

**PUBLIC AGENCIES POST-EMPLOYMENT
BENEFITS TRUST**

FINANCIAL STATEMENTS

TWELVE MONTHS ENDED JUNE 30, 2018

WITH INDEPENDENT AUDITORS' REPORT

PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST
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INDEPENDENT AUDITORS' REPORT

The Trust Administrator of the
Public Agencies Post-Employment Benefits Trust
Newport Beach, California

We have audited the accompanying financial statements of the Public Agencies Post-Employment Benefits Trust (the Trust), which comprise the statement of fiduciary net position as of June 30, 2018, and the related statement of changes in net position for the twelve months then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary financial position of the Public Agencies Post-Employment Benefits Trust as of June 30, 2018, and the changes in fiduciary financial position for the twelve months then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Notes to Financial Statements

Management has omitted the aggregate funded status and funding progress of the member agency plans. Such information is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating transparency. Our opinion is not affected by this missing information.

Required Supplementary Information

Management has omitted the management's discussion and analysis that auditing standards generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, and historical context. Our opinion is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the schedule of annual money-weighted rates of return on investments, identified as Required Supplementary Information (RSI) in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

White Nelson Nick Evans LLP

Irvine, California
March 26, 2019

PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2018

	Pension Subaccounts	OPEB Subaccounts	Total
ASSETS:			
Cash and cash equivalents	\$ 40,604,065	\$ 12,814,641	\$ 53,418,706
Investment income receivable	381,694	422,264	803,958
Investments	457,383,029	372,241,660	829,624,689
TOTAL ASSETS / NET POSITION RESTRICTED FOR PENSION AND OPEB BENEFITS	\$ 498,368,788	\$ 385,478,565	\$ 883,847,353

See accompanying notes to financial statements.

PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018

	Pension Subaccounts	OPEB Subaccounts	Total
ADDITIONS:			
Employer contributions	\$ 363,393,688	\$ 60,988,256	\$ 424,381,944
Employer contributions outside of Trust	-	39,843,987	39,843,987
Transfers of plan assets from other trusts	-	105,101,317	105,101,317
Net investment income:			
Interest and dividends	6,651,012	5,696,306	12,347,318
Net appreciation in fair value of investments	1,143,615	11,252,329	12,395,944
Less: investment expense	(477,639)	(782,107)	(1,259,746)
Net investment income	7,316,988	16,166,528	23,483,516
TOTAL ADDITIONS	370,710,676	222,100,088	592,810,764
DEDUCTIONS:			
Reimbursements to employers for plan-directed benefit payments	3,733,798	10,580,325	14,314,123
OPEB reimbursements outside of trust	-	39,843,987	39,843,987
Administrative expenses	556,233	636,518	1,192,751
TOTAL DEDUCTIONS	4,290,031	51,060,830	55,350,861
INCREASE IN NET POSITION	366,420,645	171,039,258	537,459,903
NET POSITION RESTRICTED FOR PENSION AND OPEB BENEFITS:			
JULY 1, 2017	131,948,143	214,439,307	346,387,450
JUNE 30, 2018	\$ 498,368,788	\$ 385,478,565	\$ 883,847,353

See accompanying notes to financial statements.

PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of Presentation:

The financial statements of the Public Agencies Post-Employment Benefits Trust (the Trust) report a fiduciary pension (Pension Subaccounts) and other post-employment benefits (OPEB Subaccounts) trust fund. The assets held in the Pension Subaccounts are not considered to have present service capacity to the pension plans of the participating member public agencies. The assets held in the OPEB Subaccounts are considered to have a present service capacity to the OPEB plans of the participating member public agencies.

B. Measurement Focus and Basis of Accounting:

The financial statements of the Public Agencies Post-Employment Benefits Trust (the Trust) have been prepared under the flow of economic resources measurement focus and the accrual basis of accounting in accordance with standards issued by the Governmental Accounting Standards Board (GASB). Employer contributions are voluntarily determined by each member public agency's funding schedule and therefore are elective and not required. Member public agency plan participants are not permitted to make contributions to the Trust. There are no long-term contracts for contributions to the plan. Public Agency Retirement Services (PARS) recognizes contributions to the Trust when received. Contributions outside the Trust related to the OPEB subaccounts are recognized based on data submitted by the participating member public agencies and are offset by a corresponding OPEB reimbursement outside of Trust. Member public agencies may receive reimbursements from the Trust in an amount not to exceed plan-directed benefit payments.

Net investment income (loss) represents realized and unrealized gains and losses based on the fair value of investments, interest, and dividends, net of investment expenses. Investment income/loss is allocated to each member public agency based on the member public agencies' percentage of ownership in the respective investment strategies using the daily investment gain/loss provided by the custodian bank. The recognition of investment income/loss is also affected by the timing of the contributions and reimbursements.

C. Investment Valuation:

Cash and cash equivalents consist of deposits with financial institutions and money market mutual funds. The money market mutual funds, as well as investments in equity and fixed-income mutual funds, corporate debt issues, U.S. Treasury obligations, U.S. government agency securities, and foreign and municipal debt issues are carried at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

D. Concentration:

All investments of the Trust as described in Note 4 are held by U.S. Bank National Association (the Trustee).

PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

E. Estimates:

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that reflect the reported amount of assets and liabilities at the date of the financial statements and the reported amount of additions and deductions. Actual results could differ from these estimates.

F. Net Appreciation (Depreciation) in Fair Value of Investments:

Realized and unrealized appreciation (depreciation) in the fair value of investments is based on the difference between the fair value of the assets at the beginning of the year, or at the time of purchase for assets purchased during the year, and the related fair value on the day investments are sold with respect to realized appreciation (depreciation), or on the last day of the year for unrealized appreciation (depreciation).

Realized and unrealized appreciation (depreciation) is recorded in the accompanying statement of changes in fiduciary net position as “net appreciation in fair value of investments.”

G. New Accounting Pronouncements:

GASB Current Year Standards

The Governmental Accounting Standards Board (GASB) has issued the following statements which are required to be implemented in the current year. The Trust Administrator has determined that none of the statements impact the Trust’s financial reporting requirements.

GASB 73 - Accounting and Financial Reporting for Pensions and Related Assets That Are Not within GASB 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for periods beginning after June 15, 2017. This standard did not impact the Trust.

GASB 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for periods beginning after June 15, 2017.

GASB 82 - Pension Issues, effective for periods beginning after June 15, 2016, except for certain provisions on selection of assumptions, which are effective in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017.

GASB 85 - Omnibus 2017, effective for periods beginning after June 15, 2017.

GASB 86 - Certain Debt Extinguishment Issues, effective for periods beginning after June 15, 2017.

PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

G. New Accounting Pronouncements (Continued):

GASB Pending Accounting Standards

GASB has issued the following statements, which may impact the Trust's financial reporting requirements in the future:

GASB 83 - *Certain Asset Retirement Obligations*, effective for periods beginning after June 15, 2018.

GASB 84 - *Fiduciary Activities*, effective for periods beginning after December 15, 2018.

GASB 87 - *Leases*, effective for periods beginning after December 15, 2019.

GASB 88 - *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, effective for periods beginning after June 15, 2018.

GASB 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for periods beginning after December 15, 2019.

GASB 90 – *Majority Equity Interests – an amendment of GASB No. 14 and No. 61*, effective for periods beginning after December 15, 2018

2. HISTORY AND ORGANIZATION:

The Trust is a public agency agent multiple-employer trust that was established on November 5, 2014, to provide member public agencies economies of scale and efficiency of administration in the funding of each agency's respective other post-employment benefit (OPEB) and/or pension obligation(s). Contributions to the Trust are irrevocable, the assets are dedicated to providing benefits to plan members, and the assets are protected from creditors of the participating member public agencies. Any public agency may join the Trust by establishing a pension or OPEB plan, appointing an employee as its plan administrator, adopting a trust agreement between U.S. Bank National Association (the Trustee) and Phase II Systems (the Trust Administrator), a California corporation, doing business as Public Agency Retirement Services (PARS), and adopting an administrative services agreement with the Trust Administrator. The basic duties of the Trust Administrator are receiving and tracking contributions based solely on data received from the member public agencies, accumulating and transferring those contributions into investment accounts, and paying benefits under the direction of the plan administrators of the plans contained within the Trust.

PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

2. HISTORY AND ORGANIZATION (CONTINUED):

The Trust held assets in 209 separate subaccounts (127 Pension Subaccounts and 82 OPEB Subaccounts) of 148 member public agencies for the twelve months ended June 30, 2018. Assets held in a member public agency's Pension Subaccounts are available only to fund the member public agency's pension obligation and defray reasonable expenses associated with the same. Assets held in a member public agency's OPEB Subaccounts are available only to fund the member public agency's OPEB obligation and defray reasonable expenses associated with the same. The assets of the Trust that are held in a member public agency's subaccounts are not available to pay the obligations incurred by any other member public agency.

The governing body of the Trust is composed of a coalition of the member public agencies. Certain provisions of the Trust may be changed by a two-thirds vote of the member public agencies.

The accounts of member public agencies in the Trust are qualified under Section 115 of the Internal Revenue Code (the Code) and are therefore exempt from federal income taxes under Section 501(a) of the Code and from applicable state income taxes. Each account in the Trust stands alone as an independent entity for tax and legal purposes and is subject to the pre-ERISA (pre-1974) rules of the Code.

Each member public agency is responsible for maintaining and providing information regarding each member agency plans' classes of employees covered, benefit provisions, contribution requirements, funded status, funding progress, and actuarial methods and assumptions, including required supplementary information associated with the assets held in the Trust. See each member public agency's annual financial report for further details.

In the event that a member public agency's plan is terminated, the assets held in Trust will be distributed directly to participants or transferred to a successor administrator or trust, as instructed by the plan administrator. If there are excess assets above those required, such assets are returned to the member public agency, while the member public agency is billed for any deficiency in assets.

3. CONCENTRATIONS, RISKS, AND UNCERTAINTIES:

The Trust invests in various investment securities. Investment securities are exposed to various risks, such as concentration of credit risk, interest rate risk, and credit risk. Concentration of credit risk involves investments in any single issuer that represents 5% or more of net position or total investments. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

3. CONCENTRATIONS, RISKS, AND UNCERTAINTIES (CONTINUED):

Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the Trust's account balances and the amounts reported in the fiduciary net position.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The Trust manages its exposure to interest rate risk by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing over time as necessary to provide the cash flows and liquidity needed for operations. Information about the sensitivity of the fair values of the Trust's investments to market interest rate fluctuations is provided in the following table that shows the distribution of the Trust's investments by maturity as of June 30, 2018.

Investment Type	Remaining Maturity (in Years)				Total
	1 Year or Less	2 - 5 Years	5 - 10 Years	More Than 10 Years	
Money Market Mutual Funds	\$ 52,802,208	\$ -	\$ -	\$ -	\$ 52,802,208
U.S. Treasury Obligations	4,896,821	6,787,918	2,160,407	1,594,007	15,439,153
U.S. Government Agency Securities	3,478,405	283,264	1,017,581	5,008,353	9,787,604
Corporate Debt Issues	1,397,093	14,040,721	7,401,342	2,719,383	25,558,539
Foreign Debt Issues	-	1,416,494	438,892	280,396	2,135,783
Municipal Debt Issues	-	2,641,609	87,301	303,102	3,032,012
Mutual Funds - Equity	382,245,382	-	-	-	382,245,382
Mutual Funds - Fixed Income	<u>391,426,216</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>391,426,216</u>
	<u>\$836,426,125</u>	<u>\$ 25,170,006</u>	<u>\$ 11,105,523</u>	<u>\$ 9,905,243</u>	882,426,897
Less: Cash Equivalents					<u>(52,802,208)</u>
Total Investments					<u>\$829,624,689</u>

PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

3. CONCENTRATIONS, RISKS, AND UNCERTAINTIES (CONTINUED):

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Presented below is the actual rating by Standard & Poor's (or Moody's in the case of U.S. Treasury Obligations) as of year-end for each investment type:

<u>Investment Type</u>	Total as						Not Rated
	of June 30, 2018	AAA/Aaa	AA+	AA	AA-	Other	
Money Market Mutual Funds	\$ 52,802,208	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,802,208
U.S. Government Agency Issues	9,787,604	-	3,478,405	-	-	-	6,309,199
Corporate Debt Issues	25,558,539	2,008,504	351,214	-	555,517	18,277,767	4,365,537
Foreign Debt Issues	2,135,783	-	-	-	202,068	1,933,715	-
Municipal Debt Issues	3,032,012	87,301	134,976	141,247	2,506,633	161,855	-
Mutual Funds - Equity	382,245,382	-	-	-	-	-	382,245,382
Mutual Funds - Fixed Income	<u>391,426,216</u>	-	-	-	-	-	<u>391,426,216</u>
	866,987,744	\$ 2,095,805	\$ 3,964,595	\$ 141,247	\$ 3,264,218	\$ 20,373,337	\$ 837,148,542
U.S. Treasury Obligations*	15,439,153						
Less: Cash Equivalents	<u>(52,802,208)</u>						
Total Investments	<u>\$ 829,624,689</u>						

* - Exempt from disclosure of credit risk

The actual ratings for the "Other" category above are as follows:

<u>Investment Type</u>	A+	A	A-	BBB+	BBB	BBB-	Total
Corporate Debt Issues	\$ 820,559	\$ 2,407,250	\$ 5,700,383	\$ 3,531,791	\$ 4,380,367	\$ 1,437,417	\$ 18,277,767
Foreign Debt Issues	887,723	98,453	280,396	228,251	-	438,892	1,933,715
Municipal Debt Issues	161,855	-	-	-	-	-	161,855
Total	<u>\$ 1,870,137</u>	<u>\$ 2,505,703</u>	<u>\$ 5,980,779</u>	<u>\$ 3,760,042</u>	<u>\$ 4,380,367</u>	<u>\$ 1,876,309</u>	<u>\$ 20,373,337</u>

Concentration of Credit Risk

Concentration of credit risk is the heightened risk of potential loss when investments are concentrated in one issuer. The Trust does not have any investments in any one issuer (excluding U.S. Treasury obligations and mutual funds) that represent 5% or more of the Trust's investments.

PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

4. INVESTMENTS:

Fair Value Measurements

The Trust categorizes its fair value measurement within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are quoted prices for similar assets in active markets, and Level 3 inputs are significant unobservable inputs.

Fair value of investments of the Trust at June 30, 2018, by investment type, is as follows:

	Quoted Prices <u>Level 1</u>	Observable Inputs <u>Level 2</u>	Unobservable Inputs <u>Level 3</u>	<u>Total</u>
U.S. Treasury Obligations	\$ -	\$ 15,439,153	\$ -	\$ 15,439,153
U.S. Government Agency Issues	-	9,787,604	-	9,787,604
Corporate Debt Issues	-	25,558,539	-	25,558,539
Foreign Debt Issues	-	2,135,783	-	2,135,783
Municipal Debt Issues	-	3,032,012	-	3,032,012
Mutual Funds - Equity	382,245,382	-	-	382,245,382
Mutual Funds - Fixed Income	391,426,216	-	-	391,426,216
Total Investments	<u>\$ 773,671,598</u>	<u>\$ 55,953,091</u>	<u>\$ -</u>	<u>\$ 829,624,689</u>

Money market mutual funds totaling \$52,802,208 are not subject to the fair value hierarchy classification.

Investment Management

U.S. Bank National Association acts as the Trustee of the assets of the Trust. When adopting the Trust, employers select either a discretionary or a directed trustee investment approach. U.S. Bank National Association may exercise discretion directly or through its subadvisor, HighMark Capital Management, Inc. (HighMark), a registered investment advisor and wholly owned subsidiary of MUFG Union Bank. Through the directed approach, an employer may select from a variety of investment strategies.

The Trust utilizes the First American Prime Obligation Fund Z Money Market Fund as a depository for plan contributions. Cash contributions into the Trust are received in the depository account and invested in the money market mutual funds within 24 hours. Periodically, but no less frequently than once each month, contributions, net of funds scheduled for immediate participant distributions, are transferred from the depository accounts to other investments selected by member agency plans.

The annual money-weighted rate of return on the portion of the Trust's investments related to pension plans is calculated as the internal rate of return on pension plan investments and expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested. For the twelve months ended June 30, 2018, the annual money-weighted rate of return on investments in the pension subaccounts was 3.63% and the OPEB subaccounts was 6.31%.

PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

5. TRANSFERS:

Incoming transfers of \$105,101,317 for the year ended June 30, 2018, consist of plan assets transferred by member agencies to the Trust from the Public Agencies Post-Retirement Health Care Plan Trust and the California School Boards Association Public Agencies Post-Retirement Health Care Plan Trust, which are separate trusts also administered by PARS.

6. MEMBER AGENCIES:

The member agencies of the Trust at June 30, 2018, are as follows:

- | | |
|---|------------------------------|
| 1. Alameda county Mosquito Abatement District | 26. City of Glendale |
| 2. Alta Loma School District | 27. City of Half Moon Bay |
| 3. Bass Lake Joint Union Elementary School District | 28. City of Healdsburg |
| 4. Bellflower Unified School District | 29. City of Hemet |
| 5. Beverly Hills Unified School District | 30. City of Hercules |
| 6. Bodega Bay Public Utility District | 31. City of Huntington Beach |
| 7. Calistoga Joint Unified School District | 32. City of Indian Wells |
| 8. Campbell Union High School District | 33. City of La Mesa |
| 9. Central Contra Costa Sanitary District | 34. City of Lake Forest |
| 10. Citrus Community College District | 35. County of Lodi |
| 11. City of Alameda | 36. City of Manhattan Beach |
| 12. City of Bell Gardens | 37. City of Morgan Hill |
| 13. City of Brea | 38. City of Napa |
| 14. City of Brisbane | 39. City of Norwalk |
| 15. City of Burlingame | 40. City of Oakley |
| 16. City of Capitola | 41. City of Oroville |
| 17. City of Chino Hills | 42. City of Palmdale |
| 18. City of Coronado | 43. City of Palo Alto |
| 19. City of Cypress | 44. City of Pasadena |
| 20. City of Daly City | 45. City of Pico Rivera |
| 21. City of El Centro | 46. City of Piedmont |
| 22. City of El Segundo | 47. City of Pleasanton |
| 23. City of Emeryville | 48. City of Port Hueneme |
| 24. City of Fountain Valley | 49. City of Rancho Cucamonga |
| 25. City of Fullerton | 50. City of Redwood City |

PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

6. MEMBER AGENCIES (CONTINUED):

The member agencies of the Trust at June 30, 2018, are as follows (continued):

- | | |
|--|--|
| 51. City of Rohnert Park | 92. Goleta West Sanitary District |
| 52. City of Rolling Hills | 93. Great Basin Unified Air Pollution Control Dist |
| 53. City of San Ramon | 94. Great Basin Unified Air Pollution Control Dist |
| 54. City of Santa Ana | 95. Grossmon- Cuyamaca Community College |
| 55. City of Santa Clara | 96. Hartnell Community College District |
| 56. City of Sausalito | 97. Housing Authority of the County of CC |
| 57. City of Solana Beach | 98. Humboldt Bay Municipal Water District |
| 58. City of Stanton | 99. Humboldt No. 1 Fire Protection District |
| 59. City of Stockton | 100. Lemon Grove School District |
| 60. City of Temecula | 101. Manteca Unified School District |
| 61. City of Tustin | 102. Marin Community College District |
| 62. City of Union City | 103. Mesa Water District |
| 63. City of Upland | 104. Midpeninsula Regional Open Space District |
| 64. City of Vallejo | 105. Mojave Desert Air Quality Management Dist |
| 65. City of Villa Park | 106. Montecito Fire Protection District |
| 66. City of West Covina | 107. Moraga-Olinda Fire Protection District |
| 67. City of West Sacramento | 108. Moreno Valley Unified School District |
| 68. City of Westminster | 109. Municipal Water Dist of Orange County |
| 69. City of Yuba City | 110. Natomas Unified School District |
| 70. Coast Community College District | 111. Nevada County Consolidated Fire District |
| 71. Compton Unified School District | 112. Novato Sanitary District |
| 72. Corning Union Elementary School District | 113. Ocean View School District |
| 73. Cotai-Rohnert Park Unified School District | 114. Ontario-Montclair School District |
| 74. County of Humboldt | 115. Pasadena Area Community College District |
| 75. County of Nevada | 116. Placer Union High School District |
| 76. County of Placer | 117. Rancho Cucamonga Fire Protection District |
| 77. County of Plumas | 118. Red Bluff Joint Union High School District |
| 78. County of Riverside | 119. Red Bluff Union Elementary School District |
| 79. County of San Benito | 120. River Delta Unified School District |
| 80. County of Siskiyou | 121. Riverdale Joint Unified School District |
| 81. County of Solano | 122. San Bernardino Community College District |
| 82. County of Sutter | 123. San Bruno Park School District |
| 83. County of Tulare | 124. San Luis Obispo County CC District |
| 84. County of Yolo | 125. San Marino Unified School District |
| 85. Delta Diablo | 126. Santa Barbara County Law Library |
| 86. East Bay Regional Park District | 127. Santa Barbara Unified School District |
| 87. El Dorado Hills County Water District | 128. Santa Rita Union School District |
| 88. El Dorado Union High School District | 129. Southern Marin Fire Protection District |
| 89. Fallbrook Public Utility District | 130. State Center Community College District |
| 90. Fort Ord Reuse Authority | 131. Superior Court of CA, County of Kern |
| 91. Fowler Unified School District | 132. Sweetwater Springs Water District |

**PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

6. MEMBER AGENCIES (CONTINUED):

The member agencies of the Trust at June 30, 2018, are as follows (continued):

133. Three Valleys Municipal Water District	141. Victor Valley CCD
134. Town of Colma	142. Visalia Unified School District
135. Town of Los Altos Hills	143. West Bay Sanitary District
136. Town of Los Gatos	144. West Valley – Mission CCD
137. Town of Tiburon	145. Whittier City School District
138. Town of Yountyville	146. Wilsona School District
139. Town of Yucca Valley	147. Yorba Linda Water District
140. Twentynine Palms Water District	148. Yosemite Community College District

7. SUBSEQUENT EVENTS:

Events occurring after June 30, 2018, have been evaluated for possible adjustment to the financial statements or disclosure as of March 26, 2019, which is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST
 REQUIRED SUPPLEMENTARY INFORMATION
 TWELVE MONTHS ENDED JUNE 30, 2018

	<u>Annual Money-Weighted Rate of Return on Investments</u>	
	<u>Pension Subaccounts</u>	<u>OPEB Subaccounts</u>
2015	(2)	N/A
2016	1.54%	2.30%
2017	6.62%	9.80%
2018	3.63%	6.31%

- (1) This schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.
- (2) The first deposits into the Trust's pension subaccounts did not occur until June 2015; therefore, no rate is presented.