/2024	1,767,050.00	0.926155398	1,636,562.90
08/01/2024	6,702,050.00	0.917807211	6,151,189.82
02/01/2025	1,668,350.00	0.909534273	1,517,421.51
08/01/2025	7,313,350.00	0.901335906	6,591,784.95
02/01/2026	1,555,450.00	0.893211438	1,389,345.73
08/01/2026	94,805,450.00	0.885160202	83,918,011.27
	139,578,784.72		125,820,619.35

Proceeds Summary

Delivery date	11/06/2019
Par Value	115,000,000.00
Premium (Discount)	10,820,619.35
Target for yield calculation	125,820,619.35



## PROOF OF ARBITRAGE YIELD

Santa Monica-Malibu Unified School District  
 General Obligation Bonds  
 Election of 2012, Series E

\*\*\*\*\*

Subject to optional redemption 8/1/26 at 100% of par  
 as of 10/23/2019

\*\*\*FINAL\*\*\*

Assumed Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity
CIB_SER	08/01/2027	4.000%	1.210%	08/01/2026	100.000	1.2104985%
CIB_SER	08/01/2028	4.000%	1.300%	08/01/2026	100.000	1.3005100%
CIB_SER	08/01/2029	4.000%	1.400%	08/01/2026	100.000	1.4005175%
CIB_SER	08/01/2030	3.000%	1.860%	08/01/2026	100.000	1.8606072%
CIB_SER	08/01/2031	3.000%	2.010%	08/01/2026	100.000	2.0105813%
CIB_SER	08/01/2031	4.000%	1.650%	08/01/2026	100.000	1.6506941%
CIB_SER	08/01/2032	3.000%	2.150%	08/01/2026	100.000	2.1507676%
CIB_SER	08/01/2033	3.000%	2.270%	08/01/2026	100.000	2.2708123%
CIB_SER	08/01/2034	3.000%	2.360%	08/01/2026	100.000	2.3607169%
CIB_SER	08/01/2035	3.000%	2.450%	08/01/2026	100.000	2.4508679%
CIB_SER	08/01/2036	3.000%	2.510%	08/01/2026	100.000	2.5107510%

Rejected Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity	Increase to Yield
CIB_SER	08/01/2027	4.000%	1.210%			1.5254884%	0.3149899%
CIB_SER	08/01/2028	4.000%	1.300%			1.8402564%	0.5397464%
CIB_SER	08/01/2029	4.000%	1.400%			2.0997921%	0.6992745%
CIB_SER	08/01/2030	3.000%	1.860%			2.2435272%	0.3829199%
CIB_SER	08/01/2031	3.000%	2.010%			2.3906421%	0.3800607%
CIB_SER	08/01/2031	4.000%	1.650%			2.5234458%	0.8727517%
CIB_SER	08/01/2032	3.000%	2.150%			2.5113057%	0.3605381%
CIB_SER	08/01/2033	3.000%	2.270%			2.6055120%	0.3346997%
CIB_SER	08/01/2034	3.000%	2.360%			2.6731475%	0.3124306%
CIB_SER	08/01/2035	3.000%	2.450%			2.7334445%	0.2825767%
CIB_SER	08/01/2036	3.000%	2.510%			2.7736323%	0.2628813%

## APPENDIX B

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### Financing Calendar & Distribution List

## **SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT**

GENERAL OBLIGATION BONDS, ELECTION OF 2012, SERIES E &  
2019 GENERAL OBLIGATION REFUNDING BONDS (FEDERALLY TAXABLE)

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# SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

## GENERAL OBLIGATION BONDS, ELECTION OF 2012, SERIES E & 2019 GENERAL OBLIGATION REFUNDING BONDS (FEDERALLY TAXABLE)

### Financing Schedule

September 2019						
S	M	T	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					
October 2019						
S	M	T	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		
November 2019						
S	M	T	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Holidays highlighted in yellow

#### Legend

**SD** – Santa Monica-Malibu USD

**FA** – Isom Advisors

**BC** – Jones Hall

**UW** – Raymond James/RBC

**County** – Los Angeles

Date	Action	Responsibility
September 9✓	Distribute timeline, term sheet and distribution list	FA
September 12✓	Distribute 1 <sup>st</sup> draft of 2019 GO Bonds (GOBs) & 2019 GO Refunding Bonds (GORBs) Resolutions, Preliminary Official Statements (POS) and supporting legal documents	BC
September 15✓	Comments due on draft documents	All
September 16✓	Agenda deadline for Board meeting	SD/BC
September 19✓	Send credit package to rating agencies	FA
	District Board approves Resolutions and legal documents	SD
September 24✓	Rating conference calls (S&P 1:00 pm; Moody's 1:30 pm)	SD/FA/UW
September 30	Receive ratings	FA
October 2	District Financial Oversight Committee (FOC) Bond subcommittee meeting/call to discuss GORBs & GOBs structure	SD
October 3	Distribute GORBs POS	BC/UW
	County Board of Supervisors (BOS) agenda deadline (GOBs)	BC/County
October 8*	Pre-price GORBs	SD/UW/FA
October 9*	Price GORBs	SD/UW/FA
October 10	County BOS agenda deadline (GORBs)	BC/County
	District FOC meeting	SD
October 15	County BOS approves GOBs	County
October 16	Distribute GORBs final OS	BC/UW
October 17	District Board meeting to discuss GOBs structure	SD
	Distribute GOBs POS	BC/UW
Wk. of Oct. 21	Pre-Price GOBs	SD/UW/FA
	Price GOBs	SD/UW/FA
October 29	County BOS approves GORBs	County
October 30	Distribute GOBs final OS	BC/UW
November 5	2019 GO Bonds and GO Refunding Bonds Pre-Closing	All
November 6	2019 GO Bonds and GO Refunding Bonds Closing	All

\*Preliminary; subject to change

# APPENDIX C

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## Rating Reports



## Rating Action: Moody's assigns Aaa ratings to Santa Monica-Malibu USD, CA's GO bonds

30 Sep 2019

New York, September 30, 2019 -- Moody's Investors Service has assigned Aaa ratings to Santa Monica-Malibu Unified School District, California's \$115.0 million General Obligation Bonds, Election of 2012, Series E and \$110.0 million 2019 Refunding General Obligation Bonds (Federally Taxable). Moody's maintains Aaa ratings on the district's \$453.1 million in outstanding general obligation bonds as well as the Aa2 ratings on the district's \$5.5 million in outstanding certificates of Participation. The outlook is stable.

### RATINGS RATIONALE

The Aaa rating for the district reflects its extremely large and growing tax base, affluent socioeconomic profile and a solid financial position that is supported by both the district's community funded status and significant range of additional revenue sources available to the district including but not limited to, an evergreen parcel tax and two separate taxes those revenues City of Santa Monica passes onto the district. Combined these additional revenue sources provide the district with materially greater revenue flexibility than is typical for a California school district. The rating incorporates the district's average debt burden, manageable pension and OPEB liabilities, and conservative management.

The Aa2 COP rating is two notches lower than the district's Aaa GO rating. The notching reflects a standard legal structure for a California abatement lease financing and leased assets that we view as "more essential." The notching also reflects the strong legal features of California general obligation bonds that are not shared by lease revenue debt.

### RATING OUTLOOK

The stable outlook reflects our expectation that the district will continue to maintain a strong overall credit profile reflected in a healthy financial position, strong socioeconomic indicators, large, growing tax base, and manageable debt levels.

### FACTORS THAT COULD LEAD TO AN UPGRADE

- Not applicable

### FACTORS THAT COULD LEAD TO A DOWNGRADE

- Material decline in the district's financial position
- Significant contraction in the tax base or wealth levels

### LEGAL SECURITY

The bonds are a general obligation of the district and secured by the levy of ad valorem taxes, unlimited as to rate or amount, upon all taxable property within the district. The portion of the levy restricted for debt service is collected, held and transferred directly to the paying agent by Los Angeles County on behalf of the district.

### USE OF PROCEEDS

The new money bonds will be used to pay for the renovation, construction, and improvement of various school facilities. The refunding bonds will be used to refinance for savings certain outstanding maturities of the district's 2006D and 2012D bonds.

### PROFILE

Santa Monica-Malibu Unified School District serves residents of the Cities of Santa Monica (Aaa stable) and Malibu, as well as a portion of unincorporated Los Angeles County (Aa1 stable). Located on the scenic Pacific Coast, the district encompasses about 29 square miles, with an estimated population of 111,980. The district currently operates 10 elementary schools, two middle schools, one K-8 school, one 6-12 school, one high school, one continuation high school, a regional occupation program, an adult education program, as well as child care and development centers, with estimated enrollment in fiscal 2020 of 10,098.

### METHODOLOGY

The principal methodology used in these ratings was US Local Government General Obligation Debt published in September 2019. Please see the Rating Methodologies page on [www.moody's.com](http://www.moody's.com) for a copy of this methodology.

### REGULATORY DISCLOSURES

For ratings issued on a program, series, category/class of debt or security this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series, category/class of debt, security or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the credit rating action on the



support provider and in relation to each particular credit rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on [www.moodys.com](http://www.moodys.com).

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

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Please see the ratings tab on the issuer/entity page on [www.moodys.com](http://www.moodys.com) for additional regulatory disclosures for each credit rating.

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## Summary:

### Santa Monica-Malibu Unified School District, California; Appropriations; General Obligation

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## Summary:

# Santa Monica-Malibu Unified School District, California; Appropriations; General Obligation

### Credit Profile

US\$115.0 mil GO bnds (Election Of 2012) ser E due 08/01/2043		
<i>Long Term Rating</i>	AA+/Stable	New
US\$110.0 mil GO rfdg bnds due 08/01/2033		
<i>Long Term Rating</i>	AA+/Stable	New
Santa Monica-Malibu Unif Sch Dist APPROP		
<i>Unenhanced Rating</i>	AA(SPUR)/Stable	Affirmed

## Rationale

S&P Global Ratings assigned its 'AA+' rating to Santa Monica-Malibu Unified School District, Calif.'s series 2019 refunding general obligation (GO) bonds and the series E (election of 2012) GO bonds. At the same time, S&P Global Ratings affirmed its 'AA+' rating on the district's existing GO debt. S&P Global Ratings also affirmed its 'AA' rating on the district's certificates of participation (COPs). The outlook is stable.

### Security and purpose

The district's unlimited-ad valorem-property-tax pledge--which obligates the district to levy taxes on taxable property within the district annually, without limitation as to rate or amount such that legally available funds are sufficient to make principal and interest payments--secures the 2019 GO refunding bonds, the series E (election of 2012) GO bonds and the districts existing GO bonds. Management expects to use the series E GO bonds to finance the renovation, construction, and improvement of school facilities. The 2019 GO refunding bonds will be used to refund the district's series D, election of 2006 GO bonds and the series D, election of 2012 GO bonds.

The district's COPs represent an interest in lease payments it makes, as lessee, for the use of district facilities. We rate the COPs one notch below our view of the district's general creditworthiness to reflect annual appropriation risk.

Proceeds deposited into an escrow fund until the crossover date of July 1, 2020, secure the district's series 2016B GO refunding crossover bonds. Proceeds in the escrow fund were invested in noncallable federal securities (the state and local government series). On and after the respective crossover date, unlimited ad valorem taxes levied on taxable property within the district will secure the bonds; for that reason, the rating reflects the weaker of the long-term rating on the district's debt and the U.S. government sovereign rating until the crossover date. Afterward, the rating will reflect only the long-term rating on the district's debt.

### Credit fundamentals

We view the district's recent transition into basic-aid status as a positive credit factor, making it less reliant on potentially volatile state revenue. Basic-aid or local-funding districts keep all local property tax revenue and receive

little-to-no general funding from the state, resulting in state budget cuts or ADA decreases having less of an effect on revenue. The district maintains several supplemental revenue streams that diversify its overall revenue structure. Moreover, the district has maintained very strong reserves despite recent fund-balance draws due to one-time payments and staff salary increases. Future financial projections show further fund-balance deterioration, which we note does not currently include salary adjustments due to unsettled bargaining-unit contracts. While the district typically budgets conservatively and finances will likely benefit from expected economic growth, we note continued fund-balance draws could negatively affect the rating.

The strength of the economy bolsters the credit rating. Past assessed value (AV) growth has been strong. While the recent Woolsey fire should have an effect on AV growth in the Malibu area, officials do not expect AV to decrease. We consider this a testament to the economy's strength. We are optimistic strong overall AV growth will likely continue due to increased permits from post-fire construction, other commercial and residential construction, and organic growth.

We understand the district has had longstanding discussions regarding institutional separation. In 2017, Malibu petitioned Los Angeles County Office of Education to create a new Malibu Unified School District, which Santa Monica-Malibu School Board objected to formally. In June 2018, however, the board adopted a resolution that created two separate school facility improvement districts (SFIDs). While the two SFID's appear to create a middle ground between the district's formal division and remaining unified, we understand formal division is still a possibility as discussions resume. Based on our understanding of the institutional hurdles and management discussions, we do not expect a formal division will likely occur within the next few years.

The ratings reflect our opinion of the district's:

- Extremely strong and resilient local property tax bases, with very strong incomes, centered on one of Southern California's main economic centers;
- Substantial, diverse array of supplemental revenue streams not common to most school districts in the state, such as the ability to realize property tax revenue above what is constitutionally allowed under California's funding formula; and
- Good financial management practices under our Financial Management Assessment (FMA) methodology.

We believe somewhat offsetting factors are, what we consider, the district's high overall per capita debt, and longstanding political discussion regarding the school district's division.

## **Economy**

The district is a discontinuous district within Los Angeles County that serves a population estimate of 114,000 within its namesake cities, as well as unincorporated portions of Los Angeles County. This affluent district resides along the Pacific Coast with Santa Monica and Malibu 16 miles and 33 miles west, respectively, of downtown Los Angeles. Both Santa Monica and Malibu maintain tourism activity we consider strong while serving as entertainment, restaurant, and retail centers for local residents. A host of health-care and technology companies and Santa Monica Community College, one of the state's largest community colleges, stimulate Santa Monica's economy further.

The district's tax base, as a whole, is very diverse with the 10 leading taxpayers making up 6.0% of AV. AV has grown

continuously for eight consecutive fiscal years by an average of 5.6% annually to roughly \$59.4 billion in fiscal 2020, or, in our view, an extremely strong \$492,744 per capita. The tax base remained well insulated from the recession, decreasing by only 0.3% in fiscal 2011. In our opinion, the tax base will likely continue to improve due to persistent commercial and residential development, as well as organic growth through any potential national shifts. We expect the AV loss from the Woolsey fire to have a minimal effect on the growing tax base. In our opinion, median household and per capita effective buying incomes are very strong at 151% and 210%, respectively, of national levels.

## **Finances**

A formula based primarily on average daily attendance (ADA); grade levels served; and the share of English language-learner students, low- to moderate-income families, or foster youth served determine general-purpose funding for California school districts. California funds most school districts through a combination of state general fund and local property tax revenue, up to the amount determined by the formula. For these districts, ADA increases or decreases can lead to increases or decreases, respectively, in general-purpose funding under the formula. In some districts, however, the property tax base generates local revenue in excess of the formula-determined amount.

These districts, known as basic-aid or local-funding districts, keep all local property tax revenue and receive little-to-no general funding from the state, resulting in state budget cuts or ADA decreases having less of an effect on revenue. The district recently transitioned to basic-aid status from state-aid status in fiscal 2019. While the current benefit of this transition is small, roughly \$2 million, we expect this to grow as AV grows.

The district ended fiscal 2018 with an available general fund balance of roughly \$34.7 million or about 21.6% of expenditures, a level we consider to be very strong. Based on unaudited actuals for fiscal 2019, management estimates a \$3.5 million use of fund balance that could decrease available fund balance to an estimated 18% of budgeted general fund expenditures. Management partially attributes fund balance use to a nearly \$9.0 million contribution of earmarked funds to the educational-revenue-augmentation fund due to its recent transition to basic-aid status. Without this contribution, the district would have reported an operational surplus in fiscal 2019. Notably, a recent consolidation of two elementary schools for educational purposes generated savings.

The fiscal 2020 budget projects a \$6.4 million general fund deficit that could decrease available fund balance to a still-very-strong 15% of budgeted general fund expenditures. We note the district has historically been conservative with budget estimates, such as underestimating sales tax revenue. We think fiscal 2020 could result in better-than-budgeted results. In addition, management believes the increased housing-permit boom and continued AV growth could provide additional revenue and close the gap. We note two bargaining-unit contracts expired more than one year ago; therefore, the current fiscal 2020 budget does not reflect salary adjustments. Management expects forthcoming contract resolutions, and interim reports would reflect salary adjustments.

Despite expected available fund-balance draws, we view the district as having high expenditure flexibility by state standards due to policies that lead to, what we consider, high levels of permitted students with about 12%-14% of enrollment, including outside-the-district students. We think the district has the flexibility to reduce enrollment and expenditures by tightening transfer criteria.

In addition to its basic-aid status, we view supplemental revenue, which is unusual in the state, as a credit strength. The district currently has the following revenue streams available:



- A parcel tax with no sunset date that generates \$12 million annually, or 7.4% of general fund revenue;
- The two sales tax measures with no sunset dates that generated \$16 million annually, or 9.9%;
- A facility lease through 2022 that generates \$9 million annually, or 5.6%;
- The lease-rental revenue from several district-owned properties that generate \$2.5 million annually, or 1.5%;
- A foundation that, since fiscal 2015, has averaged about \$2 million annually, or 1.2%; and
- These sources generated a combined 25.6% of general fund revenue in fiscal 2018.

## **Management**

We consider the district's financial management practices good under our FMA methodology, indicating that financial practices exist in most areas but that governance officials might not formalize or regularly monitor all of them.

Highlights include management's:

- Compliance with a well-established state framework that requires the district to report revenue and expenditure assumptions, including ADA changes--the district uses a demographer and other outside sources to make revenue and expenditure assumptions;
- Presentations on budget-to-actual performance to the school board, at least, six times per year, coupled with budget updates in state-mandated intra-year reports;
- Maintenance of a long-term financial plan that extends a year beyond the state-required current-year-plus-two-year forecasting;
- Adherence to state investment-management requirements, including mandatory participation in the county's investment pool, coupled with annual holdings-and-performance reports in audited financial reports;
- Adoption of a debt-management policy that provides a conceptual framework for debt issuance that complies with Senate Bill 1029--For more information, please see the article, titled "California's Passage Of SB-1029's Formal Debt Management Policy Requirement Could Improve Our View Of Credit Quality," published Nov. 22, 2016, on RatingsDirect--We, however, view its guidelines as lacking significant quantitative constraints; and
- Compliance with a state-required reserve minimum at 3% of expenditures, bolstered by an informal minimum of two months, or 17%, of expenditures as a cushion against cash-flow risks of economic uncertainties.

For the district as a whole, including current bonds, overall net debt was, in our opinion, high at \$15,673 per capita, or low at 3.2% of market value, at fiscal year-end 2019. In our view, percent of market value is a more-meaningful ratio for understanding debt compared to the district's income profile. In our view, debt service carrying charges were an elevated 17% of total governmental-funds expenditures, excluding capital outlay, in fiscal 2018, the most recent audited year available.

Due to slow debt amortization and our expectation that the district's population is likely to grow slowly during the next few years, we expect that debt will likely increase the district's per capita debt ratio materially but that it will unlikely change overall net debt significantly compared with market value due to AV growth.



## Pension and other-postemployment-benefits liabilities

California Public Employees' Retirement System (CalPERS) and California State Teachers' Retirement System (CalSTRS), the nation's two leading public pension systems, have committed to lowering discount rates without changing fund-asset allocations; these reductions have significant implications for state and local budgets, increasing unfunded liabilities and total contributions required while lowering the participants' funded status. (For more information on pension increases and the potential effect on California school districts, please see our article, titled "Thanks To A Strong Economy, California's School Districts Can Face Continued Pension Increases--Though Will This Last?," published Nov. 8, 2018.)

In fiscal 2018, the district paid its full required contribution of \$14.5 million, or 5.1% of total governmental expenditures, toward its pension obligations. In fiscal 2018, the district paid \$2.5 million, or 0.9% of total governmental expenditures, toward its other postemployment-benefits (OPEB) obligation. It also maintains an irrevocable OPEB trust for prefunding retiree health care benefits. At June 30, 2019, the district has set aside roughly \$7.95 million.

Using updated reporting standards in accordance with Governmental Accounting Standards Board Statement Nos. 67 and 68, the district's net pension liabilities for fiscal year-end June 30, 2018, were \$118.2 million for CalSTRS and \$54.9 million for CalPERS. CalSTRS, the larger plan, maintained 69% funding, using its fiduciary net position as a percent of total pension liability.

## Outlook

The stable outlook reflects S&P Global Ratings' opinion of the district's very strong local economy, growing tax base, recent basic-aid-funding status, and additional revenue flexibility. We expect the district will continue to adjust the budget to minimize further fund-balance deterioration. Moreover, we do not expect the district to undergo an institutional separation within the next two years; we, however, will monitor developments. Therefore, we do not expect to change the ratings within our two-year outlook period.

## Downside scenario

We could lower the ratings if fund balance were to deteriorate to levels we no longer consider commensurate with similar-rated peers, with management sustaining it but with no plans to regrow it; if management were to reduce local revenue flexibility; or if management were to pursue division, which we think would negatively affect its ability to repay debt.

## Upside scenario

If revenue growth were to accelerate, leading to a substantial ongoing available reserve increase, particularly if accompanied by strengthening financial management policies and practices, such as the formalization of a reserve policy, or if we come to believe the district is not at risk of a credit determination associated with a potential division, we could raise the rating.

### Ratings Detail (As Of October 1, 2019)

Santa Monica-Malibu Unif Sch Dist GO

Long Term Rating

AA+/Stable

Affirmed

Ratings Detail (As Of October 1, 2019) (cont.)		
Santa Monica-Malibu Unif Sch Dist GO bnds (Election of 2006)		
Long Term Rating	AA+/Stable	Affirmed
Santa Monica-Malibu Unif Sch Dist 2010 rfdg certs of part (tax-exempt)		
Long Term Rating	AA/Stable	Affirmed
<b>Santa Monica-Malibu Unif Sch Dist GO</b>		
Unenhanced Rating	AA+(SPUR)/Stable	Affirmed
Many issues are enhanced by bond insurance.		

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