

**SAUSALITO MARIN CITY SCHOOL DISTRICT
BOARD OF TRUSTEES REGULAR MEETING
AGENDA**

BOARD OF TRUSTEES

William J. Ziegler, Joshua Barrow, Caroline Van Alst, Shirley Thornton, Ed.D. and Thomas Newmeyer

SUPERINTENDENT

Valerie Pitts, Ed.D.

Thursday, January 24, 2013

6:00 PM

Meeting Location: 200 Phillips Drive, Marin City

Discussion (D); Action (A)

CALL TO ORDER 6:00 PM

1. APPROVAL OF AGENDA ORDER

PERSONS WISHING TO ADDRESS THE BOARD PRIOR TO CLOSED SESSION (D)

2. RECESS TO CLOSED SESSION TO CONSIDER AND/OR TAKE ACTION UPON ANY OF THE FOLLOWING ITEM(S) (D/A)

- A. With respect to every item of business to be discussed in Closed Session pursuant to EC Section 35146: **Consideration of Student Matter – Confidential Information Involved**
- B. With respect to every item of business to be discussed in Closed Session pursuant to GC Section 54956.9: **Pending Litigation**
- C. With respect to every item of business to be discussed in Closed Session pursuant to GC Section 54956.8: **Lease Agreements and Service Contracts**
- D. With respect to every item of business to be discussed in Closed Session pursuant to GC Section 54957: **Discipline/Dismissal/Release – Certificated/Classified Employees**

RECONVENE TO OPEN SESSION 7:00 PM

3. Announcement of Reportable Action Taken in Closed Session

4. Pledge of Allegiance

Entire board packet on www.smcsd.org under School Board

PERSONS WISHING TO ADDRESS THE BOARD PRIOR TO OPEN SESSION (D)

The Sausalito Marin City School Board of Trustees welcomes and values public input and participation. School board meetings are meetings of the Board of Trustees held in public and as such, public input is structured to ensure efficiency and respect for meeting protocols. Public input rules are posted at meetings.

5. Trustee Reports (D)

Members of the school board will report on activities and information they wish to share. The Board may request that items be agendaized and researched for presentation at future meetings.

6. Superintendent's Report (D)

MAINTAIN SOUND FISCAL DISCIPLINE AND OPERATIONS

7. District Annual Financial/Audit Report for Year End June 30, 2012 (A)

8. Willow Creek Academy Annual Financial/Audit Report for Year End June 30, 2012 (A)

9. Adoption of Budget Development Calendar for 2013/2014 School Year (A)

10. Report on Governor's 2013/2014 Proposed Budget (D)

FACILITIES

11. Facilities Schematic Design (A)

12. Approval by the Sausalito Marin City School District Board of Trustees of Resolution Number 676: RESOLUTION APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF CERTAIN LEASE FINANCING DOCUMENTS IN CONNECTION WITH THE OFFERING AND SALE OF CERTIFICATES OF PARTICIPATION RELATING THERETO TO FINANCE THE DISTRICT'S MLK JR. ACADEMY CLASSROOM CONSTRUCTION PROJECT AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO (A)

**RECESS SMCSO BOARD OF TRUSTEES REGULAR MEETING FOR
SAUSALITO SCHOOL DISTRICT FINANCING CORPORATION BOARD OF DIRECTORS MEETING, 7:45 PM**

RESUME SMCSO BOARD OF TRUSTEES REGULAR MEETING, 7:55 PM

GOVERNANCE

13. Long-Term Strategic Planning (D/A)

14. Draft Board Meeting and Planning Calendar for the 2013/2014 School Year (D)

CONSENT AGENDA

The purpose of the Consent Agenda is to group items which may be approved routinely. A board member or a member of the audience may request removal of an item for discussion. (A-Roll Call)

- 15. Approval of the minutes of the organizational and regular meeting of December 13, 2012
- 16. Approval of the minutes of the board governance workshop of January 12, 2013
- 17. Approval of the minutes of the special meeting of January 15, 2013
- 18. Approval of Payments of Warrants
- 19. Approval of Field Trip Report
- 20. Approval of the Publication of the 2011/2012 School Accountability Report Cards (SARC)
- 21. Approval of Quarterly Report: Williams Act
- 22. Acceptance of Annual Certificated Seniority/Credentials Held List

FUTURE BOARD AGENDA ITEMS

Reschedule March 28 Board Meeting to March 14
Draft Annual Board Agenda Planning Calendar
Curriculum and Instruction Report
Approve Second Interim Budget Report (Due 3/15)
Accept WCA Interim Budget Report (Due 3/15)
Grade Level or Program Report
Draft Annual District Calendar
Resolution: If any, to reduce particular kinds of services (SDTA-Due March 15)

ADJOURNMENT

SAVE THE DATES

Future District Meeting Dates

All meetings are held at the District Office, 200 Phillips Drive, Marin City at 7:00 p.m. unless otherwise noted. *The first meeting date of each month will be allocated to additional special meetings on facilities issues, special meetings, community forum, etc. as needed. The only or second meeting date of each month will be allocated to regular board meetings.

February 28, 2013

March 14, 2013

April 25, 2013

May 23, 2013

June 27, 2013

Entire board packet on www.smcsd.org under School Board

Future Charter School Board Meeting Dates

Meetings are open to the public and generally held on the school campus, 33 Buchanan Street, Sausalito. With the exception of the December meeting, meetings are held on the 3rd Wednesday of the month at 6:30 p.m.

Upcoming Dates and Important Events

Please visit the District website www.smcsd.org

Sausalito Marin City School District Board Meeting Procedures

Agendas are posted at the District Office and at Martin Luther King, Jr. Academy, both located at 200 Phillips Drive, Marin City. An agenda is also posted at Bayside Elementary School, 630 Nevada Street, Sausalito. Agendas are posted at least 72 hours in advance of a regular board meeting. All board meetings are conducted according to Education Code 35145.5 and District Board Policy 9320.

The District adheres to the Americans with Disabilities Act. Should you require special accommodations, or more information about accessibility, please contact the District Office at 415-332-3190. All efforts will be made for reasonable accommodations. Members of the public are requested to turn off or mute ALL cell phones, pagers or other communication devices upon entering the Board Meeting Room. Backup materials for items on this agenda are available for review in the Superintendent's Office.

Entire board packet on www.smcsd.org under School Board

**SAUSALITO MARIN CITY SCHOOL DISTRICT
COUNTY OF MARIN
SAUSALITO, CALIFORNIA**

AUDIT REPORT

JUNE 30, 2012

SAUSALITO MARIN CITY SCHOOL DISTRICT

JUNE 30, 2012

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SAUSALITO MARIN CITY SCHOOL DISTRICT

JUNE 30, 2012

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FINANCIAL SECTION

STEPHEN ROATCH ACCOUNTANCY CORPORATION

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Sausalito Marin City School District
Sausalito, California

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Sausalito Marin City School District, as of and for the fiscal year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Sausalito Marin City School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Sausalito Marin City School District, as of June 30, 2012, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2012 on our consideration of Sausalito Marin City School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 13, the budgetary comparison information on page 49, and the schedule of funding progress on page 52 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Sausalito Marin City School District's financial statements as a whole. The accompanying combining fund financial statements and supplementary schedules listed in the table of contents, including the Schedule of Expenditures of Federal Awards, which is presented as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Stephen Roatch Accountancy Corporation

STEPHEN ROATCH ACCOUNTANCY CORPORATION
Certified Public Accountants

December 10, 2012

**SAUSALITO MARIN CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(PREPARED BY DISTRICT MANAGEMENT)**

This section of Sausalito Marin City School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2012. Please read it in conjunction with the Independent Auditor's Report presented on pages 1 and 2, and the District's financial statements, which immediately follow this section.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and Statement of Activities, presented on pages 14 and 15, provide information about the activities of the District as a whole and present a longer-term view of the District's finances. The fund financial statements for governmental activities, presented on pages 16 through 22, provide information about how District services were financed in the short-term, and how much remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The remaining statement provides financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside the District.

FINANCIAL HIGHLIGHTS

- The District's overall financial status declined during fiscal year 2011-12, as total net assets decreased almost 1.1%.
- On the Statement of Activities, total current year expenses exceeded total current year revenues by \$88,500.
- Capital assets, net of depreciation, increased \$96,045, due to the capitalization of \$601,329 of capital assets and the current year recognition of \$505,284 of depreciation expense.
- Total long-term liabilities decreased \$455,612, due primarily to the current year reduction of the District's obligations for general obligation bonds and certificates of participation.
- On the Statement of Revenues, Expenditures, and Changes in Fund Balances, total current year expenditures and other financing uses exceeded total current year revenues and other financing sources by \$175,457, due primarily to the spending down of certificates of participation proceeds received in a prior fiscal year.
- The District maintains sufficient reserves for a district its size. It meets the state required minimum reserve for economic uncertainty of 5% of total general fund expenditures, transfers out, and other uses (total outgo). During fiscal year 2011-12, General Fund expenditures and other financing uses totaled \$5,800,016. At June 30, 2012, the District has available reserves of \$1,364,459 in the General Fund, which represents a reserve of 23.5%.

**SAUSALITO MARIN CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(PREPARED BY DISTRICT MANAGEMENT)**

THE FINANCIAL REPORT

The full annual financial report consists of three separate parts, including the basic financial statements, supplementary information, and Management's Discussion and Analysis. The three sections together provide a comprehensive overview of the District. The basic financial statements are comprised of two kinds of statements that present financial information from different perspectives, government-wide and funds.

- Government-wide financial statements, which comprise the first two statements, provide both short-term and long-term information about the District's overall financial position.
- Individual parts of the District, which are reported as fund financial statements comprise the remaining statements.
 - ❖ Basic services funding is described in the governmental funds statements. These statements include short-term financing and identify the balance remaining for future spending.
 - ❖ Short and long-term financial information about the activities of the District that operate like businesses are provided in the proprietary fund statements.
 - ❖ Financial relationships, for which the District acts as an agent or trustee for the benefit of others to whom the resources belong, are presented in the fiduciary funds statements.

Notes to the financials, which are included in the financial statements, provide more detailed data and explain some of the information in the statements. The required supplementary information provides further explanations and provides additional support for the financial statements. A comparison of the District's budget for the year is included.

Reporting the District as a Whole

The District as a whole is reported in the government-wide statements and uses accounting methods similar to those used by companies in the private sector. All of the District's assets and liabilities are included in the Statement of Net Assets. The Statement of Activities reports all of the current year's revenues and expenses regardless of when cash is received or paid.

The District's financial health or position (net assets) can be measured by the difference between the District's assets and liabilities.

- Increases or decreases in the net assets of the District over time are indicators of whether its financial position is improving or deteriorating, respectively.
- Additional non-financial factors such as the condition of school buildings and other facilities, and changes in the property tax base of the District need to be considered in assessing the overall health of the District.

**SAUSALITO MARIN CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(PREPARED BY DISTRICT MANAGEMENT)**

THE FINANCIAL REPORT (CONCLUDED)

Reporting the District as a Whole (Concluded)

In the Statement of Net Assets and the Statement of Activities, we divide the District into two kinds of activities:

Governmental Activities:

The basic services provided by the District, such as regular and special education, administration, and special education transportation are included here, and are primarily financed by property taxes and state formula aid. Non-basic services, such as child nutrition are also included here, but are financed by a combination of local revenues and state and federal programs.

Business-type Activities:

The District does not provide any services that should be included in this category.

Reporting the District's Most Significant Funds

The District's fund-based financial statements provide detailed information about the District's most significant funds. Some funds are required to be established by State law and bond covenants. However, the District establishes many other funds as needed to control and manage money for specific purposes.

Governmental Funds:

The major governmental funds of Sausalito Marin City School District are the General Fund, Bond Interest and Redemption Fund, Corporation Debt Service Fund, Debt Service Fund, Capital Projects - Special Reserve Fund, and Corporation Acquisition Fund. Governmental fund reporting focuses on how money flows into and out of the funds and the balances that remain at the end of the year. A modified accrual basis of accounting measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's operations and services. Governmental fund information helps to determine the level of financial resources available in the near future to finance the District's programs.

Proprietary Funds:

Services for which the District charges a fee are generally reported in proprietary funds on a full accrual basis. These include both Enterprise funds and Internal Service funds. Enterprise funds are considered business-type activities and are also reported under a full accrual method. This is the same basis as business-type activities; therefore no reconciling entries are required. Internal service funds are reported with the Governmental Funds. The District has no funds of this type.

Fiduciary Funds:

The District is the trustee, or fiduciary, for its student activity fund. All of the District's fiduciary activities are reported in a separate fiduciary statement. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance their operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**SAUSALITO MARIN CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(PREPARED BY DISTRICT MANAGEMENT)**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

GOVERNMENTAL ACTIVITIES

The District's total net assets decreased from \$8,419,484 at June 30, 2011, down to \$8,330,984 at June 30, 2012, a decrease of almost 1.1%.

| <u>Comparative Statement of Net Assets</u> | | |
|---|------------------------------------|---------------------|
| | Governmental Activities | |
| | 2011 | 2012 |
| <u>Assets</u> | | |
| Deposits and Investments | \$ 3,744,703 | \$ 3,529,414 |
| Current Receivables | 407,840 | 411,265 |
| Long-term Receivable | 1,022,734 | 547,734 |
| OPEB Assets | 2,735 | 0 |
| Capital Assets, net | 22,065,935 | 22,161,980 |
| Total Assets | <u>27,243,947</u> | <u>26,650,393</u> |
| <u>Liabilities</u> | | |
| Current | 1,444,739 | 1,463,704 |
| Long-term | 17,379,724 | 16,855,705 |
| Total Liabilities | <u>18,824,463</u> | <u>18,319,409</u> |
| <u>Net Assets</u> | | |
| Invested in Capital Assets | | |
| - Net of Related Debt | 5,509,472 | 5,925,963 |
| Restricted | 1,557,179 | 751,529 |
| Unrestricted | 1,352,833 | 1,653,492 |
| Total Net Assets | <u>\$ 8,419,484</u> | <u>\$ 8,330,984</u> |
| <i>Table includes financial data of the combined governmental funds</i> | | |

**SAUSALITO MARIN CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(PREPARED BY DISTRICT MANAGEMENT)**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONTINUED)

GOVERNMENTAL ACTIVITIES (CONTINUED)

The District's total current year expenses exceeded total current year revenues by \$88,500.

| <u>Comparative Statement of Change in Net Assets</u> | | |
|---|------------------------------------|--------------------|
| | Governmental Activities | |
| | 2011 | 2012 |
| <u>Program Revenues</u> | | |
| Operating Grants & Contributions | \$ 1,977,706 | \$ 1,582,135 |
| Capital Grants & Contributions | 12 | 0 |
| <u>General Revenues</u> | | |
| Taxes Levied | 4,373,227 | 4,217,184 |
| Federal & State Aid | 829,216 | 738,167 |
| Interest & Investment Earnings | 18,620 | 61,238 |
| Transfers from Other Agencies | 58,991 | 20,259 |
| Miscellaneous | 148,958 | 192,007 |
| Total Revenues | 7,406,730 | 6,810,990 |
| <u>Expenses</u> | | |
| Instruction | 3,220,540 | 2,875,031 |
| Instruction-Related Services | 895,049 | 834,991 |
| Pupil Services | 675,037 | 415,760 |
| General Administration | 1,294,000 | 752,940 |
| Plant Services | 705,984 | 653,972 |
| Ancillary Services | 1,074 | 4,521 |
| Interest on Long-Term Debt | 800,316 | 783,793 |
| Other Outgo | 505,755 | 578,482 |
| Total Expenses | 8,097,755 | 6,999,490 |
| Change in Net Assets | \$ (691,025) | \$ (88,500) |
| <i>Table includes financial data of the combined governmental funds</i> | | |

**SAUSALITO MARIN CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(PREPARED BY DISTRICT MANAGEMENT)**

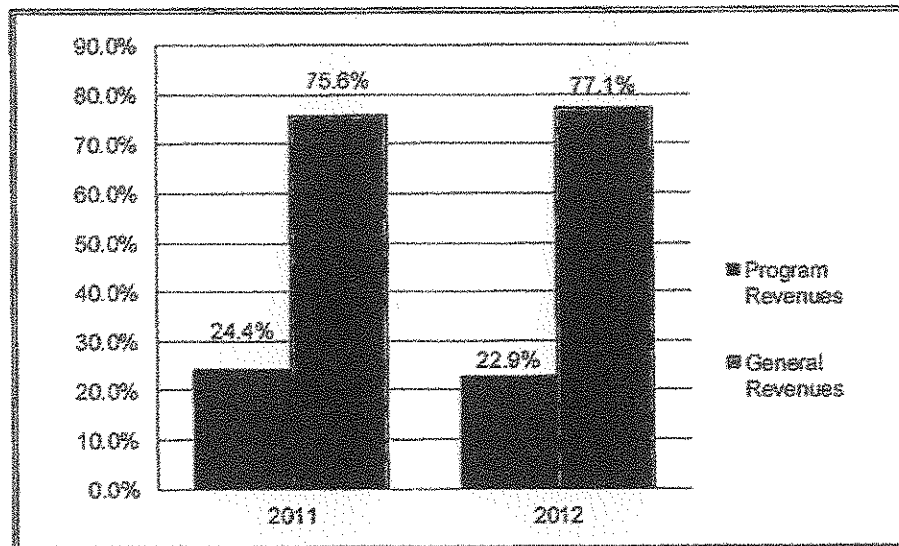
FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONTINUED)

GOVERNMENTAL ACTIVITIES (CONTINUED)

| <u>Comparative Schedule of Costs of Services</u> | | | | |
|---|--------------------------------------|---------------------|------------------------------------|---------------------|
| | <u>Total Cost of Services</u> | | <u>Net Cost of Services</u> | |
| | <u>2011</u> | <u>2012</u> | <u>2011</u> | <u>2012</u> |
| Instruction | \$ 3,220,540 | \$ 2,875,031 | \$ 2,337,043 | \$ 1,909,413 |
| Instruction-Related Services | 895,049 | 834,991 | 579,504 | 552,293 |
| Pupil Services | 675,037 | 415,760 | 408,287 | 295,975 |
| General Administration | 1,294,000 | 752,940 | 1,000,471 | 723,287 |
| Plant Services | 705,984 | 653,972 | 703,486 | 653,972 |
| Ancillary Services | 1,074 | 4,521 | 1,074 | 4,521 |
| Interest on Long-Term Debt | 800,316 | 783,793 | 800,316 | 783,793 |
| Other Outgo | 505,755 | 578,482 | 269,856 | 394,101 |
| Totals | \$ 8,097,755 | \$ 6,899,490 | \$ 6,120,037 | \$ 5,317,355 |

Table includes financial data of the combined governmental funds

The table above presents the cost of major District activities. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The \$5,317,355 net cost represents the financial burden that was placed on the District's general revenues for providing the services listed.



In 2011-12, program revenues financed 22.9% of the total cost of providing the services listed above, while the remaining 77.1% was financed by the general revenues of the District.

**SAUSALITO MARIN CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(PREPARED BY DISTRICT MANAGEMENT)**

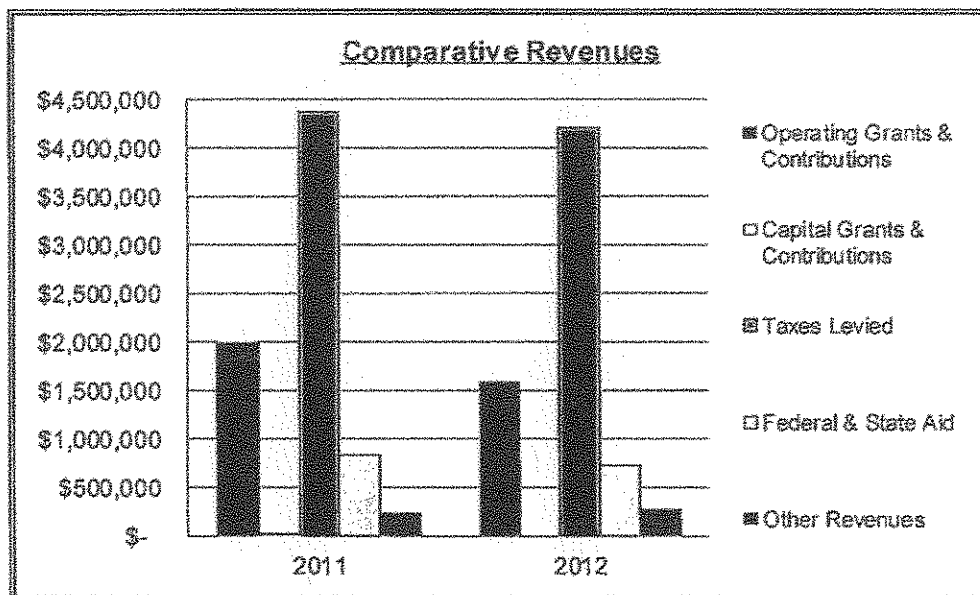
FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONTINUED)

GOVERNMENTAL ACTIVITIES (CONTINUED)

Schedule of Revenues For Governmental Functions

| | FYE 2011 Amount | Percent of Total | FYE 2012 Amount | Percent of Total |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|
| <u>Program Revenues</u> | | | | |
| Operating Grants & Contributions | \$ 1,977,706 | 26.70% | \$ 1,582,135 | 23.23% |
| Capital Grants & Contributions | 12 | 0.00% | 0 | 0.00% |
| <u>General Revenues</u> | | | | |
| Taxes Levied | 4,373,227 | 59.04% | 4,217,184 | 61.92% |
| Federal & State Aid | 829,216 | 11.20% | 738,167 | 10.84% |
| Other Revenues | 226,569 | 3.06% | 273,504 | 4.02% |
| Total Revenues | \$ 7,406,730 | 100.00% | \$ 6,810,990 | 100.00% |

Table includes financial data of the combined governmental funds



**SAUSALITO MARIN CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(PREPARED BY DISTRICT MANAGEMENT)**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONTINUED)

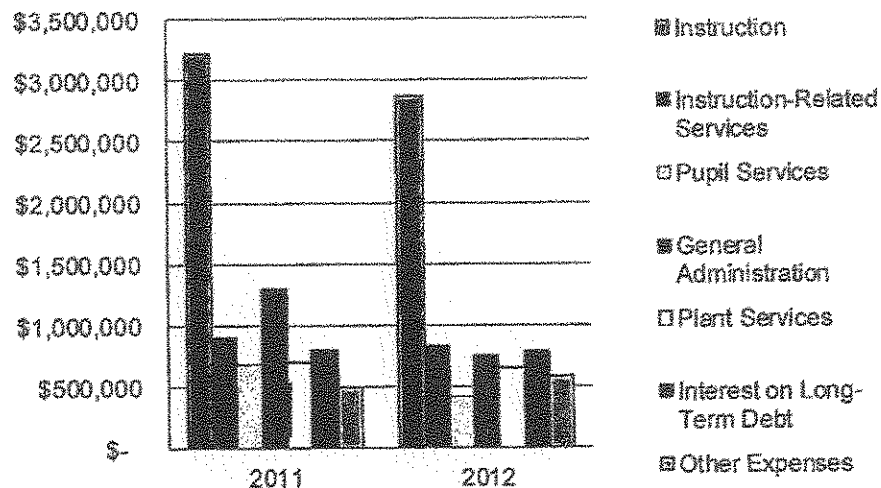
GOVERNMENTAL ACTIVITIES (CONTINUED)

Schedule of Expenses For Governmental Functions

| | FYE 2011 Amount | Percent of Total | FYE 2012 Amount | Percent of Total |
|------------------------------|---------------------|---------------------|---------------------|---------------------|
| Expenses | | | | |
| Instruction | \$ 3,220,540 | 39.77% | \$ 2,875,031 | 41.67% |
| Instruction-Related Services | 895,049 | 11.05% | 834,991 | 12.10% |
| Pupil Services | 675,037 | 8.34% | 415,760 | 6.03% |
| General Administration | 1,294,000 | 15.98% | 752,940 | 10.91% |
| Plant Services | 705,984 | 8.72% | 653,972 | 9.48% |
| Interest on Long-Term Debt | 800,316 | 9.88% | 783,793 | 11.36% |
| Other Expenses | 506,829 | 6.26% | 583,003 | 8.45% |
| Total Expenses | \$ 8,097,755 | 100.00% | \$ 6,899,490 | 100.00% |

Table includes financial data of the combined governmental funds

Comparative Expenses



**SAUSALITO MARIN CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(PREPARED BY DISTRICT MANAGEMENT)**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONTINUED)

GOVERNMENTAL ACTIVITIES (CONTINUED)

| <u>Comparative Schedule of Capital Assets</u> | | |
|--|------------------------------------|----------------------|
| | Governmental Activities | |
| | 2011 | 2012 |
| Land | \$ 948,870 | \$ 948,870 |
| Sites and Improvements | 1,970,254 | 2,022,186 |
| Buildings and Improvements | 23,014,075 | 24,046,205 |
| Furniture and Equipment | 404,019 | 422,235 |
| Work-in-Progress | 514,852 | 13,903 |
| Subtotals | 26,852,070 | 27,453,399 |
| Less: Accumulated Depreciation | (4,786,135) | (5,291,419) |
| Capital Assets, net | <u>\$ 22,065,935</u> | <u>\$ 22,161,980</u> |

Capital assets, net of depreciation, increased \$96,045, due to the capitalization of \$601,329 of capital assets and the current year recognition of \$505,284 of depreciation expense.

| <u>Comparative Schedule of Long-Term Liabilities</u> | | |
|---|------------------------------------|----------------------|
| | Governmental Activities | |
| | 2011 | 2012 |
| Compensated Absences | \$ 7,812 | \$ 17,236 |
| General Obligation Bonds | 15,742,068 | 15,701,400 |
| Capital Leases | 1,087,880 | 1,091,148 |
| Certificates of Participation | 1,235,000 | 820,000 |
| Early Retirement Incentives | 67,536 | 50,652 |
| Other Post Employment Benefits | (2,735) | 1,513 |
| Totals | <u>\$ 18,137,561</u> | <u>\$ 17,681,949</u> |

Total long-term liabilities decreased \$455,612, due primarily to the current year reduction of the District's obligations for general obligation bonds and certificates of participation.

**SAUSALITO MARIN CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(PREPARED BY DISTRICT MANAGEMENT)**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONCLUDED)

GOVERNMENTAL ACTIVITIES (CONCLUDED)

The general obligation bonds are financed by the local taxpayers and represent 88.8% of the District's total long-term liabilities. The capital leases are financed by the General Fund, and represent 6.2% of the District's total long-term liabilities. The certificates of participation are financed by the proceeds from the Martin Luther King Jr. Site Lease/Purchase agreement with the City of Sausalito, and represent 4.6% of the District's total long-term liabilities. The obligations for compensated absences, early retirement incentives, and other post employment benefits are financed by the General Fund, and make up the remaining portion of the long-term liabilities.

The notes to the financial statements are an integral part of the financial presentation and contain more detailed information as to interest, principal, retirement amounts, and future debt retirement dates.

FINANCIAL ANALYSIS OF DISTRICT'S FUNDS

| <u>Comparative Schedule of Fund Balances</u> | | | |
|---|--|--|--------------------------------|
| | Fund Balances June 30, 2011 | Fund Balances June 30, 2012 | Increase (Decrease) |
| General | \$ 1,650,441 | \$ 1,720,402 | \$ 69,961 |
| Bond Interest & Redemption | 548,851 | 571,830 | 22,979 |
| Corporation Debt Service | 323,509 | 323,513 | 4 |
| Debt Service | 487,749 | 600,418 | 112,669 |
| Capital Projects - Special Reserve | 24,429 | 106,570 | 82,141 |
| Corporation Acquisition | 638,582 | 57 | (638,525) |
| Deferred Maintenance | 5,341 | 181,780 | 176,439 |
| Cafeteria | 749 | 0 | (749) |
| Building | 245 | 246 | 1 |
| County School Facilities | 966 | 589 | (377) |
| Totals | \$ 3,680,862 | \$ 3,505,405 | \$ (175,457) |

The combined fund balances of all District funds decreased \$175,457, due primarily to the spending down of certificates of participation proceeds received in a prior fiscal year in the Corporation Acquisition Fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared in accordance with California law and is based on the modified accrual basis of accounting. Over the course of the year, the District revises its budget based on updated financial information. The original budget, approved at the end of June for July 1, is based on May Revise figures and updated 45 days after the State approves its final budget. In addition, the District revises its budget at First and Second Interim to reflect the most current financial information available at that point in time. The original and final budgets for fiscal year 2011-12 are presented alongside the actual results on page 49.

**SAUSALITO MARIN CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(PREPARED BY DISTRICT MANAGEMENT)**

ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE

- The District is expected to maintain its basic aid status during fiscal year 2012-13. Due to student transiency, forecasting elementary enrollment is challenging and per pupil expenditures difficult to calculate.
- Due to the unprecedented nature of the current State and Federal fiscal crisis, the amount of funding that will be available to the District remains uncertain. As a result, management will need to plan carefully and prudently to provide the resources to meet student needs over the next several years. The District has an excellent track record in meeting this challenge in what has proven to be a cycle of lean years and prosperous years for education finances.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, parents, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions regarding this report or need additional financial information, contact the District Office, Sausalito Marin City School District, 200 Phillips Drive, Marin City, California 94965.

SAUSALITO MARIN CITY SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2012

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| <u>Assets</u> | |
| Deposits and Investments (Note 2) | \$ 3,529,414 |
| Receivables (Note 4) | 411,265 |
| Long-Term Receivable (Note 5) | 547,734 |
| Capital Assets: (Note 7) | |
| Land | 948,870 |
| Sites and Improvements | 2,022,186 |
| Buildings and Improvements | 24,046,205 |
| Furniture and Equipment | 422,235 |
| Work-in-Progress | 13,903 |
| Less: Accumulated Depreciation | (5,291,419) |
| Total Assets | <u>26,650,393</u> |
| <u>Liabilities</u> | |
| Accounts Payable and Other Current Liabilities | 637,460 |
| Long-Term Liabilities: | |
| <i>Portion Due or Payable Within One Year:</i> | |
| Compensated Absences (Note 1H) | 17,236 |
| General Obligation Bonds | |
| Current Interest | 325,000 |
| Capital Leases | 27,124 |
| Certificates of Participation | 440,000 |
| Early Retirement Incentives | 16,884 |
| <i>Portion Due or Payable After One Year:</i> | |
| General Obligation Bonds (Note 8) | |
| Current Interest | 10,560,000 |
| Capital Appreciation | 4,816,400 |
| Capital Leases (Note 9) | 1,064,024 |
| Certificates of Participation (Note 10) | 380,000 |
| Early Retirement Incentives (Note 11) | 33,768 |
| Other Post Employment Benefits (Note 12) | 1,513 |
| Total Liabilities | <u>18,319,409</u> |
| <u>Net Assets</u> | |
| Invested in Capital Assets, Net of Related Debt | 5,925,963 |
| Restricted: | |
| For Capital Projects | 548,323 |
| For Debt Service | (52,801) |
| For Educational Programs | 255,067 |
| For Other Purposes | 1,040 |
| Unrestricted | <u>1,653,492</u> |
| Total Net Assets | <u><u>\$ 8,330,984</u></u> |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

**SAUSALITO MARIN CITY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

| Functions | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Assets |
|--------------------------------------|--------------|-------------------------|---|---|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities |
| <u>Governmental Activities</u> | | | | | |
| Instruction | \$ 2,875,031 | | \$ 965,618 | | \$ (1,909,413) |
| Instruction-Related Services: | | | | | |
| Supervision of Instruction | 166,445 | | 92,520 | | (73,925) |
| Instructional Library and Technology | 55,654 | | | | (55,654) |
| School Site Administration | 312,892 | | 190,178 | | (422,714) |
| Pupil Services: | | | | | |
| Home-to-School Transportation | 90,798 | | 2,619 | | (88,179) |
| Food Services | 173,122 | | 94,082 | | (79,040) |
| Other Pupil Services | 151,840 | | 23,084 | | (128,756) |
| General Administration: | | | | | |
| Data Processing Services | 30,360 | | | | (30,360) |
| Other General Administration | 722,580 | | 29,653 | | (692,927) |
| Plant Services | 653,972 | | | | (653,972) |
| Ancillary Services | 4,521 | | | | (4,521) |
| Interest on Long-Term Debt | 783,793 | | | | (783,793) |
| Other Outgo | 578,482 | | 184,381 | | (394,101) |
| Total Governmental Activities | \$ 6,899,490 | \$ 0 | \$ 1,562,135 | \$ 0 | (5,317,355) |
| <u>General Revenues</u> | | | | | |
| Taxes Levied for General Purposes | | | | | 3,424,879 |
| Taxes Levied for Debt Service | | | | | 792,305 |
| Federal and State Aid - Unrestricted | | | | | 738,167 |
| Interest and Investment Earnings | | | | | 61,238 |
| Transfers from Other Agencies | | | | | 20,259 |
| Miscellaneous | | | | | 192,007 |
| Total General Revenues | | | | | 5,228,855 |
| Change in Net Assets | | | | | (88,500) |
| Net Assets - July 1, 2011 | | | | | 8,419,484 |
| Net Assets - June 30, 2012 | | | | | \$ 8,330,984 |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

SAUSALITO MARIN CITY SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

| | <u>General</u> | <u>Bond Interest and Redemption</u> | <u>Corporation Debt Service</u> |
|---|---------------------|---|---|
| <u>Assets</u> | | | |
| Deposits and Investments (Note 2) | \$ 1,730,468 | \$ 571,830 | \$ 323,513 |
| Receivables (Note 4) | 390,683 | | |
| Long-Term Receivable (Note 5) | | | |
| Due from Other Funds (Note 6) | 20,841 | | |
| Total Assets | <u>\$ 2,141,992</u> | <u>\$ 571,830</u> | <u>\$ 323,513</u> |
| <u>Liabilities and Fund Balances</u> | | | |
| Liabilities: | | | |
| Accounts Payable | \$ 418,920 | | |
| Due to Other Funds (Note 6) | 2,670 | | |
| Deferred Revenue (Note 1H) | | | |
| Total Liabilities | <u>421,590</u> | | |
| Fund Balances: (Note 14) | | | |
| Nonspendable | 1,000 | | |
| Restricted | 255,067 | \$ 571,830 | \$ 323,513 |
| Assigned | 99,876 | | |
| Unassigned | 1,364,459 | | |
| Total Fund Balances | <u>1,720,402</u> | <u>571,830</u> | <u>323,513</u> |
| Total Liabilities and Fund Balances | <u>\$ 2,141,992</u> | <u>\$ 571,830</u> | <u>\$ 323,513</u> |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

| <u>Debt Service</u> | <u>Capital Projects - Special Reserve</u> | <u>Corporation Acquisition</u> | <u>Non-Major Governmental Funds</u> | <u>Total Governmental Funds</u> |
|-------------------------|---|------------------------------------|---|---|
| \$ 600,418 | \$ 120,473 | \$ 57 | \$ 182,655 | \$ 3,529,414 |
| | | | 20,582 | 411,265 |
| | 547,734 | | | 547,734 |
| | | | 2,670 | 23,511 |
| <u>\$ 600,418</u> | <u>\$ 668,207</u> | <u>\$ 57</u> | <u>\$ 205,907</u> | <u>\$ 4,511,924</u> |
| | \$ 13,903 | | \$ 2,451 | \$ 435,274 |
| | | | 20,841 | 23,511 |
| | 547,734 | | | 547,734 |
| | 561,637 | | 23,292 | 1,006,519 |
| | | | 40 | 1,040 |
| \$ 600,418 | | \$ 57 | 835 | 1,751,720 |
| | 106,570 | | 181,780 | 388,226 |
| | | | (40) | 1,364,419 |
| <u>600,418</u> | <u>106,570</u> | <u>57</u> | <u>182,615</u> | <u>3,505,405</u> |
| <u>\$ 600,418</u> | <u>\$ 668,207</u> | <u>\$ 57</u> | <u>\$ 205,907</u> | <u>\$ 4,511,924</u> |

SAUSALITO MARIN CITY SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET ASSETS
JUNE 30, 2012

Total Fund Balances - Governmental Funds **\$ 3,505,405**

Amounts reported for assets and liabilities for governmental activities in the statement of net assets are different from amounts reported in governmental funds due to the following:

Capital assets: In governmental funds, only current assets are reported. In the statement of net assets, all assets are reported, including capital assets and accumulated depreciation. Capital assets and accumulated depreciation are:

| | | |
|--------------------------|---------------|------------|
| Capital Assets | \$ 27,453,399 | |
| Accumulated Depreciation | (5,291,419) | |
| Net | | 22,161,980 |

Deferred recognition of earned but unavailable revenues: In governmental funds, revenue is recognized only to the extent that it is "available," meaning it will be collected soon enough after the end of the period to finance expenditures of that period. Receivables for revenues that are earned but unavailable are deferred until the period in which the revenues become available. In the government-wide statements, revenue is recognized when earned, regardless of availability. The amount of unavailable revenues that were deferred as a liability in governmental funds, but are recognized in the government-wide statements is:

547,734

Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net assets, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

| | | |
|--------------------------------|------------|--------------|
| Compensated Absences | \$ 17,236 | |
| General Obligation Bonds | 15,701,400 | |
| Capital Leases | 1,091,148 | |
| Certificates of Participation | 820,000 | |
| Early Retirement Incentives | 50,652 | |
| Other Post Employment Benefits | 1,513 | |
| Total | | (17,681,949) |

Unmatured interest on long-term debt: In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statements of activities, it is recognized in the period that it is incurred. The additional liability for unmatrued interest owing at the end of the period was:

(202,186)

Total Net Assets - Governmental Activities

\$ 8,330,984

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

**SAUSALITO MARIN CITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

| | <u>General</u> | <u>Bond Interest and Redemption</u> | <u>Corporation Debt Service</u> |
|---|----------------|---|---|
| <u>Revenues</u> | | | |
| Revenue Limit Sources: | | | |
| State Apportionment | \$ 172,327 | | |
| Local Taxes | 3,424,879 | | |
| Total Revenue Limit Sources | 3,597,206 | | |
| Federal Revenue | 229,350 | | |
| State Revenue | 777,986 | \$ 4,122 | |
| Local Revenue | 1,235,683 | 788,721 | \$ 35 |
| Total Revenues | 5,840,225 | 792,843 | 35 |
| <u>Expenditures</u> | | | |
| Instruction | 2,487,301 | | |
| Supervision of Instruction | 166,445 | | |
| Instructional Library and Technology | 50,587 | | |
| School Site Administration | 581,141 | | |
| Home-To-School Transportation | 90,798 | | |
| Food Services | | | |
| Other Pupil Services | 144,967 | | |
| Data Processing Services | 29,322 | | |
| Other General Administration | 703,549 | | |
| Plant Services | 604,123 | | |
| Facilities Acquisition and Construction | 23,767 | | |
| Ancillary Services | 4,521 | | |
| Debt Service: | | | |
| Principal Retirement | 26,484 | 305,000 | 415,000 |
| Interest and Issuance Costs | 3,523 | 464,864 | 61,374 |
| Other Outgo | 578,482 | | |
| Total Expenditures | 5,505,000 | 769,864 | 476,374 |
| Excess of Revenues Over (Under) Expenditures | 335,225 | 22,979 | (476,339) |
| <u>Other Financing Sources (Uses)</u> | | | |
| Operating Transfers In | | | 476,375 |
| Operating Transfers Out | (295,016) | | (32) |
| Other Sources | 29,752 | | |
| Total Other Financing Sources (Uses) | (265,264) | 0 | 476,343 |
| Net Change in Fund Balances | 69,961 | 22,979 | 4 |
| Fund Balances - July 1, 2011 | 1,850,441 | 548,851 | 323,509 |
| Fund Balances - June 30, 2012 | \$ 1,720,402 | \$ 571,830 | \$ 323,513 |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

| <u>Debt Service</u> | <u>Capital Projects - Special Reserve</u> | <u>Corporation Acquisition</u> | <u>Non-Major Governmental Funds</u> | <u>Total Governmental Funds</u> |
|-------------------------|---|------------------------------------|---|---|
| | | | | \$ 172,327 |
| | | | | 3,424,879 |
| | | | | 3,597,206 |
| | | | \$ 87,378 | 316,728 |
| | | | 11,668 | 793,776 |
| \$ 56,903 | \$ 496,849 | \$ 24 | 65 | 2,578,280 |
| 56,903 | 496,849 | 24 | 99,111 | 7,285,990 |
| | | | | 2,487,301 |
| | | | | 166,445 |
| | | | | 50,587 |
| | | | | 591,141 |
| | | | | 90,798 |
| | | | 154,990 | 154,990 |
| | | | | 144,957 |
| | | | | 29,322 |
| | | | | 703,549 |
| | 14,000 | | 6,341 | 624,464 |
| | 562,915 | | 1,715 | 588,397 |
| | | | | 4,521 |
| | | | | 746,484 |
| | | | | 529,761 |
| | | | | 578,482 |
| 0 | 576,915 | 0 | 163,046 | 7,491,199 |
| 56,903 | (80,066) | 24 | (63,935) | (205,209) |
| 55,766 | 694,348 | 32 | 239,249 | 1,465,770 |
| | (532,141) | (638,581) | | (1,465,770) |
| | | | | 29,752 |
| 55,766 | 162,207 | (638,549) | 239,249 | 29,752 |
| 112,669 | 82,141 | (638,525) | 175,314 | (175,457) |
| 487,749 | 24,429 | 638,582 | 7,301 | 3,680,862 |
| \$ 600,418 | \$ 106,570 | \$ 57 | \$ 182,615 | \$ 3,505,405 |

SAUSALITO MARIN CITY SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Net Change in Fund Balances - Governmental Funds **\$ (175,457)**

Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds due to the following:

Capital outlay: In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:

| | | | |
|-----------------------------|----|-----------|--------|
| Capital Outlay Expenditures | \$ | 601,329 | |
| Depreciation Expense | | (505,284) | |
| Net | | | 96,045 |

Earned but unavailable revenues: In governmental funds, revenues are recognized only to the extent that they are "available," meaning they will be collected soon enough after the end of the period to finance expenditures of that period. In government-wide statements, revenue is recognized when earned regardless of availability. The amount of earned but unavailable revenues relating to the current period, less revenues that became available in the current period, but related to a prior period is:

(475,000)

Debt proceeds: In governmental funds, proceeds from debt are recognized as Other Financing Sources. In the government-wide statements, proceeds from debt are reported as increases to liabilities. Amounts recognized in governmental funds as proceeds from debt were:

(29,752)

Debt service: In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were:

| | | | |
|-------------------------------|----|---------|---------|
| General Obligation Bonds | \$ | 305,000 | |
| Capital Leases | | 26,484 | |
| Certificates of Participation | | 415,000 | |
| Total | | | 746,484 |

Compensated absences and early retirement incentives: In governmental funds, compensated absences and early retirement incentives are measured by the amounts paid during the period. In the statement of activities, they are measured by the amounts earned. The difference between amounts paid and amounts earned was:

7,460

Post employment benefits other than pensions (OPEB): In governmental funds, OPEB costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This year, the difference between OPEB costs accrued and actual employer contributions was:

(4,248)

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

10,300

Accreted interest: In governmental funds, accreted interest on capital appreciation bonds is recognized as an expenditure in the period that it becomes due. In the government-wide statements, accreted interest is recognized as an expense as the capital appreciation bonds accrete in value. The amount of accreted interest recognized in the current period was:

(264,332)

| | | | |
|--|-----------|-----------------|--|
| Change in Net Assets of Governmental Activities | \$ | (88,500) | |
|--|-----------|-----------------|--|

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

SAUSALITO MARIN CITY SCHOOL DISTRICT
STATEMENT OF NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2012

| | Agency Funds | Total Fiduciary Funds |
|-----------------------------------|-----------------|-----------------------------|
| <u>Assets</u> | | |
| Deposits and Investments (Note 2) | \$ 1,119 | \$ 1,119 |
| <u>Liabilities</u> | | |
| Due to Student Groups | 1,119 | 1,119 |
| <u>Net Assets</u> | | |
| Total Net Assets | \$ 0 | \$ 0 |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The Sausalito Marin City School District (the "District") is a public educational agency operating under the applicable laws and regulations of the State of California. It is governed by a five member Board of Trustees elected by registered voters of the District, which comprises an area in Marin County. The District serves students in kindergarten through grade eight.

The District accounts for its financial transactions in accordance with the policies and procedures of the Department of Education's *California School Accounting Manual*. The accounting policies of the District conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

The District has reviewed criteria to determine whether other entities with activities that benefit the District should be included within its financial reporting entity. The criteria include, but are not limited to, whether the entity exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters), the scope of public service, and a special financing relationship.

The District and the Sausalito Marin City School District Financing Corporation (the "Corporation") have a financial and operational relationship that meets the reporting entity definition criteria of GASB Statement No. 14 (GASB 14), *The Financial Reporting Entity*, for inclusion of the Corporation as a component unit of the District. Accordingly, the financial activities of the Corporation have been included in the financial statements of the District.

Accountability for Fiscal Matters

- The Board of Directors for the Corporation are appointed by the District's Board.
- The Corporation has no employees or members. The District's Business Manager shall serve as the Chief Financial Officer, and the District's Superintendent shall serve as the Chief Executive Officer of the Corporation. These individuals receive no additional compensation for work performed in these capacities.
- The District's Board exercises significant influence over operations of the Corporation.
- It is anticipated that the District will be the sole lessee of all facilities owned by the Corporation. Any deficits incurred by the Corporation will be reflected in the lease payments of the District. Any surpluses of the Corporation revert to the District at the end of the lease period.
- All major financing arrangements, contracts, and financial transactions of the Corporation must have the consent of the District.
- The property, assets, profits, and net revenues of the Corporation are irrevocably dedicated to the District, subject to the indebtedness of the Corporation.
- The District has assumed a "moral obligation" and potentially a legal obligation for any debt incurred by the Corporation.

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Financial Reporting Entity (Concluded)

Financial Presentation

For financial presentation purposes, the Corporation's financial activity has been blended, or combined, with the financial data of the District.

The financial activity of the Corporation is included in the Corporation Debt Service Fund and Corporation Acquisition Fund, and the certificates of participation issued by the Corporation are reported as a liability in the Statement of Net Assets.

Scope of Public Service

The Corporation is a nonprofit, public benefit corporation, incorporated under the laws of the State of California and recorded by the Secretary of State in 1996. The Corporation was formed for the sole purpose of providing financial assistance to the Sausalito Marin City School District by acquiring, constructing, remodeling, rehabilitating, equipping, improving and financing various public facilities, land and equipment and by leasing certain facilities, land and equipment for the use, benefit and enjoyment of the public served by the District.

Governmental Accounting Standards Board Statement No. 39 (GASB 39), *Determining Whether Certain Organizations are Component Units*, provides further guidance, stating that a legally separate organization should be reported as a component unit if all of the following criteria are met:

- The economic resources received or held by the organization are entirely or almost entirely for the direct benefit of the primary government or its component units.
- The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the organization.
- The economic resources received or held by the organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The District has determined that there are no organizations, for which the District is not financially accountable, which should be reported within its financial reporting entity under GASB 39.

B. Basis of Presentation

Government-wide Financial Statements:

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the non-fiduciary activities of the District and its component units. The effect of interfund activity within the governmental activities has been removed from these statements. Governmental activities are supported by taxes and intergovernmental revenues. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Concluded)

Government-wide Financial Statements (Concluded):

The government-wide financial statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund and fiduciary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. The District does not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipients of goods or services offered by a program, as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column, and all non-major funds are aggregated into one column. Fiduciary funds are reported by fund type.

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

Fiduciary funds are reported using the economic resources measurement focus.

C. Basis of Accounting

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

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Concluded)

Revenues - Exchange and Non-exchange Transactions:

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. Under the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, "available" means collectible within the current period or within 45, 60, 90 days after year-end, depending on the revenue source. However, to achieve comparability of reporting among California Districts and so as not to distort normal revenue patterns, with specific respect to reimbursement grants and corrections to state apportionments, the California Department of Education has defined available as collectible within one year.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Deferred Revenue:

Deferred revenue arises when assets are received before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as deferred revenue. On governmental fund financial statements, receivables associated with non-exchange transactions that will not be collected within the availability period have also been recorded as deferred revenue.

Expenses/Expenditures:

On an accrual basis of accounting, expenses are recognized at the time a liability is incurred. On the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However under the modified accrual basis of accounting, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

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

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity or retained earnings, revenues, and expenditures or expenses, as appropriate. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The District maintains the following governmental fund types:

General Fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditure for specified purposes other than debt service or capital projects. Other resources also may be reported in the fund if those resources are restricted, committed, or assigned to the specified purpose of the fund.

Debt Service Funds - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Capital Projects Funds - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The District's funds are organized into major, non-major, and fiduciary funds as follows:

Major Governmental Funds:

General Fund is the general operating fund of the District. For financial reporting purposes the financial activities and balances of the Special Revenue - Special Reserve Fund has been combined with the General Fund.

Bond Interest & Redemption Fund is used to account for District taxes received and expended to pay bond interest and redeem bond principal and related costs.

Corporation Debt Service Fund is used to account for the payment of interest and redemption of principal on the outstanding certificates of participation issued by the Sausalito Marin City School District Financing Corporation.

Debt Service Fund is used to account for payments made to the sinking fund, which is required by the lease purchase agreement that was entered into with California School Board Association Finance Corporation, for purposes of financing capital improvements at the District's two schools.

Capital Projects - Special Reserve Fund is used to account for proceeds from real property sales and capital outlays for District property.

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Fund Accounting (Concluded)

Major Governmental Funds (Concluded):

Corporation Acquisition Fund is used to account for proceeds from the sale of certificates of participation that will be used to finance the renovation, construction, and modernization of the District's school facilities.

Non-major Governmental Funds:

Deferred Maintenance Fund is used for the purpose of major repairs or replacement of District property.

Cafeteria Fund is used to account for revenues received and expenditures made to operate the District's cafeteria program.

Building Fund is used to account for acquisition of major governmental facilities financed from bond proceeds.

County School Facilities Fund is used to account for state apportionments (Education Code Sections 17009.5 and 17070.10-17076.10)

Fiduciary Funds:

Agency Funds are used to account for assets of others for which the District acts as an agent. The District maintains an agency fund for the student body account at Martin Luther King School, which is used to account for the raising and expending of money to promote the general welfare, and educational experience of the student body.

E. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. By state law, the District's Governing Board must adopt a final budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's Governing Board satisfied these requirements.

These budgets are revised by the District's Governing Board and Superintendent during the year to give consideration to unanticipated income and expenditures. The original and final revised budget is presented for the General Fund as required supplementary information on page 49.

Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account (See Note 3).

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

G. Encumbrances

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated at June 30.

H. Assets, Liabilities and Equity

1. Deposits and Investments

The District is authorized to maintain cash in banks and revolving funds that are insured to \$250,000 by the Federal Depository Insurance Corporation (FDIC).

The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The County is authorized to deposit cash and invest excess funds by California *Government Code* Section 53648 et seq. The funds maintained by the County are either secured by the FDIC or are collateralized.

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

Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost.

2. Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the asset's lives are not capitalized, but are expensed as incurred.

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Assets, Liabilities and Equity (Continued)

2. Capital Assets (Concluded)

Depreciation on all capital assets is computed using a straight-line basis over the estimated useful lives in the following table:

| <u>Asset Class</u> | <u>Years</u> |
|----------------------------|--------------|
| Sites and Improvements | 14-36 |
| Buildings and Improvements | 10-40 |
| Furniture and Equipment | 5-20 |

3. Deferred Revenue

Cash received for federal and state special projects and programs is recognized as revenue to the extent that qualified expenditures have been incurred. Deferred revenue is recorded to the extent that cash received on specific projects and programs exceeds qualified expenditures.

4. Compensated Absences

All vacation pay is accrued when incurred in the government-wide financial statements. Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expense in the period taken, since such benefits do not vest, nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires.

5. Long-term Liabilities

In the government-wide financial statements, long-term obligations are reported as long-term liabilities in the Statement of Net Assets. Bond premiums and discounts as well as issuance costs, when material, are deferred and amortized over the life of the bonds. Bonds payable are reported net of applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts as well as bond issuance costs, during the period the debt is issued. The face amount of the debt issued, premiums, or discounts is reported as other financing sources or uses in the year issued.

6. Fund Balance

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The allowable classifications in the governmental fund financial statements are as follows:

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Assets, Liabilities and Equity (Continued)

6. Fund Balance (Concluded)

Nonspendable Fund Balance consist of funds that are inherently nonspendable, due to their form (e.g. inventories and prepaid amounts), or that are legally or contractually required to be maintained intact.

Restricted Fund Balance consists of funds that have limitations on use that are externally enforceable by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance consists of funds that are set aside for a specific purpose by the district's highest level of decision making authority, the Governing Board. The Governing Board may commit fund balance by taking formal action, such as majority vote or resolution. The same formal action must be taken by the Governing Board to remove or change limitations placed on the funds.

Assigned Fund Balance consists of funds that are set aside with the intent to be used for a specific purpose by the District. The Governing Board has delegated authority to the Superintendent and/or their designee to identify intended uses of assigned funds.

Unassigned Fund Balance consists of positive net resources of the General Fund in excess of what can properly be classified in the previous four categories. The Board is committed to maintain a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. The District's minimum fund balance policy requires a Reserve for Economic Uncertainties, consisting of unassigned amounts equal to at least 10% of the General Fund operating expenditures and other financing uses.

The District considers restricted fund balances to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the District considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

7. Revenue Limit/Property Tax

The District's revenue limit is received from a combination of local property taxes, state apportionments, and other local sources.

The County of Marin is responsible for assessing, collecting and apportioning property taxes. Taxes are levied for each fiscal year on taxable real and personal property in the county. The levy is based on the assessed values as of the preceding January 1, which is also the lien date. Property taxes on the secured roll are due on November 1 and February 1, and taxes become delinquent after December 10 and April 10, respectively. Property taxes on the unsecured roll are due on the lien date (January 1), and become delinquent if unpaid by August 31.

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

H. Assets, Liabilities and Equity (Concluded)

7. Revenue Limit/Property Tax (Concluded)

Secured property taxes are recorded as revenue when apportioned, in the fiscal year of the levy. The county apportions secured property tax revenue in accordance with the alternative method of distribution prescribed by Section 4705 of the *California Revenue and Taxation Code*. This alternate method provides for crediting each applicable fund with its total secured taxes upon completion of the secured tax roll, approximately October 1 of each year.

The County Auditor reports the amount of the District's allocated property tax revenue to the California Department of Education. Property taxes are recorded as local revenue limit sources by the District.

The District's Base Revenue Limit is the amount of general purpose tax revenue, per average daily attendance (ADA), that the District is entitled to by law. This amount is multiplied by the applicable attendance period ADA to derive the District's total entitlement.

The District is considered a "Basic aid school district" because property taxes exceed the computed revenue limit, therefore the District does not receive state aid for their revenue limit.

NOTE 2 - DEPOSITS AND INVESTMENTS

Summary of Deposits and Investments

Deposits and investments as of June 30, 2012, consist of the following:

| | <u>Governmental Activities</u> | <u>Fiduciary Activities</u> |
|--------------------------------|------------------------------------|---------------------------------|
| Cash in Bank | | \$ 1,119 |
| Cash in Revolving Fund | \$ 1,040 | |
| Cash with Fiscal Agent | 923,988 | |
| County Pool Investments | <u>2,604,386</u> | |
| Total Deposits and Investments | <u>\$ 3,529,414</u> | <u>\$ 1,119</u> |

Cash in Bank

Cash in bank consists of all cash maintained in the commercial bank account owned by the District, exclusive of amounts held in revolving funds.

Cash in Revolving Fund

Cash in revolving fund consists of all cash maintained in commercial bank accounts that are used as revolving funds.

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Cash with Fiscal Agent

Cash with Fiscal Agent consists of \$323,513 held by US Bank as trustee, for future payment of interest and redemption of certificates of participation principal, \$57 held by US Bank as trustee, for future construction projects, and \$600,418 held by US Bank as trustee, for future pay-off of a capital lease.

County Pool Investments

County pool investments consist of District cash held by the Marin County Treasury that is invested in the county investment pool. The fair value of the District's investment in the pool is reported in the financial statements at amounts that are based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio).

General Authorization

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

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

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rate will adversely affect the fair value of an investment. Generally, as the length of the maturity of an investment increases, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Treasury that purchases a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Segmented Time Distribution

Information about the sensitivity of the fair value of the District's investment to market interest rate fluctuations is provided by the following schedule that shows the distribution of the District's investment by maturity:

| <u>Investment Type</u> | <u>Carrying Value</u> | <u>Fair Value</u> | <u>Less Than 1 Year</u> | <u>More Than 1 Year</u> |
|-------------------------|-----------------------|-------------------|-------------------------|-------------------------|
| County Pool Investments | \$ 2,604,386 | \$ 2,605,383 | \$ 2,056,850 | \$ 547,536 |

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of the year-end for each investment type.

| <u>Investment Type</u> | <u>Carrying Value</u> | <u>Fair Value</u> | <u>Rating as of Year End</u> | | |
|-------------------------|-----------------------|-------------------|------------------------------|-----------|----------------|
| | | | <u>AAA</u> | <u>Aa</u> | <u>Unrated</u> |
| County Pool Investments | \$ 2,604,386 | \$ 2,605,383 | | | \$ 2,604,386 |

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond the amount stipulated by the California Government Code. However, the District does not hold any investments in any one issuer, at year-end, that represents five percent or more of the total investments held by the District.

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies.

California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2012, the District does not have a bank balance that is exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the name of the District.

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 2 - DEPOSITS AND INVESTMENTS (CONCLUDED)

Custodial Credit Risk - Investments

This is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The District does not have a policy limiting the amount of securities that can be held by counterparties. As of June 30, 2012, the District does not have any investments that are held by counterparties.

Derivative Investments

The District does not directly invest in any derivative investments. Information related to the use of derivative investments by the Marin County Treasury was not available.

NOTE 3 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS

There was no excess of expenditures over appropriations in the General Fund in 2011-12.

NOTE 4 - RECEIVABLES

Receivables at June 30, 2012 consist of the following:

| | <u>General Fund</u> | <u>Non-Major Governmental Funds</u> | <u>Totals</u> |
|--------------------|-------------------------|---|-------------------|
| Federal Government | \$ 75,661 | \$ 19,084 | \$ 94,745 |
| State Government | 167,139 | 1,498 | 168,637 |
| Local Governments | 147,883 | | 147,883 |
| Totals | \$ 390,683 | \$ 20,582 | \$ 411,265 |

NOTE 5 - LONG-TERM RECEIVABLE

During fiscal year 1996-97, the City of Sausalito entered into a site lease/purchase agreement with the Sausalito Marin City School District for the purchase of Martin Luther King Jr. school site. Under the terms of the agreement, the City of Sausalito is required to make 17 annual lease payments to the District, with an interest rate of 7.46% factored into the annual payment amount. The lease does not include a prepayment option. As a result, the City of Sausalito is required to pay the full amount of each annual payment, even if the city were to decide to prepay the entire lease balance. Proceeds from the lease agreement are used to make the debt service payments on the outstanding certificates of participation, which are discussed in Note 10. Future payments to be received under this agreement, as of June 30, 2012, are as follows:

| <u>Year Ended June 30</u> | <u>Payments Receivable</u> |
|-------------------------------|--------------------------------|
| 2013 | \$ 475,000 |
| 2014 | 72,734 |
| Total | \$ 547,734 |

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 6 - INTERFUND ACTIVITIES

Interfund transactions are reported as either loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

A. Due From/Due To Other Funds

All interfund receivables and payables are scheduled to be paid within one year. Individual fund interfund receivable and payable balances at June 30, 2012 are as follows:

| <u>Funds</u> | <u>Interfund Receivables</u> | <u>Interfund Payables</u> |
|--------------|----------------------------------|-------------------------------|
| General | \$ 20,841 | \$ 2,670 |
| Cafeteria | 2,670 | 20,841 |
| Totals | <u>\$ 23,511</u> | <u>\$ 23,511</u> |

B. Interfund Transfers

Interfund transfers consist of operating transfers from funds receiving revenue to funds through which the resources are to be expended.

| <u>Funds</u> | <u>Transfers In</u> | <u>Transfers Out</u> |
|------------------------------------|---------------------|----------------------|
| General | | \$ 295,016 |
| Corporation Debt Service | \$ 476,375 | 32 |
| Debt Service | 55,766 | |
| Capital Projects - Special Reserve | 694,348 | 532,141 |
| Corporation Acquisition | 32 | 638,581 |
| Deferred Maintenance | 179,090 | |
| Cafeteria | 60,159 | |
| Totals | <u>\$ 1,465,770</u> | <u>\$ 1,465,770</u> |

Transfer \$179,090 from General Fund to Deferred Maintenance Fund of contribution for future deferred maintenance projects.

Transfer \$55,767 from General Fund to Capital Projects - Special Reserve Fund for capital lease sinking fund payment.

Transfer \$60,159 from General Fund to Cafeteria Fund to support the cafeteria program.

Transfer \$32 from Corporation Debt Service Fund to Corporation Acquisition Fund to transfer excess interest earnings from the certificates of participation reserve account, which will be used to finance future construction projects.

Transfer \$476,375 from Capital Projects - Special Reserve Fund to Corporation Debt Service Fund for debt service payment on outstanding certificates of participation.

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 6 - INTERFUND ACTIVITIES (CONCLUDED)

B. Interfund Transfers (Concluded)

Transfer \$55,766 from Capital Projects - Special Reserve Fund to Debt Service Fund for capital lease sinking fund payment.

Transfer \$638,581 from Corporation Acquisition Fund to Capital Projects - Special Reserve Fund to reimburse fund for expenditures from certificates of participation proceeds.

NOTE 7 - CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended June 30, 2012, is shown below:

| | Balances July 1, 2011 | Additions | Deletions | Balances June 30, 2012 |
|--|--------------------------|---------------------|---------------------|---------------------------|
| Land | \$ 948,870 | | | \$ 948,870 |
| Sites and Improvements | 1,970,254 | \$ 51,932 | | 2,022,186 |
| Buildings and Improvements | 23,014,075 | 1,032,130 | | 24,046,205 |
| Furniture and Equipment | 404,019 | 18,216 | | 422,235 |
| Work-in-Progress | 514,852 | 601,329 | \$ 1,102,278 | 13,903 |
| Totals at Historical Cost | 26,852,070 | 1,703,607 | 1,102,278 | 27,453,399 |
| Less Accumulated Depreciation for: | | | | |
| Sites and Improvements | 1,172,568 | 31,546 | | 1,204,114 |
| Buildings and Improvements | 3,532,594 | 455,652 | | 3,988,246 |
| Furniture and Equipment | 80,973 | 18,086 | | 99,059 |
| Total Accumulated Depreciation | 4,786,135 | 505,284 | 0 | 5,291,419 |
| Governmental Activities Capital Assets, net | \$ 22,065,935 | \$ 1,198,323 | \$ 1,102,278 | \$ 22,161,980 |

Depreciation expense was charged to governmental activities as follows:

Governmental Activities:

| | |
|--|-------------------|
| Instruction | \$ 404,614 |
| Instructional Library, Media, and Technology | 5,067 |
| School Site Administration | 21,751 |
| Food Services | 18,132 |
| Other Pupil Services | 6,883 |
| Data Processing Services | 1,038 |
| Other General Administration | 15,247 |
| Plant Services | 32,552 |
| Total Depreciation Expense | \$ 505,284 |

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 8 - GENERAL OBLIGATION BONDS

The outstanding general obligation debt of the District as of June 30, 2012 was as follows:

A. Current Interest Bonds

| <u>Date of Issue</u> | <u>Interest Rate %</u> | <u>Maturity Date</u> | <u>Amount of Original Issue</u> | <u>Outstanding July 1, 2011</u> | <u>Issued Current Year</u> | <u>Redeemed Current Year</u> | <u>Outstanding June 30, 2012</u> |
|----------------------|------------------------|----------------------|---------------------------------|---------------------------------|----------------------------|------------------------------|----------------------------------|
| 8/18/05 | 3.65-5.5 | 8/1/30 | \$ 7,640,000 | \$ 6,745,000 | | \$ 215,000 | \$ 6,530,000 |
| 9/7/06 | 3.25-4.125 | 8/1/22 | 1,680,000 | 1,335,000 | | 90,000 | 1,245,000 |
| 9/7/06 | 3.85-4.375 | 8/1/28 | 3,110,000 | 3,110,000 | | | 3,110,000 |
| Totals | | | <u>\$ 12,430,000</u> | <u>\$ 11,190,000</u> | <u>\$ 0</u> | <u>\$ 305,000</u> | <u>\$ 10,885,000</u> |

The annual requirements to amortize the current interest bonds, as of June 30, 2012, are as follows:

| <u>Year Ended June 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Totals</u> |
|---------------------------|----------------------|---------------------|----------------------|
| 2013 | \$ 325,000 | \$ 449,389 | \$ 774,389 |
| 2014 | 350,000 | 432,809 | 782,809 |
| 2015 | 385,000 | 414,626 | 799,626 |
| 2016 | 425,000 | 397,168 | 822,168 |
| 2017 | 455,000 | 380,797 | 835,797 |
| 2018-2022 | 2,855,000 | 1,597,964 | 4,452,964 |
| 2023-2027 | 3,435,000 | 946,163 | 4,381,163 |
| 2028-2032 | 2,655,000 | 199,761 | 2,854,761 |
| Totals | <u>\$ 10,885,000</u> | <u>\$ 4,818,677</u> | <u>\$ 15,703,677</u> |

B. Capital Appreciation Bonds

| <u>Date of Issue</u> | <u>Accretion Rate %</u> | <u>Date of Maturity</u> | <u>Amount of Original Issue</u> | <u>Outstanding July 1, 2011</u> | <u>Issued Current Year</u> | <u>Accreted Interest Current Year</u> | <u>Outstanding June 30, 2012</u> |
|----------------------|-------------------------|-------------------------|---------------------------------|---------------------------------|----------------------------|---------------------------------------|----------------------------------|
| 9/7/06 | 7.586 | 8/1/33 | \$ 309,991 | \$ 443,750 | | \$ 34,301 | \$ 478,051 |
| 9/7/06 | 5.523 | 8/1/42 | 3,159,933 | 4,108,318 | | 230,031 | 4,338,349 |
| Totals | | | <u>\$ 3,469,924</u> | <u>\$ 4,552,068</u> | <u>\$ 0</u> | <u>\$ 264,332</u> | <u>\$ 4,816,400</u> |

The outstanding obligation for the Series 2006A capital appreciation bonds at June 30, 2012, is as follows:

| <u>Year Ended June 30</u> | <u>Accretion Rate</u> | <u>Original Issue (Principal)</u> | <u>Accreted Interest</u> | <u>Totals</u> |
|---------------------------|-----------------------|-----------------------------------|--------------------------|-------------------|
| 2013-2017 | | \$ 0 | \$ 0 | \$ 0 |
| 2018-2022 | | 0 | 0 | 0 |
| 2023-2027 | 7.586% | 142,799 | 77,417 | 220,216 |
| 2028-2032 | 7.586% | 127,946 | 69,364 | 197,310 |
| 2033-2037 | 7.586% | 39,246 | 21,279 | 60,525 |
| Totals | | <u>\$ 309,991</u> | <u>\$ 168,060</u> | <u>\$ 478,051</u> |

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 8 - GENERAL OBLIGATION BONDS (CONCLUDED)

B. Capital Appreciation Bonds (Concluded)

The annual requirements to amortize the Series 2006A capital appreciation bonds at June 30, 2012, are as follows:

| <u>Year Ended</u> <u>June 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Totals</u> |
|-------------------------------------|-------------------|---------------------|---------------------|
| 2013-2017 | \$ 0 | \$ 0 | \$ 0 |
| 2018-2022 | 0 | 0 | 0 |
| 2023-2027 | 142,799 | 417,201 | 560,000 |
| 2028-2032 | 127,946 | 572,054 | 700,000 |
| 2033-2037 | 39,246 | 240,754 | 280,000 |
| Totals | \$ 309,991 | \$ 1,230,009 | \$ 1,540,000 |

The outstanding obligation for Series 2006B capital appreciation bonds at June 30, 2012, is as follows:

| <u>Year Ended</u> <u>June 30</u> | <u>Accretion</u> <u>Rate</u> | <u>Original Issue</u> <u>(Principal)</u> | <u>Accreted</u> <u>Interest</u> | <u>Totals</u> |
|-------------------------------------|---------------------------------|---|------------------------------------|---------------------|
| 2013-2017 | | \$ 0 | \$ 0 | \$ 0 |
| 2018-2022 | | 0 | 0 | 0 |
| 2023-2027 | | 0 | 0 | 0 |
| 2028-2032 | 5.523% | 523,923 | 195,376 | 719,299 |
| 2033-2037 | 5.523% | 1,286,078 | 479,623 | 1,765,701 |
| 2038-2042 | 5.523% | 1,143,415 | 426,407 | 1,569,822 |
| 2043-2047 | 5.523% | 206,517 | 77,010 | 283,527 |
| Totals | | \$ 3,159,933 | \$ 1,178,416 | \$ 4,338,349 |

The annual requirements to amortize the Series 2006B capital appreciation bonds at June 30, 2012, are as follows:

| <u>Year Ended</u> <u>June 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Totals</u> |
|-------------------------------------|---------------------|----------------------|----------------------|
| 2013-2017 | \$ 0 | \$ 0 | \$ 0 |
| 2018-2022 | 0 | 0 | 0 |
| 2023-2027 | 0 | 0 | 0 |
| 2028-2032 | 523,923 | 1,431,077 | 1,955,000 |
| 2033-2037 | 1,286,078 | 4,613,922 | 5,900,000 |
| 2038-2042 | 1,143,415 | 5,716,585 | 6,860,000 |
| 2043-2047 | 206,517 | 1,253,483 | 1,460,000 |
| Totals | \$ 3,159,933 | \$ 13,015,067 | \$ 16,175,000 |

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 9 - CAPITAL LEASES

- A. On December 1, 2002, the District entered into a \$1,000,000 lease agreement to finance the remodel of its existing school facilities and the update of its technology systems. The agreement requires the District to make fifteen (15) annual payments of \$55,766 to a sinking fund maintained by US Bank. The sum of the annual payments plus interest earned on the sinking fund balance are expected to be sufficient to make a single \$1,000,000 lease payment on December 19, 2017 and pay-off the entire lease balance at that time. The lease does not include a prepayment option. The agreement provides for title to pass upon expiration of the lease period.

Future required sinking fund payments as of June 30, 2012 are as follows:

| Year Ended <u>June 30</u> | Sinking Fund Payments |
|---------------------------------------|-----------------------------|
| 2013 | \$ 55,766 |
| 2014 | 55,766 |
| 2015 | 55,766 |
| 2016 | 55,766 |
| 2017 | 55,766 |
| 2018-2022 | <u>55,766</u> |
| Total sinking fund payments remaining | <u>\$ 334,596</u> |
| Lease payment due December 19, 2017 | <u>\$ 1,000,000</u> |

At June 30, 2012, the Debt Service Fund has a fund balance of \$600,418.

- B. The District entered into lease agreements to finance the acquisition of energy management equipment and the purchase of computer equipment valued at \$156,600 and \$29,752, respectively. The agreements provide for title to pass upon expiration of the lease periods.

Future minimum lease payments under these agreements are as follows:

| Year Ended <u>June 30</u> | Lease Payments |
|---|-------------------|
| 2013 | \$ 30,007 |
| 2014 | 30,007 |
| 2015 | 19,399 |
| 2016 | <u>19,399</u> |
| Total payments | 98,812 |
| Less amounts representing interest | <u>(7,664)</u> |
| Present value of net minimum lease payments | <u>\$ 91,148</u> |

The District will receive no sublease rental revenues nor pay any contingent rentals for the leased assets.

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 10 - CERTIFICATES OF PARTICIPATION

In August 2006, the Sausalito School District Financing Corporation issued certificates of participation (COPS) in the amount of \$3,235,000 with interest rates ranging from 3.25% to 5.0%. The 2006 COPS were issued to refund the outstanding 1996 Refunding COPS and provide financing for the renovation, construction, and modernization of certain District facilities. At June 30, 2012, the principal balance outstanding was \$820,000.

The annual requirements to amortize the certificates of participation as of June 30, 2012 are as follows:

| Year Ended <u>June 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Totals</u> |
|------------------------------|-------------------|------------------|-------------------|
| 2013 | \$ 440,000 | \$ 41,000 | 481,000 |
| 2014 | 380,000 | 19,000 | 399,000 |
| Totals | <u>\$ 820,000</u> | <u>\$ 60,000</u> | <u>\$ 880,000</u> |

NOTE 11 - EARLY RETIREMENT INCENTIVES

In addition to the STRS pension benefits described in Note 15, the District began providing an early retirement incentive benefit program through the Public Agency Retirement System (PARS) in 2009-10. The PARS program was offered to all certificated employees with at least 30 years of teaching experience and with 10 years of service with the District. The future liability for the early retirement incentive benefits at June 30, 2012, is \$50,652, and future payments are as follows:

| Year Ended <u>June 30</u> | <u>PARS</u> |
|------------------------------|------------------|
| 2013 | \$ 16,884 |
| 2014 | 16,884 |
| 2015 | <u>16,884</u> |
| Total | <u>\$ 50,652</u> |

NOTE 12 - OTHER POST EMPLOYMENT BENEFITS

From an accrual accounting perspective, the cost of other post employment benefits (OPEB), like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in future years when the benefits are paid or provided. Governmental Accounting Standards Board Statement No. 45 requires an accrual basis measurement and recognition of OPEB cost over a period that approximates employees' years of service and provides information about actuarial accrued liabilities associated with OPEB and to what extent progress is being made in funding the plan.

Plan Descriptions: The District provides medical coverage to classified employees with at least 15 years of service in the District who retire before the age of 65. The District subsidized coverage ceases after the earlier of 24 months or at age 65. The District contributes up to the employee only rate towards classified retiree health premiums up to the District's annual cap, which was \$8,698 at the time of the valuation.

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 12 - OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

All contracts with District employees will be renegotiated at various times in the future and, thus, costs and benefits are subject to change. Benefits and contribution requirements (both employee and employer) for the OPEB Plan are established by various labor agreements.

The District had twenty-three (23) active employees and one (1) retired employee covered by the OPEB Plan as of June 30, 2009, the effective date of the triennial OPEB valuation. For the District, OPEB benefits are administered by District personnel. No separate financial statements are issued.

Funding Policy: The District currently pays for other post employment benefits on a pay-as-you-go basis, and these financial statements assume that pay-as-you-go funding will continue.

Annual OPEB Cost and Net OPEB Obligation/(Asset): The following table shows the components of the District's annual OPEB cost for the fiscal year ended June 30, 2012, the amount actually contributed to the Plan, and changes in the District's net OPEB obligation/(asset) that resulted in a net OPEB obligation of \$1,513 for the year ended June 30, 2012.

| | |
|---|------------------------|
| Normal service cost with interest to end of year | \$ 4,115 |
| Amortization of UAAL with interest to end of year | <u>1,103</u> |
| Annual required contribution (ARC) | 5,218 |
| Interest on Net OPEB Obligation | 123 |
| Adjustment to ARC | <u>266</u> |
| Annual OPEB cost (expense) | 5,607 |
| Contributions for the fiscal year | <u>(1,359)</u> |
| Increase in Net OPEB Obligation | 4,248 |
| Net OPEB (Asset) - June 30, 2011 | <u>(2,735)</u> |
| Net OPEB Obligation - June 30, 2012 | <u><u>\$ 1,513</u></u> |

The District's annual OPEB cost, percentage of annual OPEB cost contributed to the plan, and net OPEB obligation/(asset) for the last three fiscal years are presented in the following table:

| <u>Fiscal Year Ended</u> | <u>Annual OPEB Cost</u> | <u>Percentage Contributed</u> | <u>Net OPEB Obligation/(Asset)</u> |
|--------------------------|-------------------------|-------------------------------|------------------------------------|
| June 30, 2012 | \$ 5,607 | 24.2% | \$ 1,513 |
| June 30, 2011 | 5,000 | 140.4% | (2,735) |
| June 30, 2010 | 5,000 | 114.3% | (715) |

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members.

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 12 - OTHER POST EMPLOYMENT BENEFITS (CONCLUDED)

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of future events far into the future. Examples include mortality, turnover, disability, retirement and other factors that affect the number of people eligible to receive future retiree benefits. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2009, actuarial valuation, the liabilities were computed using the projected unit credit method and the District's UAAL is being amortized using the level dollar basis over an open 30 year period. The actuarial assumptions utilized a 4.5% discount rate, the expected long-term rate of return on District assets. The valuation assumes an initial healthcare cost rate of 12% which grades down to an ultimate rate of 5% for year 9 and thereafter.

NOTE 13 - LONG-TERM LIABILITIES

The changes in long-term liabilities for the year ended June 30, 2012, is shown below:

| | Balances July 1, 2011 | Additions | Deductions | Balances June 30, 2012 | Due within One Year |
|-----------------------------------|--------------------------|-------------------|-------------------|---------------------------|------------------------|
| Compensated Absences | \$ 7,812 | \$ 9,424 | | \$ 17,236 | \$ 17,236 |
| General Obligation Bonds: | | | | | |
| Current Interest | 11,190,000 | | \$ 305,000 | 10,885,000 | 325,000 |
| Capital Appreciation | 4,552,068 | 264,332 | | 4,816,400 | |
| Capital Leases | 1,087,880 | 29,752 | 26,484 | 1,091,148 | 27,124 |
| Certificates of Participation | 1,235,000 | | 415,000 | 820,000 | 440,000 |
| Early Retirement Incentives | 67,536 | | 16,864 | 50,652 | 16,884 |
| Other Post Employment Benefits | (2,735) | 5,607 | 1,359 | 1,513 | |
| Totals | \$ 18,137,561 | \$ 309,115 | \$ 764,727 | \$ 17,681,949 | \$ 826,244 |

NOTE 14 - FUND BALANCES

The District's fund balances at June 30, 2012 consisted of the following:

| | General Fund | Bond Interest and Redemption Fund | Corporation Debt Service Fund | Debt Service Fund | Capital Projects- Special Reserve Fund | Corporation Acquisition Fund | Non-Major Governmental Funds | Totals |
|----------------------------|---------------------|---|--|-------------------------|--|------------------------------------|------------------------------------|---------------------|
| Nonspendable | \$ 1,000 | | | | | | \$ 40 | \$ 1,040 |
| Restricted | 255,087 | \$ 571,830 | \$ 323,513 | \$ 600,418 | | \$ 57 | 535 | 1,751,720 |
| Assigned | 99,876 | | | | \$ 106,570 | | 181,780 | 388,226 |
| Unassigned: | | | | | | | | |
| Economic Uncertainties | 577,517 | | | | | | | 577,517 |
| Other | 766,942 | | | | | | (40) | 766,902 |
| Total Fund Balances | \$ 1,720,402 | \$ 571,830 | \$ 323,513 | \$ 600,418 | \$ 106,570 | \$ 57 | \$ 182,615 | \$ 3,505,405 |

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS

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

A. State Teachers' Retirement System (CalSTRS)

Plan Description

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

Funding Policy

Active plan members are required to contribute 8.0% of their salary and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalSTRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2011-12 was 8.25% of annual payroll. The contribution requirements of the plan members are established by State statute. The District's contributions to CalSTRS for the fiscal years ended June 30, 2012, 2011, and 2010, were \$90,718, \$99,979, and \$121,440, respectively, and equal 100% of the required contributions for each year.

B. California Public Employees' Retirement System (CalPERS)

Plan Description

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

Funding Policy

Active plan members are required to contribute 7.0% of their salary and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration.

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS (CONCLUDED)

B. California Public Employees' Retirement System (CalPERS) (Concluded)

Funding Policy (Concluded)

The required employer contribution rate for fiscal year 2011-12 was 10.923%. The contribution requirements of the plan members are established by State statute. The District's contributions to CalPERS for the fiscal years ended June 30, 2012, 2011, and 2010, were \$106,309, \$106,473, and \$101,151, respectively, and equal 100% of the required contributions for each year.

C. Social Security

As established by Federal law, all public sector employees who are not members of their employer's existing retirement system (CalSTRS or CalPERS) must be covered by social security or an alternative plan. The District has elected to use Social Security as its alternative plan. Contributions made by the District and participating employee vest immediately. The District contributes 6.2% of each employee's gross earnings and employees were required to contribute 4.2% of their gross earnings from July 2011 through June 2012.

NOTE 16 - ON-BEHALF PAYMENTS MADE BY THE STATE OF CALIFORNIA

The District was the recipient of on-behalf payments made by the State of California to the State Teachers' Retirement System (CalSTRS) for K-12 Education. This payment consists of state general fund contributions to CalSTRS of \$71,460 (4.854597% of salaries subject to CalSTRS).

NOTE 17 - RISK MANAGEMENT

The District is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2011-12, the District participated in one joint powers authority (JPA) for purposes of pooling for risk. There were no significant reductions in coverage during the year.

NOTE 18 - JOINT VENTURES

The District participates in two joint ventures under joint powers agreements with Marin School Insurance Authority (MSIA) for workers' compensation and property and liability insurance, and Marin Pupils Transportation Agency (MPTA) for pupil transportation services for special education children. The relationships between the District and the JPAs are such that the JPAs are not component units of the District for financial reporting purposes.

The JPAs arrange for and/or provide coverage or transportation services for its members. The JPAs are governed by a board consisting of a representative from each member district. Each board controls the operations of their JPAs, including selection of management and approval of operating budgets independent of any influence by the member districts beyond their representation on the Board. Each member district pays a premium commensurate with the level of coverage or service requested and shares surpluses and deficits proportionately to their participation in the JPAs. The District is charged by the MPTA based upon actual cost of pupil transportation. The JPAs are audited on an annual basis. Financial information can be obtained by contacting each JPA's management.

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 19 - CHARTER SCHOOL

In accordance with Education Code Section 47605, the District approved a charter school agreement with Willow Creek Academy Charter School, which was renewed for an additional five years for the period July 1, 2009 through June 30, 2014.

Under the terms of the agreement, the charter school is responsible for managing, budgeting, and accounting for its activities in accordance with accounting principles generally accepted in the United States of America. Therefore, the financial activities of the charter school are not included in the District's financial reports; however, the financial transactions between the charter school and the District are included.

NOTE 20 - COMMITMENTS AND CONTINGENCIES

A. Questioned Costs - Attendance

The District did not comply with the attendance requirements of Education Code Section 46000 in fiscal year 2009-10, and as a result the District's SELPA funding will be reduced by \$72,981. The District is currently pursuing a waiver that will hold the District harmless for the inadvertent noncompliance related to the attendance requirements. These financial statements do not contain any adjustments related to this noncompliance, since the outcome of the District's attempts to obtain a waiver, cannot reasonably be determined at this time.

B. State and Federal Allowances, Awards and Grants

The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements will not be material.

C. Litigation

The District is subject to various legal proceedings and claims. In the opinion of management, the ultimate liability with respect to these actions will not materially affect the financial position or results of operations of the District.

SAUSALITO MARIN CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|---|----------------------------|-------------------------|---------------|---|
| <u>Revenues</u> | | | | |
| Revenue Limit Sources: | | | | |
| State Apportionment | \$ 159,460 | \$ 172,327 | \$ 172,327 | |
| Local Sources | 3,457,741 | 3,432,469 | 3,424,879 | \$ (7,590) |
| Total Revenue Limit Sources | 3,617,201 | 3,604,796 | 3,597,206 | (7,590) |
| Federal Revenue | 195,611 | 213,382 | 229,350 | 15,968 |
| Other State Revenue | 734,069 | 811,546 | 777,986 | (33,560) |
| Other Local Revenue | 1,198,896 | 1,250,251 | 1,235,683 | (14,568) |
| Total Revenues | 5,745,777 | 5,879,975 | 5,840,225 | (39,750) |
| <u>Expenditures</u> | | | | |
| Certificated Salaries | 1,331,200 | 1,386,849 | 1,304,394 | 82,455 |
| Classified Salaries | 737,781 | 913,616 | 902,795 | 10,821 |
| Employee Benefits | 633,767 | 679,205 | 658,167 | 21,038 |
| Books and Supplies | 153,102 | 379,303 | 289,107 | 90,196 |
| Services and Other | | | | |
| Operating Expenditures | 2,186,181 | 1,950,686 | 1,700,065 | 250,621 |
| Capital Outlay | 4,928 | 60,029 | 41,983 | 18,046 |
| Debt Service: | | | | |
| Principal Retirement | 15,250 | 26,484 | 26,484 | |
| Interest and Fiscal Charges | 4,149 | 3,523 | 3,523 | |
| Other Expenditures | 620,953 | 641,573 | 578,482 | 63,091 |
| Total Expenditures | 5,687,291 | 6,041,268 | 5,505,000 | 536,268 |
| Excess of Revenues Over (Under) Expenditures | 58,486 | (161,293) | 335,225 | 496,518 |
| <u>Other Financing Sources (Uses)</u> | | | | |
| Operating Transfers Out | (90,767) | (297,234) | (295,016) | 2,218 |
| Other Sources | | 29,752 | 29,752 | |
| Total Other Financing Sources (Uses) | (90,767) | (267,482) | (265,264) | 2,218 |
| Net Change in Fund Balances | (32,281) | (428,775) | 69,961 | \$ 498,736 |
| Fund Balances - July 1, 2011 | 1,650,441 | 1,650,441 | 1,650,441 | |
| Fund Balances - June 30, 2012 | \$ 1,618,160 | \$ 1,221,666 | \$ 1,720,402 | |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

SAUSALITO MARIN CITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012

| | Deferred Maintenance | Cafeteria | Building | County School Facilities | Total Non-Major Governmental Funds |
|---|-------------------------|------------------|---------------|--------------------------------|---|
| <u>Assets</u> | | | | | |
| Deposits and Investments | \$ 181,780 | \$ 40 | \$ 246 | \$ 589 | \$ 182,655 |
| Receivables | | 20,582 | | | 20,582 |
| Due from Other Funds | | 2,670 | | | 2,670 |
| Total Assets | <u>\$ 181,780</u> | <u>\$ 23,292</u> | <u>\$ 246</u> | <u>\$ 589</u> | <u>\$ 205,907</u> |
| <u>Liabilities and Fund Balances</u> | | | | | |
| Liabilities: | | | | | |
| Accounts Payable | | \$ 2,451 | | | \$ 2,451 |
| Due to Other Funds | | 20,841 | | | 20,841 |
| Total Liabilities | | <u>23,292</u> | | | <u>23,292</u> |
| Fund Balances: | | | | | |
| Nonspendable | | 40 | | | 40 |
| Restricted | | | \$ 246 | \$ 589 | 835 |
| Assigned | \$ 181,780 | | | | 181,780 |
| Unassigned | | (40) | | | (40) |
| Total Fund Balances | <u>181,780</u> | <u>0</u> | <u>246</u> | <u>589</u> | <u>182,615</u> |
| Total Liabilities and Fund Balances | <u>\$ 181,780</u> | <u>\$ 23,292</u> | <u>\$ 246</u> | <u>\$ 589</u> | <u>\$ 205,907</u> |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

SAUSALITO MARIN CITY SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

| | Deferred Maintenance | Cafeteria | Building | County School Facilities | Total Non-Major Governmental Funds |
|---|-------------------------|-----------|----------|--------------------------------|---|
| <u>Revenues</u> | | | | | |
| Federal Revenue | | \$ 87,378 | | | \$ 87,378 |
| State Revenue | \$ 4,910 | 6,758 | | | 11,668 |
| Local Revenue | 116 | (54) | \$ 1 | \$ 2 | 65 |
| Total Revenues | 5,026 | 94,082 | 1 | 2 | 99,111 |
| <u>Expenditures</u> | | | | | |
| Food Services | | 154,990 | | | 154,990 |
| Plant Services | 6,341 | | | | 6,341 |
| Facilities Acquisition and Construction | 1,336 | | | 379 | 1,715 |
| Total Expenditures | 7,677 | 154,990 | 0 | 379 | 163,046 |
| Excess of Revenues Over (Under) Expenditures | (2,651) | (60,908) | 1 | (377) | (63,935) |
| <u>Other Financing Sources</u> | | | | | |
| Operating Transfers In | 179,090 | 60,159 | | | 239,249 |
| Net Change in Fund Balances | 176,439 | (749) | 1 | (377) | 175,314 |
| Fund Balances - July 1, 2011 | 5,341 | 749 | 245 | 968 | 7,301 |
| Fund Balances - June 30, 2012 | \$ 181,780 | \$ 0 | \$ 246 | \$ 589 | \$ 182,615 |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

SAUSALITO MARIN CITY SCHOOL DISTRICT

SCHEDULE OF FUNDING PROGRESS

FOR THE FISCAL YEAR ENDED JUNE 30, 2012

| <u>Actuarial Valuation Date</u> | <u>Value of Assets</u> | <u>Accrued Liability (AAL)</u> | <u>Unfunded AAL (UAAL)</u> | <u>Funded Ratio</u> | <u>Covered Payroll</u> | <u>Percentage of Covered Payroll</u> |
|---|----------------------------|--|------------------------------------|-------------------------|----------------------------|--|
| 6/30/09 | \$ 0 | \$ 30,000 | \$ 30,000 | 0% | \$ 801,087 | 3.7% |

SEE NOTES TO SUPPLEMENTARY INFORMATION

SAUSALITO MARIN CITY SCHOOL DISTRICT
ORGANIZATION/BOARD OF TRUSTEES/ADMINISTRATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

ORGANIZATION

The Sausalito Marin City School District comprises and serves the City of Sausalito, Marin City, and several military installations. There were no changes in the boundaries of the District during the current year. The District currently operates two elementary schools serving students in kindergarten through grade eight.

BOARD OF TRUSTEES

| <u>Name</u> | <u>Office</u> | <u>Term Expires</u> |
|--------------------------|----------------|---------------------|
| Thomas Newmeyer | President | December 2014 |
| Mark Trotter | Vice President | December 2014 |
| Karen Benjamin | Clerk | December 2012 |
| William Ziegler | Member | December 2012 |
| Shirley Thornton, Ed. D. | Member | December 2014 |

ADMINISTRATION

Dr. Valerie Pitts
Superintendent

Paula F. Rigney
Business Manager

SAUSALITO MARIN CITY SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

| <u>Elementary</u> | <u>F-2 Report</u> | | <u>Annual Report</u> | |
|---------------------------------------|------------------------------|----------------|------------------------------|----------------|
| | <u>District Reported</u> | <u>Audited</u> | <u>District Reported</u> | <u>Audited</u> |
| Kindergarten | 20.33 | 19.65 | 20.18 | 19.51 |
| First through Third | 39.64 | 39.35 | 38.76 | 38.32 |
| Fourth through Sixth | 43.10 | 41.65 | 40.47 | 40.47 |
| Seventh and Eighth | 23.00 | 22.92 | 23.40 | 23.40 |
| Home & Hospital | 0.03 | 0.03 | 0.03 | 0.03 |
| Special Education - Special Day Class | 2.06 | 2.06 | 2.21 | 2.21 |
| Special Education - Nonpublic | 2.51 | 2.18 | 2.13 | 2.13 |
| Extended Year - Nonpublic | 0.46 | 0.46 | 0.46 | 0.46 |
| Totals | <u>131.13</u> | <u>128.30</u> | <u>127.64</u> | <u>126.53</u> |

SEE NOTES TO SUPPLEMENTARY INFORMATION

SAUSALITO MARIN CITY SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

| <u>Grade Level</u> | <u>1982-83 Actual Minutes</u> | <u>Adjusted 1982-83 Actual Minutes</u> | <u>1986-87 Minutes Required</u> | <u>Adjusted 1986-87 Minutes Required</u> | <u>2011-12 Actual Minutes</u> | <u>Number of Days Traditional Calendar</u> | <u>Number of Days Multitrack Calendar</u> | <u>Status</u> |
|--------------------|---------------------------------------|--|---|--|---------------------------------------|--|---|---------------|
| Kindergarten | 31,500 | 29,400 | 36,000 | 33,600 | 61,970 | 180 | N/A | In Compliance |
| Grade 1 | 45,500 | 42,467 | 50,400 | 47,040 | 58,820 | 180 | N/A | In Compliance |
| Grade 2 | 45,500 | 42,467 | 50,400 | 47,040 | 58,820 | 180 | N/A | In Compliance |
| Grade 3 | 45,500 | 42,467 | 50,400 | 47,040 | 60,170 | 180 | N/A | In Compliance |
| Grade 4 | 54,250 | 50,633 | 54,000 | 47,040 | 60,170 | 180 | N/A | In Compliance |
| Grade 5 | 54,250 | 50,633 | 54,000 | 50,400 | 61,835 | 180 | N/A | In Compliance |
| Grade 6 | 54,250 | 50,633 | 54,000 | 50,400 | 61,835 | 180 | N/A | In Compliance |
| Grade 7 | 54,250 | 50,633 | 54,000 | 50,400 | 61,835 | 180 | N/A | In Compliance |
| Grade 8 | 54,250 | 50,633 | 54,000 | 50,400 | 61,835 | 180 | N/A | In Compliance |

SEE NOTES TO SUPPLEMENTARY INFORMATION

SAUSALITO MARIN CITY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

| <u>Program Name</u> | <u>Federal Catalog Number</u> | <u>Pass-Through Identification Number</u> | <u>Federal Program Expenditures</u> |
|--|---------------------------------------|---|---|
| U.S. Department of Agriculture: | | | |
| Passed through California Department of Education (CDE): | | | |
| <i>Child Nutrition Cluster:</i> | | | |
| National School Lunch | 10.555 | 13524 | \$ 66,278 |
| School Needy Breakfast | 10.553 | 13526 | 21,100 |
| U.S. Department of Education: | | | |
| Passed through CDE: | | | |
| Education Jobs Fund | 84.410 | 25152 | 1,593 |
| NCLB: Title I Basic Grant Low-Income & Neglected | 84.010 | 14329 | 108,677 |
| NCLB: Title II - Improving Teacher Quality | 84.367 | 14341 | 22,370 |
| ARRA NCLB: Title II - Enhancing Education Through Technology | 84.386 | 15019 | 1,704 |
| NCLB: Title III - Immigrant Education Program | 84.365 | 15146 | 200 |
| NCLB: Title III - Limited English Proficient | 84.365 | 14346 | 3,557 |
| Passed through Marin County SELPA: | | | |
| IDEA Part B Basic Local Assistance | 84.027 | 13379 | 69,420 |
| Received Direct: | | | |
| Federal Impact Aid | 84.041 | n/a | 15,711 |
| U.S. Department of Health and Human Services: | | | |
| Passed through CDE: | | | |
| Medi-Cal Billing | 93.778 | 10013 | 20,217 |
| Total | | | <u>\$ 330,827</u> |

SEE NOTES TO SUPPLEMENTARY INFORMATION

**SAUSALITO MARIN CITY SCHOOL DISTRICT
RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT
WITH AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

| | General Fund | Special Revenue - Special Reserve Fund | Bond Interest & Redemption Fund | Capital Projects- Special Reserve Fund |
|---|----------------------------|--|--|--|
| June 30, 2012 Annual Financial and Budget Report Fund Balances | <u>\$ 1,458,397</u> | <u>\$ 262,005</u> | <u>\$ 548,851</u> | <u>\$ 120,473</u> |
| Adjustments & Reclassifications Increasing/(Decreasing) Fund Balances: | | | | |
| Overstatement of Fund Balance | | (262,005) | | |
| Understatement of Fund Balance | 262,005 | | | |
| Understatement of State Revenues | | | 4,122 | |
| Understatement of Local Revenues | | | 788,721 | |
| Understatement of Debt Service Principal | | | (305,000) | |
| Understatement of Debt Service Interest | | | (464,864) | |
| Understatement of Contract Services | | | | (13,903) |
| Net Adjustments & Reclassifications | <u>262,005</u> | <u>(262,005)</u> | <u>22,979</u> | <u>(13,903)</u> |
| June 30, 2012 Audited Financial Statements Fund Balances | <u><u>\$ 1,720,402</u></u> | <u><u>\$ 0</u></u> | <u><u>\$ 571,830</u></u> | <u><u>\$ 106,570</u></u> |

The reclassification of fund balances above was required as a result of the definition of special revenue funds prescribed by GASB 54.

Auditor's Comments

The audited financial statements of all other funds were in agreement with the Annual Financial and Budget Report for the fiscal year ended June 30, 2012.

SAUSALITO MARIN CITY SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

| | GENERAL FUND | | | |
|--|-------------------------|---------------|---------------|-----------------------------|
| | (Budget)* 2012-13 ** | 2011-12 | 2010-11 | 2009-10 |
| Revenues and Other Financial Sources | \$ 5,480,374 | \$ 5,869,977 | \$ 6,516,776 | \$ 5,988,540 |
| Expenditures | 5,445,979 | 5,505,000 | 6,345,571 | 6,008,857 |
| Other Uses and Transfers Out | 209,851 | 295,016 | 108,133 | 110,243 |
| Total Outgo | 5,655,830 | 5,800,016 | 6,453,704 | 6,119,100 |
| Change in Fund Balance | (195,456) | 69,961 | 63,072 | (130,560) |
| Ending Fund Balance | \$ 1,524,946 | \$ 1,720,402 | \$ 1,650,441 | \$ 1,587,369 ⁽¹⁾ |
| Available Reserves | \$ 1,019,003 | \$ 1,364,459 | \$ 1,382,942 | \$ 968,510 |
| Reserve for Economic Uncertainties *** | \$ 565,583 | \$ 577,517 | \$ 894,140 | \$ 617,955 |
| Available Reserves as a Percentage of Total Outgo | 18.0% | 23.5% | 21.4% | 15.8% |
| Average Daily Attendance at P-2 | 131 | 128 | 157 | 159 ⁽²⁾ |
| Total Long-Term Liabilities | \$ 16,855,705 | \$ 17,681,949 | \$ 18,140,296 | \$ 18,582,139 |

* Amounts reported for the 2012-13 budget are presented for analytical purposes only and have not been audited.

** Amounts have been adjusted to ensure comparability with the current year GASB 54 financial statement presentation.

*** Reported balances are a component of available reserves.

(1) The amount presented has been adjusted to reflect the reclassification of fund balances prescribed by GASB 54 beginning in fiscal year 2010-11.

(2) The amount presented for fiscal year 2009-10 represents the audited average daily attendance (ADA) originally reported by the District. The audited ADA after excluding the questioned ADA in Finding 10 - 3 / 10000 was 2 ADA.

The fund balance of the General Fund increased \$133,033 over the past two years. The fiscal year 2012-13 budget projects a decrease of \$195,456 (11.4%). For a district this size, the state recommends available reserves of at least 5% of total general fund expenditures, transfers out, and other uses (total outgo).

The District produced operating surpluses of \$69,961 and \$63,072 during fiscal years 2011-12 and 2010-11, respectively, and incurred an operating deficit of \$130,560 during fiscal year 2009-10.

Average daily attendance (ADA) decreased 31 ADA over the past two years. The District anticipates an increase of 3 ADA during fiscal year 2012-13.

Total long-term liabilities decreased \$900,190 over the past two years, due primarily to the reduction of the District's certificates of participation obligation.

SEE NOTES TO SUPPLEMENTARY INFORMATION

SAUSALITO MARIN CITY SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOLS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

| <u>Charter School</u> | <u>District Audit</u> |
|-----------------------|-----------------------|
| Willow Creek Academy | Excluded |

SEE NOTES TO SUPPLEMENTARY INFORMATION

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 1 - PURPOSE OF STATEMENTS AND SCHEDULES

A. Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, the District is required to present a Schedule of Revenues, Expenditures, and Changes in Fund Balance budgetary comparison for the General Fund and each Major Special Revenue Fund that has an adopted budget. This schedule presents the original adopted budget, final adopted budget, and the actual revenues and expenditures of each of these funds by object.

B. Combining Statements

Combining statements are presented for purposes of additional analysis, and are not a required part of the District's basic financial statements. These statements present more detailed information about the financial position and financial activities of the District's individual funds.

C. Schedule of Funding Progress

In accordance with Governmental Accounting Standards Board Statement No. 45, the District is required to present a schedule which shows the funding progress of the District's OPEB plan for the most recent valuation and two preceding valuations. The information required to be disclosed includes the valuation date, the actuarial value of assets, the actuarial accrued liability, the total unfunded actuarial liability, the actuarial value of assets as a percentage of the actuarial accrued liability (funded ratio), the annual covered payroll and the ratio of the unfunded actuarial liability to annual covered payroll.

D. Schedule of Average Daily Attendance

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

E. Schedule of Instructional Time

The District received state funding under the Basic Aid Provision and therefore did not receive incentive funding for increasing instructional time as provided by the incentive for longer instructional day. This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of Education Code Sections 46200 through 46206.

F. Schedule of Expenditures of Federal Awards

The accompanying schedule of expenditures of federal awards includes the federal grant activities of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

SAUSALITO MARIN CITY SCHOOL DISTRICT
NOTES TO SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 1 - PURPOSE OF STATEMENTS AND SCHEDULES (CONCLUDED)

G. Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balances of all funds, as reported in the Annual Financial and Budget Report to the audited financial statements.

H. Schedule of Financial Trends and Analysis

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

I. Schedule of Charter Schools

This schedule lists all charter schools chartered by the District and identifies whether or not the charter schools were included or excluded from the audit of the District.

OTHER INDEPENDENT AUDITOR'S REPORTS SECTION

STEPHEN ROATCH ACCOUNTANCY CORPORATION

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

Board of Trustees
Sausalito Marin City School District
Sausalito, California

We have audited Sausalito Marin City School District's compliance with the types of compliance requirements described in the *Standards and Procedures for Audits of California K-12 Local Educational Agencies 2011-12* to the state laws and regulations listed below for the year ended June 30, 2012. Compliance with the requirements of state laws and regulations is the responsibility of the District's management. Our responsibility is to express an opinion on Sausalito Marin City School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Standards and Procedures for Audits of California K-12 Local Educational Agencies 2011-12*, prescribed in the California Code of Regulations, Title 5, section 19810 and following. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state laws and regulations listed below occurred. An audit includes examining, on a test basis, evidence about Sausalito Marin City School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Sausalito Marin City School District's compliance with those requirements.

| <u>Description</u> | <u>Procedures in Education Audit Appeals Panel's Audit Guide</u> | <u>Procedures Performed</u> |
|--|--|---------------------------------|
| Attendance Accounting: | | |
| Attendance Reporting | 6 | Yes |
| Teacher Certification and Misassignments | 3 | Yes |
| Kindergarten Continuance | 3 | Yes |
| Independent Study | 23 | No (see below) |
| Continuation Education | 10 | Not Applicable |
| Instructional Time: | | |
| School Districts | 6 | Yes |
| County Offices of Education | 3 | Not Applicable |
| Instructional Materials: | | |
| General Requirements | 8 | Yes |
| Ratios of Administrative Employees to Teachers | 1 | Yes |
| Classroom Teacher Salaries | 1 | Yes |
| Early Retirement Incentive | 4 | Not Applicable |
| Gann Limit Calculation | 1 | Yes |
| School Accountability Report Card | 3 | Yes |
| Public Hearing Requirement - Receipt of Funds | 1 | Yes |

| <u>Description</u> | <u>Procedures In Education Audit Appeals Panel's Audit Guide</u> | <u>Procedures Performed</u> |
|--|--|---------------------------------|
| Juvenile Court Schools | 8 | Not Applicable |
| Exclusion of Pupils - Pertussis Immunization | 2 | Yes |
| Class Size Reduction: | | |
| General Requirements | 7 | Yes |
| Option One | 3 | Yes |
| Option Two | 4 | Not Applicable |
| Districts or Charter Schools With | | |
| Only One School Serving K-3 | 4 | Not Applicable |
| After School Education and Safety Program: | | |
| General Requirements | 4 | Yes |
| After School | 5 | Yes |
| Before School | 6 | Not Applicable |
| Contemporaneous Records of Attendance | | |
| For Charter Schools | 3 | Not Applicable |
| Mode of Instruction for Charter Schools | 1 | Not Applicable |
| Nonclassroom-Based Instruction/ Independent Study for Charter Schools | 15 | Not Applicable |
| Determination of Funding for Nonclassroom-Based Instruction for Charter Schools | 3 | Not Applicable |
| Annual Instructional Minutes - Classroom Based For Charter Schools | 4 | Not Applicable |

We did not perform tests for the independent study program because the ADA claimed by the District does not exceed the threshold that requires testing.

In our opinion, Sausalito Marin City School District complied, in all material respects, with the state laws and regulations referred to above for the year ended June 30, 2012, except as described in the accompanying Schedule of Findings and Questioned Costs.

The District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of the District's Board, management, California State Controller's Office, California Department of Finance, California Department of Education, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Stephen Roatch Accountancy Corporation

STEPHEN ROATCH ACCOUNTANCY CORPORATION
Certified Public Accountants

December 10, 2012

STEPHEN ROATCH ACCOUNTANCY CORPORATION

Certified Public Accountants

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

Board of Trustees
Sausalito Marin City School District
Sausalito, California

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Sausalito Marin City School District, as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 10, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Sausalito Marin City School District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness, and other deficiencies that we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs to be a material weakness, as noted in **Finding 12-1**.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies, as noted in **Finding 12-2** and **12-3**.

Compliance and Other Matters

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

The District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of the District's Board, management, California State Controller's Office, California Department of Finance, California Department of Education, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Stephen Roatch Accountancy Corporation

STEPHEN ROATCH ACCOUNTANCY CORPORATION
Certified Public Accountants

December 10, 2012

FINDINGS AND QUESTIONED COSTS SECTION

SAUSALITO MARIN CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

| | | |
|---|-------------------|-----------------------------|
| Material weaknesses identified? | <u> X </u> Yes | <u> </u> No |
| Significant deficiencies identified not considered to be material weaknesses? | <u> X </u> Yes | <u> </u> None reported |
| Noncompliance material to financial statements noted? | <u> </u> Yes | <u> X </u> No |

State Awards

Internal control over state programs:

| | | |
|---|-------------------|-----------------------------|
| Material weaknesses identified? | <u> </u> Yes | <u> X </u> No |
| Significant deficiencies identified not considered to be material weaknesses? | <u> X </u> Yes | <u> </u> None reported |

Type of auditor's report issued on compliance for state programs: Unqualified

SAUSALITO MARIN CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SECTION II - FINANCIAL STATEMENT FINDINGS

12 - 1 / 30000

MATERIAL WEAKNESS

FINANCIAL REPORTING - UNAUDITED ACTUALS

| | |
|---------------------------|---|
| <u>Criteria:</u> | 1-2. Each year, school districts are responsible for preparing complete and accurate financial information, which is reported to the California Department of Education in the form of the "Unaudited Actuals" Financial Report. Accordingly, districts should have an effective system of internal control over financial reporting that will ensure that the information contained in the report is free of material misstatement. |
| <u>Conditions:</u> | <ol style="list-style-type: none">1. The District did not include the activity of the Bond Interest and Redemption Fund in the Unaudited Actuals that were approved by the Governing Board and submitted to the Marin County Office of Education.2. The District neglected to record an accounts payable at year-end for one invoice. |
| <u>Questioned Costs:</u> | 1-2. None. |
| <u>Context:</u> | 1-2. The adjustments made to ensure that the financial statements were fairly stated are presented on page 57 of this report. |
| <u>Effect:</u> | 1-2. When an effective system of internal control over financial reporting is not in place, there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected in a timely basis. |
| <u>Causes:</u> | <ol style="list-style-type: none">1. The District began the year-end closing process before the Bond Interest and Redemption Fund information was available to them and did not remember to go back and include the information before submitting the Unaudited Actuals to the Governing Board.2. The District inadvertently missed accruing the invoice in accounts payable during the year-end closing process. |
| <u>Recommendation:</u> | 1-2. The District should develop a comprehensive financial reporting checklist to ensure all relevant areas are covered during the year-end closing process. |
| <u>District Response:</u> | 1-2. The District does have a checklist that states all the comprehensive financial reporting needed to complete the year-end process. The district had to proceed and complete the unaudited actuals to have them completed by the September 15 th cut off. The county office was late in submitting the bond interest and redemption fund information to the District. This audit finding was caused by the county's offices late submittal of the information needed. |

SAUSALITO MARIN CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SECTION II - FINANCIAL STATEMENT FINDINGS (CONTINUED)

12 - 2 / 30000

SIGNIFICANT DEFICIENCY

MEAL REIMBURSEMENT CLAIM REPORTING

Criteria: Meal counts should be independently traced to the detailed site summaries, on a monthly basis, to ensure that reported counts are accurate prior to submitting the meal reimbursement claims to the state.

Condition: Meal counts reported for Bayside Elementary were not independently verified to ensure that reported counts were accurate. As a result, the District misstated the number of meals served on the monthly meal reimbursement claims submitted to the state.

Questioned Costs: The error resulted in the District overstating federal national school lunch and needy school breakfast revenue by \$1,018.66 and state child nutrition revenue by \$101.33 as follows:

National School Lunch

| | <u>Free</u> | <u>Reduced</u> | <u>Paid</u> | <u>Total</u> |
|---------------------|------------------|-----------------|----------------|------------------|
| November 2011 | 166 | 4 | 15 | 185 |
| May 2012 | <u>1</u> | <u>1</u> | | <u>2</u> |
| Overstated Meals | 167 | 5 | 15 | 187 |
| Reimbursement Rates | \$ 2.79 | \$ 2.39 | \$ 0.28 | |
| Totals | <u>\$ 465.93</u> | <u>\$ 11.95</u> | <u>\$ 4.20</u> | <u>\$ 482.08</u> |

Needy School Breakfast

| | <u>Free</u> | <u>Reduced</u> | <u>Paid</u> | <u>Total</u> |
|---------------------|------------------|-----------------|----------------|------------------|
| November 2011 | 215 | 5 | 20 | 240 |
| May 2012 | <u>72</u> | <u>4</u> | <u>4</u> | <u>80</u> |
| Overstated Meals | 287 | 9 | 24 | 320 |
| Reimbursement Rates | \$ 1.80 | \$ 1.50 | \$ 0.27 | |
| Totals | <u>\$ 516.60</u> | <u>\$ 13.50</u> | <u>\$ 6.48</u> | <u>\$ 536.58</u> |

Child Nutrition

| | <u>Meals</u> | |
|--------------------|------------------|---------------------------------------|
| November 2011 | 392 | (Free & reduced lunches & breakfasts) |
| May 2012 | <u>78</u> | (Free & reduced lunches & breakfasts) |
| Overstated Meals | 470 | |
| Reimbursement Rate | <u>\$ 0.2156</u> | |
| Total | <u>\$ 101.33</u> | |

SAUSALITO MARIN CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SECTION II - FINANCIAL STATEMENT FINDINGS (CONTINUED)

MEAL REIMBURSEMENT CLAIM REPORTING (CONCLUDED)

| | |
|---------------------------|---|
| <u>Context:</u> | Accumulation errors were noted in the meal reimbursement claims submitted to the state for November 2011 and March 2012. |
| <u>Effect:</u> | The District claimed reimbursement for federal and state revenues that it was not entitled to receive during the fiscal year. |
| <u>Cause:</u> | The school site maintains manual meal count records that are manually accumulated and totaled each month. In order to obtain the monthly meal counts which are reported by calendar month, personnel often have to add meal counts from two separate attendance month records which increases the potential for errors. |
| <u>Recommendation:</u> | The District should revise the meal reimbursement claims for the months November 2011 and March 2012 for the accumulation errors noted above. In addition, the District should investigate whether an automated system can be implemented at the elementary site to accumulate meal counts and reduce errors. |
| <u>District Response:</u> | The District is going to be implementing the same automated system that is implemented already at the MLK school site to prevent further errors. Already in process of getting it implemented. |

SAUSALITO MARIN CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SECTION II - FINANCIAL STATEMENT FINDINGS (CONCLUDED)

12 - 3 / 30000

SIGNIFICANT DEFICIENCY

CAFETERIA FUND ENCROACHMENT

Criteria: The Cafeteria Fund should attempt to operate as close to break-even as possible to ensure that the fund does not encroach on the General Fund in significant amounts.

Condition: The Cafeteria Fund has not operated close to a break-even basis. The program continues to incur increasing operating deficits and has relied upon annual contributions from the General Fund. A summary of the operating deficits and annual contributions are as follows:

| | Budget 2012-13 | 2011-12 | 2010-11 | 2009-10 |
|--------------------|-------------------|-----------|-----------|-----------|
| Cafeteria Fund | | | | |
| Operating Deficits | \$ 54,084 | \$ 60,908 | \$ 51,657 | \$ 51,277 |
| General Fund | | | | |
| Contributions | \$ 54,084 | \$ 60,159 | \$ 52,366 | \$ 40,045 |

Questioned Cost: None.

Context: The Cafeteria Fund is incurring annual operating deficits and has become dependent on significant annual General Fund contributions.

Effect: If appropriate program cuts are not made, the current trend of deficit spending in the Cafeteria Fund will likely continue and may begin to impair the District's ability to maintain adequate reserves in the General Fund in the future.

Cause: The District has been unsuccessful in reducing cafeteria program costs down to a level that is consistent with the revenues generated by the program.

Recommendation: The District should investigate program changes that will allow the Cafeteria Fund to operate closer to a break-even basis and become less dependent on General Fund contributions.

District Response: The District is investigating ways to implement a "health" food program that operates closer to a break-even basis.

SAUSALITO MARIN CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SECTION III - STATE AWARD FINDINGS AND QUESTIONED COSTS

12 - 4 / 10000

SIGNIFICANT DEFICIENCY

ATTENDANCE REPORTING

Criteria: 1-2. In accordance with Education Code Section 46000, attendance in all schools and classes shall be recorded and kept according to regulations prescribed by the State Board of Education.

Conditions: 1. The District used the wrong monthly attendance summary report to report year-to-date average daily attendance (ADA) for the P-2 attendance report.

2. Apportionment days were generated by one student who did not attend school during the fiscal year, and the ADA was incorrectly reported on the P-2 and Annual attendance reports.

Questioned Costs: 1-2. Average daily attendance (ADA), reported on the P-2 and Annual attendance reports was overstated by the following amounts. There is no significant fiscal impact of this finding as the District is funded under the Basic Aid provision; however the District may experience reduced categorical funding and SELPA funding as a result of this finding, which have not been calculated.

| <u>Line</u> | <u>Program</u> | <u>P-2</u> | <u>Annual</u> |
|-------------|------------------------|-------------|---------------|
| A-2 | Grades 1-3 | 0.29 | 0.44 |
| A-3 | Grades 4-6 | 1.45 | |
| A-4 | Grades 7-8 | 0.08 | |
| A-10 | Special Ed - Nonpublic | <u>0.33</u> | |
| | Totals | <u>2.15</u> | <u>0.44</u> |

Context: 1-2. The errors were noted during the review of supporting documents for the P-2 and Annual attendance reports.

Effect: 1-2. The District overstated the ADA reported to the State in fiscal year 2011-12.

Causes: 1. The District inadvertently used the wrong attendance report when completing the P-2 attendance report.

2. Site personnel did not notice that an unassigned student was generating apportionment days. The student was enrolled in the attendance system during the summer of 2011 but was not assigned to a teacher's class. The student did not show up for school in fiscal year 2011-12 but was not disenrolled in the attendance system; and as a result generated apportionment under an unassigned class.

SAUSALITO MARIN CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SECTION III - STATE AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

ATTENDANCE REPORTING (CONCLUDED)

- Recommendations:
1. The District should establish procedures to ensure that attendance reports are independently reviewed for accuracy and completeness prior to submitting the attendance reports to the state.
 2. The District should establish procedures to ensure site personnel properly handle student enrollment and disenrollment from the attendance system.

In addition, the District should revise the P-2 and Annual attendance reports to reflect the audited numbers on page 54 of this report.

- District Response:
- 1-2. The District is working closely with the school site staff on how to properly handle student enrollment and disenrollment from the attendance system. Also on the handling of student files. The District is providing additional training to school site staff.

SAUSALITO MARIN CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SECTION III - STATE AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

12 - 5 / 10000

SIGNIFICANT DEFICIENCY

KINDERGARTEN CONTINUANCE

| | |
|---------------------------|---|
| <u>Criteria:</u> | Education Code Section 46300(g) allows a district to include in its average daily attendance kindergarten pupils who have already completed one school year in kindergarten only if the school district has on file for each of those pupils an agreement made pursuant to Education Code Section 48011, approved in form and content by the California Department of Education (CDE), and signed by the pupil's parent or guardian near the anniversary date of the pupil's kindergarten admittance. |
| <u>Condition:</u> | During fiscal year 2011-12, one student continued in kindergarten for a second year and the District was unable to provide a signed kindergarten continuation form for the student. |
| <u>Questioned Costs:</u> | Average daily attendance (ADA) reported on the P-2 and Annual attendance reports was overstated by 0.68 ADA and 0.67 ADA, respectively. There is no significant fiscal impact of this finding as the District is funded under the Basic Aid provision; however the District may experience reduced categorical funding and SELPA funding as a result of this finding, which have not been calculated. |
| <u>Context:</u> | All kindergarten students were tested for compliance with kindergarten continuation requirements. |
| <u>Effect:</u> | The District did not comply with the requirements of Education Code Section 48011. |
| <u>Cause:</u> | The student moved to another district at the end of the 2011-12 school year and the student's cumulative file, which included the kindergarten continuation form, was forwarded to the new district. The District did not maintain a copy of the continuation form and was unable to track down a copy of the form as the student had moved on to another district. |
| <u>Recommendation:</u> | The District should instruct personnel at the elementary school site to maintain a separate file for approved kindergarten continuation forms completed each year. In addition, the District should revise the P-2 and Annual attendance reports to reflect the audited numbers on page 54 of this report. |
| <u>District Response:</u> | The District is working closely with the school site staff on how to properly handle student enrollment and disenrollment from the attendance system. Also on the handling of student files. The District is providing additional training to school site staff. |

SAUSALITO MARIN CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SECTION III - STATE AWARD FINDINGS AND QUESTIONED COSTS (CONTINUED)

12 - 6 / 40000

SIGNIFICANT DEFICIENCY

AFTER SCHOOL EDUCATION AND SAFETY PROGRAM - ATTENDANCE

Criteria: In accordance with Education Code Section 8482.3(f)(10)(C), After School Education and Safety Program grantees agree to provide program attendance of participating pupils to the department. Grantees are required to report the days of operation and the students served for each school for the 1st and 2nd Half of each fiscal year. Ongoing program funding is based on grantees meeting specific attendance goals, therefore grantees should develop and maintain accurate attendance records to support attendance reported to the California Department of Education.

Condition: The number of students served reported to the California Department of Education (CDE) for the 1st Half and 2nd Half did not agree to the monthly summary totals and to the daily sign-in and sign-out sheets.

Questioned Cost: The number of students served reported on the 1st Half and 2nd Half: After School Base attendance reports was overstated by the following amounts:

| <u>School Name</u> | <u>1st Half</u> | <u>2nd Half</u> |
|--------------------------------|--------------------------------|--------------------------------|
| Bayside | 911 | |
| Martin Luther King Jr. Academy | 48 | 200 |
| Willow Creek Academy | 2,102 | |

Context: The condition appeared to be present throughout the year at Martin Luther King Jr. Academy and appeared to be present at Bayside and Willow Creek Academy during the 1st Half of the year.

Effect: Program records maintained by the District did not adequately support attendance reported to the CDE.

Cause: The daily attendance totals were not consistently reconciled to the monthly attendance totals. In addition, the monthly attendance totals on the summary attendance worksheet did not consistently reconcile to the sites monthly attendance report totals.

Recommendation: The District should establish procedures to ensure that after school staff reconcile daily attendance totals to their monthly attendance total reports. In addition, the District should establish procedures to ensure that site monthly attendance report totals are accurately entered onto the District's attendance summary worksheet.

SAUSALITO MARIN CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SECTION III - STATE AWARD FINDINGS AND QUESTIONED COSTS (CONCLUDED)

AFTER SCHOOL EDUCATION AND SAFETY PROGRAM - ATTENDANCE (CONCLUDED)

Recommendation
(Concluded):

In addition, the District should report to following audited number of students served by the After School Program in 2011-12 to the CDE:

| <u>School Name</u> | <u>1st</u> <u>Half</u> | <u>2nd</u> <u>Half</u> |
|--------------------------------|--------------------------------------|--------------------------------------|
| Bayside | 2,244 | 2,252 |
| Martin Luther King Jr. Academy | 1,137 | 2,513 |
| Willow Creek Academy | 4,742 | 5,762 |

District Response:

The District has been working the after school providers to modify their practices to ensure accuracy in the student data that is being submitted to the office.

SAUSALITO MARIN CITY SCHOOL DISTRICT
STATUS OF PRIOR YEAR RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

| <u>Recommendations</u> | <u>Current Status</u> | <u>Explanation If Not Fully Implemented</u> |
|---|-----------------------|---|
| <u>STATE AWARDS</u> | | |
| 11 - 1 / 40000 | | |
| <u>INSTRUCTIONAL MINUTES CALCULATIONS</u> | | |
| The District should require each site to compute their annual instructional minute calculations at the beginning of each school year, and submit their calculation, along with related school calendar and bell schedules, to the business office for review. Site Principals should be notified that changes may not be made to bell schedules without obtaining prior approval from the business office. If revisions are made to site bell schedules, site administrators should recalculate instructional minutes and submit the revised calculation to the business office for review. | Implemented | |

Sausalito Marin City School District
Office of the Superintendent

Date: January 24, 2013
To: Board of Trustees
From: Clark Warden, Treasurer and Carol Cooper, Head of School
Re: Action: Willow Creek Academy Audit

Background

The Willow Creek Academy Audit for the fiscal year ended June 30, 2012, with cover dated November 12 2012, prepared by Vicenti Lloyd & Stutzman LLP, was received in early December and distributed to WCA's Board at its December meeting.

Analysis

The audit, reporting Revenues of \$2,116,587, Expenses of \$2,039,208, an Increase in unrestricted net assets of \$77,379, and cash balances at year-end of \$216,340 carried an unqualified opinion. There were no audit findings identified. Because there were no audit findings for the prior year, there were no required responses. The audit reported no changes from WCA's June 30 unaudited, full accrual statements previously provided to the District Board.

Financial Impact

None.

Legal Implications

Required audit report received for acceptance.

Recommendation

The Board of Directors for Willow Creek Academy recommends acceptance of the audit for the year ended June 30, 2012.

Backup attached: Yes ☒ No ☐



December 6, 2012

Superintendent
Sausalito Marin City School District
200 Phillips Drive
Marin City, CA 94965

Dear Ladies and Gentlemen:

Enclosed is one copy of the Willow Creek Academy audit report for the year ended June 30, 2012.

Very truly yours,

McMullen, Wade N.
Partner

Enclosure:

cc: Willow Creek Academy

WILLOW CREEK ACADEMY

**(A California Non-Profit
Public Benefit Corporation)**

**Audited Financial Statements
for the Year Ended
June 30, 2012**

WILLOW CREEK ACADEMY

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Willow Creek Academy
630 Nevada St
Sausalito, CA 94965

We have audited the statement of financial position of Willow Creek Academy (the Academy), a California non-profit public benefit corporation, as of June 30, 2012, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Academy's management. 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements described above present fairly, in all material respects, the financial position of the Academy as of June 30, 2012 and the changes in its net assets and cash flows for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 12, 2012, on our consideration of the Academy's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Board of Directors
Willow Creek Academy

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary schedules on pages 11-14 are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.


VICENTI, LLOYD & STUTZMAN LLP

November 12, 2012

WILLOW CREEK ACADEMY
(A California Non-Profit Public Benefit Corporation)

STATEMENT OF FINANCIAL POSITION
June 30, 2012

ASSETS

CURRENT ASSETS:

| | |
|---|----------------|
| Cash and cash equivalents | \$ 216,340 |
| Accounts receivable - state and local governments | 312,274 |
| Prepaid expenses | <u>2,183</u> |
| Total current assets | <u>530,797</u> |

LONG-TERM ASSETS:

| | |
|--------------------------------|--------------------------|
| Buildings | 54,335 |
| Equipment | 27,616 |
| Less: Accumulated depreciation | <u>(29,568)</u> |
| Total long-term assets | <u>52,383</u> |
| Total assets | <u><u>\$ 583,180</u></u> |

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

| | |
|---------------------------|----------------|
| Accounts payable | \$ 143,857 |
| Accrued liabilities | <u>103,062</u> |
| Total current liabilities | <u>246,919</u> |
| Total liabilities | <u>246,919</u> |

NET ASSETS:

| | |
|----------------------------------|--------------------------|
| Unrestricted | <u>336,261</u> |
| Total net assets | <u>336,261</u> |
| Total liabilities and net assets | <u><u>\$ 583,180</u></u> |

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

WILLOW CREEK ACADEMY
(A California Non-Profit Public Benefit Corporation)

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2012

REVENUES:

| | |
|-----------------------------------|------------------|
| Revenue in-lieu of property taxes | \$ 1,212,291 |
| State revenue: | |
| Block grant - categorical | 158,657 |
| Lottery revenue | 37,621 |
| Other state revenue | 83,358 |
| Federal revenue: | |
| Other federal revenue | 98,924 |
| Other local revenue: | |
| Interest income | 426 |
| Other revenue | <u>525,310</u> |
| Total unrestricted revenues | <u>2,116,587</u> |

EXPENSES:

| | |
|-------------------------------------|--------------------------|
| Program services: | |
| Educational programs | 1,702,671 |
| Support services: | |
| General and administrative | <u>336,537</u> |
| Total expenses | <u>2,039,208</u> |
| Increase in unrestricted net assets | 77,379 |
| Beginning unrestricted net assets | <u>258,882</u> |
| Ending unrestricted net assets | <u><u>\$ 336,261</u></u> |

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

WILLOW CREEK ACADEMY
(A California Non-Profit Public Benefit Corporation)

STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2012

CASH FLOWS from OPERATING ACTIVITIES:

| | |
|---|---------------|
| Change in Net Assets | \$ 77,379 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | |
| Depreciation | 6,376 |
| (Increase) and decrease in operating assets: | |
| Accounts receivable - state and local governments | (97,375) |
| Prepaid expenses | (1,064) |
| Increase and (decrease) in operating liabilities: | |
| Accounts payable | 8,174 |
| Accrued liabilities | 24,848 |
| Net cash provided by operating activities | <u>18,338</u> |

CASH FLOWS from INVESTING ACTIVITIES:

| | |
|---|-----------------|
| Purchase of property, plant and equipment | <u>(20,158)</u> |
| Net cash used by investing activities | <u>(20,158)</u> |

CASH FLOWS from FINANCING ACTIVITIES:

| | |
|--|-------------------|
| Repayment of debt | <u>(3,295)</u> |
| Net cash used by financing activities | <u>(3,295)</u> |
| Net decrease in cash and cash equivalents | (5,115) |
| Cash and cash equivalents at the beginning of the year | <u>221,455</u> |
| Cash and cash equivalents at the end of the year | <u>\$ 216,340</u> |
| Cash paid for interest during the fiscal year | <u>\$ 63</u> |

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

WILLOW CREEK ACADEMY
(A California Non-Profit Public Benefit Corporation)

NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Activities – Willow Creek Academy (the Academy) is a California non-profit public benefit corporation and is organized to operate a K-8 Charter School and is sponsored by Sausalito Marin City School District (the District). The charter was granted on March 2001 by the District.

Willow Creek Academy is funded principally through the State of California public education monies received through the California Department of Education and the District.

The charter may be revoked by the District for material violations of the charter, failure to meet pupil outcomes identified in the charter, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law.

Net Asset Classes – The Academy is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

Net assets of the Academy consist of the following:

- **Unrestricted:** All resources over which the governing board has discretionary control to use in carrying on the general operations of the Academy.
- **Temporarily restricted:** These net assets are restricted by donors to be used for specific purposes. The Academy does not currently have any temporarily restricted net assets.
- **Permanently restricted:** These net assets are permanently restricted by donors and cannot be used by the Academy. The Academy does not currently have any permanently restricted net assets.

Revenue Recognition – Amounts received from the California Department of Education are recognized as revenue by the Academy based on the average daily attendance (ADA) of students. Revenue that is restricted is recorded as an increase in unrestricted net assets if the restriction expires in the reporting period in which the revenue is recognized. All other restricted revenues are reported as increases in temporarily restricted net assets.

WILLOW CREEK ACADEMY
(A California Non-Profit Public Benefit Corporation)

NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Cash and Cash Equivalents – The Academy defines its cash and cash equivalents to include only cash on hand, demand deposits, and liquid investments with original maturities of three months or less.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure. Accordingly, actual results could differ from those estimates.

Basis of Accounting – The financial statements have been prepared on the accrual method of accounting and accordingly reflect all significant receivables and other liabilities.

Functional Allocation of Expenses – The cost of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supportive services benefited.

Land, Buildings and Equipment – Land, buildings and equipment are stated at cost if purchased or at estimated fair market value if donated. Depreciation of buildings and equipment is provided on a straight-line basis over the estimated useful lives of the assets. The Academy capitalizes all expenditures for land, buildings and equipment in excess of \$5,000.

Income Taxes – The Academy is a non-profit entity exempt from the payment of income taxes under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d. Accordingly, no provision has been made for income taxes. The Academy has evaluated its tax positions and the certainty as to whether those positions will be sustained in the event of an audit by taxing authorities at the federal and state levels. The primary tax positions evaluated are related to the Academy's continued qualification as a tax-exempt organization and whether there is unrelated business income activities conducted that would be taxable. Management has determined that all income tax positions are more likely than not (>50%) of being sustained upon potential audit or examination; therefore, no disclosures of uncertain income tax positions are required.

The Academy files informational returns in the U.S. federal jurisdiction, and the state of California. The statute of limitations for federal and California state purposes is generally three and four years, respectively.

WILLOW CREEK ACADEMY
(A California Non-Profit Public Benefit Corporation)

NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Evaluation of Subsequent Events – The Academy has evaluated subsequent events through November 12, 2012, the date these financial statements were available to be issued. There were no subsequent events requiring recognition or disclosure.

NOTE 2 – CONCENTRATION OF CREDIT RISK:

The Academy maintains its cash in bank deposit accounts at various institutions. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2012, the Academy had no deposits in excess of the FDIC limit.

NOTE 3 – ACCOUNTS RECEIVABLE:

Accounts receivable consists of funds due from state and federal governments, therefore no provisions for uncollectible accounts were recorded.

NOTE 4 – EMPLOYEE RETIREMENT SYSTEMS:

The Academy offers a n Internal Revenue Code Section 403(b) retirement plan to each of its qualifying employees. Employer and employee contributions are used to purchase annuity contracts for each participant employee. Employer matching contributions are made at the rate equal to 50 percent of the first two percent of elective deferrals for each employee who is eligible for employer contributions. Additionally, the employer may elect to make a discretionary contribution for each qualifying employee for each plan year. The amount of employer contributions used to purchase annuity contracts for the year ended June 30, 2012 was \$39,577.

NOTE 5 – CONTINGENCIES:

The Academy has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate disallowances under terms of the grants, it is believed that any required reimbursement would not be material.

SUPPLEMENTARY INFORMATION

WILLOW CREEK ACADEMY
(A California Non-Profit Public Benefit Corporation)

HISTORY AND ORGANIZATION

June 30, 2012

Willow Creek Academy (the Academy) is a California non-profit public benefit corporation and is organized to operate a K-8 Charter School and is sponsored by Sausalito Marin City School District (the District). The charter was granted on March 2001 by the District.

The District granted the charter through June 30, 2014.

The charter school number is 0351.

The Board of Directors and the Administrator for the fiscal year ended June 30, 2012 were as follows:

Board of Directors

| <u>Member</u> | <u>Office</u> | <u>Term Expires</u> |
|----------------------|----------------------|----------------------------|
| Orlando Lobo | President | 2016 |
| Phil Kerr | Vice President | 2016 |
| Jeffrey Knowles | Secretary | 2013 |
| Clark Warden | Treasurer | 2014 |
| Kathy Pearson | Member | 2013 |
| Troy Bassett | Member | 2013 |
| Kurt Weinsheimer | Member | 2016 |
| Glen Hayashi | Member | 2016 |
| Douglas Lloyd | Member | 2016 |
| Sue Krenek | Member | 2013 |
| Robert Greene | Member | 2014 |
| Johnathan Logan | Member | 2015 |

Administrator

| | |
|-----------------|----------------|
| Caroline Cooper | Head of School |
|-----------------|----------------|

WILLOW CREEK ACADEMY
(A California Non-Profit Public Benefit Corporation)

SCHEDULE OF EXPENDITURES BY STATE CATEGORIES
For the Year Ended June 30, 2012

| | <u>Program Services</u> | <u>Support Services</u> | <u>Total</u> |
|---------------------------------------|-----------------------------|-----------------------------|--------------------|
| Certificated salaries | \$ 963,225 | \$ 2,571 | \$ 965,796 |
| Classified salaries | 240,155 | 74,851 | 315,006 |
| Employee benefits | 172,559 | 37,699 | 210,258 |
| Books and supplies | 127,465 | 24,946 | 152,411 |
| Services and other operating expenses | 192,891 | 196,470 | 389,361 |
| Depreciation | <u>6,376</u> | <u> </u> | <u>6,376</u> |
| Total | <u>\$ 1,702,671</u> | <u>\$ 336,537</u> | <u>\$2,039,208</u> |

See the notes to the supplementary information.

WILLOW CREEK ACADEMY
(A California Non-Profit Public Benefit Corporation)

SCHEDULE OF INSTRUCTIONAL MINUTES
For the Year Ended June 30, 2012

| | 2011-12 Minutes | | | Status |
|--------------|------------------------|----------------|---------------|---------------|
| | Requirement | Reduced | Actual | |
| Kindergarten | 36,000 | 33,531 | 57,200 | In compliance |
| Grade 1 | 50,400 | 46,944 | 58,440 | In compliance |
| Grade 2 | 50,400 | 46,944 | 58,440 | In compliance |
| Grade 3 | 50,400 | 46,944 | 58,440 | In compliance |
| Grade 4 | 54,000 | 50,297 | 58,440 | In compliance |
| Grade 5 | 54,000 | 50,297 | 58,440 | In compliance |
| Grade 6 | 54,000 | 50,297 | 58,440 | In compliance |
| Grade 7 | 54,000 | 50,297 | 58,440 | In compliance |
| Grade 8 | 54,000 | 50,297 | 58,440 | In compliance |

See the notes to the supplementary information.

WILLOW CREEK ACADEMY
(A California Non-Profit Public Benefit Corporation)

SCHEDULE OF AVERAGE DAILY ATTENDANCE (ADA)
For the Year Ended June 30, 2012

| | <u>Second Period</u> | | <u>Annual Report</u> | |
|--------------------|----------------------|---------------|----------------------|---------------|
| | <u>Classroom</u> | | <u>Classroom</u> | |
| | <u>Based</u> | <u>Total</u> | <u>Based</u> | <u>Total</u> |
| Kindergarten | 36.31 | 36.31 | 36.26 | 36.26 |
| Grades 1 through 3 | 85.17 | 85.17 | 84.29 | 84.29 |
| Grades 4 through 6 | 68.19 | 68.19 | 68.53 | 68.53 |
| Grades 7 through 8 | 46.02 | 46.02 | 46.27 | 46.27 |
| ADA Totals | <u>235.69</u> | <u>235.69</u> | <u>235.35</u> | <u>235.35</u> |

See the notes to the supplementary information.

WILLOW CREEK ACADEMY
(A California Non-Profit Public Benefit Corporation)

RECONCILIATION OF ANNUAL FINANCIAL REPORT
WITH AUDITED FINANCIAL STATEMENTS
For the Year Ended June 30, 2012

There were no differences between the unrestricted net assets reported on the June 30, 2012 Annual Financial Report and the audited fund balances (net assets).

See the notes to the supplementary information.

WILLOW CREEK ACADEMY
(A California Non-Profit Public Benefit Corporation)

NOTES TO SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2012

NOTE 1 - PURPOSE OF SCHEDULES

A. Schedule of Expenditures by State Categories

This schedule presents expenses by the object codes according to state categories for analysis purposes.

B. Schedule of Instructional Minutes

This schedule presents information on the amount of instructional time offered by the Academy and whether the Academy complied with the provisions of Education Code Sections 46200 through 46206.

C. Schedule of Average Daily Attendance (ADA)

Average daily attendance is a measurement of the number of pupils attending classes of the Academy. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to charter schools. This schedule provides information regarding the attendance of students at various grade levels.

D. Reconciliation of Annual Financial Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balances (net assets) of the Academy as reported on the Annual Financial Report form to the audited financial statements.



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

Board of Directors
Willow Creek Academy
630 Nevada St.
Sausalito, CA 94965

We have audited the financial statements of Willow Creek Academy (the Academy) as of and for the year ended June 30, 2012, and have issued our report thereon dated November 12, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the Academy is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit we considered the Academy's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Academy's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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

Compliance and Other Matters

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

This report is intended solely for the information and use of the Board, management, the Sausalito Marin City School District, the Marin County Office of Education, the California Department of Education, and the State Controller's Office and is not intended to be and should not be used by anyone other than these specified parties.



VICENTI, LLOYD & STUTZMAN LLP

November 12, 2012



INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

Board of Directors
Willow Creek Academy
630 Nevada St.
Sausalito, CA 94965

We have audited the compliance of Willow Creek Academy (the Academy) with the types of compliance requirements described in the *2011-12 Standards and Procedures for Audits of California K-12 Local Educational Agencies*, published by the Education Audit Appeals Panel for the year ended June 30, 2012. The Academy's State compliance requirements are identified in the table below. Compliance with the State laws and regulations as identified below is the responsibility of the Academy's management. Our responsibility is to express an opinion on the Academy's compliance based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2011-12 Standards and Procedures for Audits of California K-12 Local Educational Agencies*, published by the Education Audit Appeals Panel. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the specific areas listed below has occurred. An audit includes examining, on a test basis, evidence about the Academy's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Academy's compliance with those requirements.

In connection with the audit referred to above, we selected and tested transactions and records to determine the Academy's compliance with the laws and regulations applicable to the following items:

| <u>Description</u> | <u>Procedures in Audit Guide</u> | <u>Procedures Performed</u> |
|--|--------------------------------------|---------------------------------|
| Attendance accounting: | | |
| Attendance reporting | 6 | Not applicable |
| Teacher certification and misassignments | 3 | Not applicable |
| Kindergarten continuance | 3 | Not applicable |
| Continuation education | 10 | Not applicable |
| Independent study | 23 | Not applicable |

INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

| <u>Description</u> | <u>Procedures in Audit Guide</u> | <u>Procedures Performed</u> |
|---|--------------------------------------|---------------------------------|
| Instructional time: | | |
| School Districts | 6 | Not applicable |
| County Offices of Education | 3 | Not applicable |
| Class size reduction program (including charter schools): | | |
| General requirements | 7 | Yes |
| Option 1 | 3 | Yes |
| Option 2 | 4 | Not applicable |
| One school serving K-3 | 4 | Yes |
| Instructional materials general requirements | 8 | Not applicable |
| Ratios of administrative employees to teachers | 1 | Not applicable |
| Classroom teacher salaries | 1 | Not applicable |
| Early retirement incentive | 4 | Not applicable |
| GANN limit calculation | 1 | Not applicable |
| School Accountability Report Card | 3 | Not applicable |
| Public hearing requirement – receipt of funds | 1 | Not applicable |
| Juvenile Court Schools | 8 | Not applicable |
| Exclusion of Pupils – Pertussis Immunization | 2 | Not applicable |
| After School Education and Safety Program: | | |
| General requirements | 4 | Not applicable |
| After school | 5 | Not applicable |
| Before school | 6 | Not applicable |
| Charter Schools: | | |
| Contemporaneous records of attendance | 3 | Yes |
| Mode of Instruction | 1 | Yes |
| Nonclassroom–based instructional/independent study | 15 | Not applicable |
| Determination of funding for nonclassroom–based instruction | 3 | Not applicable |
| Annual instructional minutes – classroom based | 4 | Yes |

In our opinion, we found that, for the items tested, the Academy complied with the laws and regulations of the state programs referred to above in all material respects.

This report is intended solely for the information and use of the Board, management, the Sausalito Marin City School District, the Marin County Office of Education, the California Department of Education, and the State Controller's Office and is not intended to be and should not be used by anyone other than these specified parties.

Vicenti, Lloyd + Stutzman LLP

VICENTI, LLOYD & STUTZMAN LLP

November 12, 2012

WILLOW CREEK ACADEMY
SCHEDULE OF FINDINGS AND RESPONSES
June 30, 2012

All audit findings must be identified as one or more of the following eleven categories:

| <u>Five Digit Code</u> | <u>Finding Types</u> |
|------------------------|-----------------------------------|
| 10000 | Attendance |
| 20000 | Inventory of Equipment |
| 30000 | Internal Control |
| 40000 | State Compliance |
| 41000 | CalSTRS |
| 50000 | Federal Compliance |
| 60000 | Miscellaneous |
| 61000 | Classroom Teachers Salaries |
| 70000 | Instructional Materials |
| 71000 | Teacher Misassignments |
| 72000 | School Accountability Report Card |

There were no findings for the year ended June 30, 2012.

WILLOW CREEK ACADEMY
(A California Non-Profit Public Benefit Corporation)

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES
June 30, 2012

There were no findings for the year ended June 30, 2011.

Sausalito Marin City School District
Office of the Superintendent

Date: January 24, 2013
To: Board of Trustees
From: Valerie Pitts, Superintendent and Paula Rigney, Business Manager
Re: Action: Adoption of Calendar for 2013-14 Budget Development Cycle

Background

Each year the District and Board of Trustees engage in a process that results in the adoption of the annual budget during the month of June. The budget adoption process begins with the adoption of a budget calendar to guide the Board, staff, and interested parties in the steps and timelines to be followed to create the budget. Staff has prepared a draft budget calendar for the 2013-14 budget for Board consideration.

Financial Impact

None.

Legal Consideration

The Board is not required to adopt a budget calendar. However, it is a common and recommended practice.

Recommendation

It is recommended that the Board approve the Budget Development Calendar for the 2013-14 budget development cycle as submitted.

Backup attached: Yes ☒ No ☐

**Sausalito Marin City School District
2013-14 Budget Development Calendar**

| <u>Date</u> | <u>Activity</u> |
|--------------------------------|--|
| January, 2013 | School Services of California Governor's Proposal Governor's Proposals for 2013-14 State Budget and K-12 Education (<i>Business Manager attends</i>). Presentation to the Board Of Trustees: Summary of Governor's Proposal Approval of 2013-14 Budget Development Calendar. |
| Mid-January To Mid-March | All constituency groups review budget assumptions, revenue and enrollment projections, staffing needs, and categorical program budgets, etc. |
| March, 2013 | 2012-13 Second Interim Report: Board of Trustees reviews and accepts Budget Study Session – Board Meeting to review First Draft of 2013-14 Budget and to receive additional community and staff input for budget development. |
| April, 2013 | Draft Budget revised, updated projections and assumptions. Board of Trustees reviews Revised Draft 2013-14 Budget. |
| May, 2013 | School Services of California May Revise Workshop (<i>Business Manager attends</i>). Budget Draft Reviewed: Finance Committee recommendations, and updated projections based on May Revise Workshop (SSC Dartboard). Board of Trustees reviews Revised Draft 2013-14 Budget. |
| June, 2013 | Notice of Public Hearing published in Marin Independent Journal Board holds Public Hearing and Adopts 2013-14 Budget (Budget Adoption, User Friendly Presentation, etc.) |
| July – August, 2013 | School Services of California Workshop: California School Finance and Management Conference 2013-2014 (<i>updated of budget, Business Manager attends</i>). Budget Close Out Process for previous fiscal year |
| September, 2013 | Unaudited Actuals and Gann Limit presented to the Board of Trustees |
| October, 2013 | Begin Process for 1 st Interim |
| December, 2013 | 2013-2014 First Interim Report: Board of Trustees reviews and accepts |

Draft for Board Adoption January 24, 2013

Sausalito Marin City School District
Office of the Superintendent

Date: January 24, 2013
To: Board of Trustees
From: Valerie Pitts, Superintendent and Paula Rigney, Business Manager
Re: Discussion: Report on the Governor's 2013-2014 Proposed Budget

Background

The Governor is constitutionally required to announce his proposed State Budget for the following fiscal year no later than January 10th of each year. School Services of California presented its Governor's Budget workshop on January 15th.

Analysis

The Governor's proposed budget includes some of the following key points:

- The renaming of "Weighted Student Formula" (WSF) to "Local Control Funding Formula":
 - Base Grant Funding for Schools; base grant for grade span cost differentials would (unrestricted funding - Combining categorical program funding that is not mandated by the federal government (e.g., K-3 Class Size Reduction) with revenue limits)
 - Additional supplemental/concentration funding weighted based on English Language Learners, Social Economic Students (i.e. Free and Reduced Priced Lunch, foster youth)
 - Add-on to funding: Targeted Instructional Improvement Grant (TIIG) and Home-To-School Transportation Funding
 - Proposition 39 Revenues: dedicated to K-12 schools for energy efficiency projects
 - Accountability component that will require a local academic plan be approved by the board that is based on the district budget and concentrates on common core and career college readiness
 - Elimination of the minimum contribution requirement for routine maintenance and required local district set-aside for deferred maintenance contributions.

There are many other proposals contained in the Governor's Budget and many details need to be worked out. Analysis and review of the Governor's budget proposal is ongoing by many of the state and district fiscal advisory groups as they attempt to make a quantifiable explanation of this proposed budget.

Financial Impact

The financial impact of the proposed 2013-2014 budget is yet to be determined.

Legal Implications

None.

Recommendation

This item is presented to the Board for information and discussion only.

Backup attached: Yes _____ No _____ X _____

Sausalito Marin City School District
Office of the Superintendent

Date: January 24, 2013
To: Board of Trustees
From: Valerie Pitts, Superintendent
Re: Action: Facilities Schematic Design

Background

Sausalito Marin City School District contracted for architectural services with Quattrocchi Kwok Architects (QKA) in Fall, 2012. Prior to that, QKA was instrumental in bringing ideas to life for meetings of the A Team, staff, parents and community.

Analysis

QKA is a premiere architectural firm specializing in schools. They are working closely with our teams, including Todd Lee (Project Manager, Greystone West) to design facilities expansion at Martin Luther King, Jr. Academy (MLK).

Since work began with QKA, we have developed a set of guiding principles for school facilities design based on our strategic priorities, conversations with staff and other educational facilities planners. These principles include designing learning environments that are:

- Safe
- Student-centered
- Flexible and adaptable
- Conducive to collaboration
- Accessible by our entire community
- Equitable
- Future-oriented

We have received much input from the design team, faculties and the community. Designs reflect this input. Schematic design drafts, concepts, budget and phasing will be reviewed with the Trustees at the Board Meeting. Presentations on schematic design will be made by our architectural team and project management team.

Financial Impact

To be determined as per project budget.

Legal Implications

None.

Recommendation

The Superintendent recommends approval of the facilities schematic design.

Backup attached: Yes _____ No X _____

Sausalito Marin City School District
Office of the Superintendent

Date: January 24, 2013
To: Board of Trustees
From: Valerie Pitts, Superintendent
Re: Action: Approval of District Resolution Number 676:
RESOLUTION APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF CERTAIN LEASE FINANCING DOCUMENTS IN CONNECTION WITH THE OFFERING AND SALE OF CERTIFICATES OF PARTICIPATION RELATING THERETO TO FINANCE THE DISTRICT'S MLK JR. ACADEMY CLASSROOM CONSTRUCTION PROJECT AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO

Background

On December 18, 2012, the board approved Resolution #674 Authorizing the Commencement of Proceedings in Connection with the Financing of Capital Improvement Projects for the District, Appointing a Financial Advisor, A Bond Counsel and a Disclosure Counsel in Connection Therewith. Mark Pressman, Principal at Wulff, Hansen & Co., who advised the board earlier on a bond, discussed financing the District's MLK Jr. Academy classroom construction project through Certificates of Participation and was requested to prepare documents for board consideration on January 24, 2013.

Analysis

The Board of Trustees of the Sausalito Marin City School District must adopt Resolution Number 676 a copy of which is attached.

Financial Impact

See Resolution Number 676.

Legal Implications

See Resolution Number 676.

Recommendation

The Superintendent recommends the Board of Trustees for Sausalito Marin City School District adopt Resolution Number 676.

Backup attached: Yes X No

SAUSALITO MARIN CITY SCHOOL DISTRICT

RESOLUTION NO. 676

**RESOLUTION APPROVING THE FORM AND AUTHORIZING THE
EXECUTION OF CERTAIN LEASE FINANCING DOCUMENTS IN
CONNECTION WITH THE OFFERING AND SALE OF
CERTIFICATES OF PARTICIPATION RELATING THERETO TO
FINANCE THE DISTRICT'S MLK JR. ACADEMY CLASSROOM
CONSTRUCTION PROJECT AND AUTHORIZING AND
DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO**

RESOLVED, by the Board of Trustees (the "Board") of the Sausalito Marin City School District (the "District"):

WHEREAS, the District, working with the Sausalito School District Financing Corporation (the "Corporation"), has determined at this time, due to prevailing interest rates in the municipal bond market and for other reasons, to finance the District's MLK Jr. Academy classroom construction project and to implement a lease financing for such purposes;

WHEREAS, it is in the public interest and for the public benefit that the District authorize and direct execution of the Lease Agreement (hereinafter defined) and certain other financing documents in connection therewith;

WHEREAS, there has been presented to the District a form of preliminary official statement containing information material to the offering and sale of the Certificates (the "Preliminary Official Statement"); and

WHEREAS, the documents below specified shall be filed with the District and the members of the Board, with the aid of its staff, shall review said documents.

NOW, THEREFORE, it is hereby DECLARED and ORDERED, as follows:

Section 1. Certificates of Participation (2013 MLK Jr. Academy Classroom Construction Project) (the "Certificates") are hereby authorized to be executed and delivered pursuant to the provisions of the Trust Agreement, as hereinafter defined.

Section 2. The below-enumerated documents, in the forms on file with the Clerk of the Board, be and are hereby approved, and the President, the Vice President, the Superintendent or the Business Manager, or the designee thereof (each, a "Designated Officer"), are hereby authorized and directed to execute said documents, with such changes, insertions and omissions as may be approved by such officials, and the Clerk of the Board is hereby authorized and directed to attest to such official's signature:

(a) a site and facility lease, by and between the District, as lessor, and the Corporation, as lessee, pursuant to which the District will lease certain existing property (the "Property") to the Corporation, for the purpose of leasing the Property back to the District pursuant to the Lease Agreement;

(b) a lease agreement relating to the Property, between the Corporation, as lessor, and the District, as lessee (the "Lease Agreement"), so long as the total principal amount of the Lease Agreement does not exceed \$3,900,000, and so long as the maximum annual lease payments to be made by the District under the Lease Agreement does not exceed \$225,000; and

(c) a trust agreement, by and among the Corporation, the District and U.S. Bank National Association, as trustee, relating to the execution and delivery of the Certificates (the "Trust Agreement").

Section 3. A certificate purchase agreement, by and between Edward D. Jones & Co., L.P. (the "Underwriter") and the District, relating to the purchase by the Underwriter of the Certificates, in the form on file with the Clerk of the Board, be and is hereby approved, and any Designated Officer is hereby authorized and directed to execute said document, with such changes, insertions and omissions as may be approved by such official, so long as the Underwriter's discount does not exceed 2% of the principal amount of the Certificates, exclusive of any original issue discount which does not represent compensation to the Underwriter.

Section 4. The Board hereby approves the Preliminary Official Statement, in the form on file with the Clerk of the Board, together with any changes therein or additions thereto deemed advisable by any Designated Officer. The Board authorizes and directs any Designated Officer to deem "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"). The Underwriter is hereby authorized to cause to be furnished to prospective investors copies of the Preliminary Official Statement.

Section 5. Any Designated Officer is authorized and directed to cause the Preliminary Official Statement to be brought into the form of a final official statement (the "Final Official Statement") and to execute said Final Official Statement, dated as of the date of the sale of the Certificates, and a statement that the facts contained in the Final Official Statement, and any supplement or amendment thereto (which shall be deemed an original part thereof for the purpose of such statement) were, at the time of sale of the Certificates, true and correct in all material respects and that the Final Official Statement did not, on the date of sale of the Certificates, and does not, as of the date of delivery of the Certificates, contain any untrue statement of a material fact with respect to the District or omit to state material facts with respect to the District required to be stated where necessary to make any statement made therein not misleading in the light of the circumstances under which it was made. The Designated Officers shall take such further actions prior to the signing of the Final Official Statement as are deemed necessary or appropriate to verify the accuracy thereof. The execution of the final Official Statement, which shall include such changes and additions thereto deemed advisable by any Designated Officer and such information permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, shall be conclusive evidence of the approval of the final Official Statement by the District.

Section 6. The Final Official Statement, when prepared, is approved for distribution in connection with the offering and sale of the Certificates.

Section 7. The President, the Vice President, the Superintendent, the Business Manager, the Clerk of the Board, any deputy to the Clerk of the Board and all other appropriate officials of the District are hereby authorized and directed to execute such other agreements, documents and certificates as may be necessary to effect the purposes of this resolution and the financing herein authorized.

Section 8. This Resolution shall take effect upon its adoption by this Board.

ADOPTED January 24, 2013, by the Board of Trustees of the Sausalito Marin City School District by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

President

Clerk of the Board

Sausalito Marin City School District
Office of the Superintendent

Date: January 24, 2013
To: Board of Trustees
From: Valerie Pitts, Superintendent
Re: Discussion/Action: Strategic Planning

Background

The board has been discussing short and long-term issues and several times has acknowledged the need to complete a formal, strategic planning process. The FSG group provided several items for consideration. Short-term goals were established from that report and progress monitoring has begun.

Analysis

The district would benefit from an inclusive process within SMSCD to look at five-year program and fiscal needs. Several factors have arisen in the last year that point to a need for more forecasting, prioritization and goal setting. These include but are not limited to: 1) the changing education funding environment in CA, 2) the specific program needs of students, 3) the growth of the charter school.

Financial Impact

Trustees are asked to consider costs of facilitation, studies and other information/data needed for strategic planning discussions.

Legal Implications

Two-five year cycles of strategic planning are considered a best practice for educational organizations.

Recommendation

The Superintendent recommends trustees provide direction for implementation of a strategic planning process.

Backup attached: Yes _____ No X_____

Sausalito Marin City School District
Office of the Superintendent

Date: January 24, 2013
To: Board of Trustees
From: Valerie Pitts, Superintendent
Re: Discussion: Draft Board Meeting and Planning Calendar 2013/2014

Background

The Board of Trustees has previously selected the fourth Thursday of the month at 7:00 p.m. as its regular meeting time. This board meeting calendar has been adjusted so that meetings will not conflict with school holidays or other events such as Marin County School Boards Association and Golden Bell events. For example, the Golden Bell Education Evening is historically the fourth Thursday of the month. For the past few years, the board has met the Tuesday before to avoid a date conflict.

The location for the meetings is 200 Phillips Drive, Marin City, unless otherwise stated.

Analysis

Most districts of similar size have a board meeting once a month. When necessary, extra meetings are scheduled to accommodate issues that require additional study, discussion and/or action. The board has previously selected the second Thursday of the month for such meetings.

Attached is the draft board meeting and planning calendars for the 2013/2014 school year.

Recommendation

The proposed board meeting and planning calendar is being presented for review and discussion. The calendar will be agendized for approval, as submitted or with suggested revisions, at the February board meeting.

Backup attached: Yes ___X___ No _____

**Sausalito Marin City School District
Board Agenda Planning Calendar 2013/2014**

| Agenda Item Description | Strategic Priority | D/A | Reporter |
|--|------------------------------|------------|-------------------|
| July 25, 2013 | | | |
| Quarterly Report: Williams Act (Consent Agenda) | Superintendent's Report | A | Pitts |
| Declaration of Need for Fully Qualified Educators | Attract/Develop/Retain Staff | A | Pitts |
| Quarterly Receivables Report (As Needed) | Fiscal Integrity | D | Pitts/Rigney |
| | | | |
| August 22, 2013 | | | |
| Strategic Priorities/Goals Progress | Governance | D | Pitts |
| Extended School Year Report | Student Achievement | D | Pitts/XX |
| Approve Unaudited Actuals/ GANN Resolution (Due 9/15) | Fiscal Integrity | A/A | Pitts/Rigney |
| Accept WCA Unaudited Actuals (Due 9/15) | Fiscal Integrity | A | Pitts/Rigney/WCA |
| Conflict of Interest Resolution BB/E9270 (alternate years; next 2014) | Governance | A | Pitts |
| Enrollment & Staffing Report | Attract/Develop/Retain Staff | D | Pitts/Rigney |
| Maintenance Operations Transportation (MOT) Report | Facilities | D | Pitts/Corson |
| WCA: Confirmation of Fiscal Services Contract [MOU V.A.] | Fiscal Integrity | D | Pitts/Rigney/WCA |
| | | | |
| September 26, 2013 | | | |
| Staff Development Report | Attract/Develop/Retain Staff | D | Pitts |
| California State Standards Assessment Reports | Student Achievement | D | Principals |
| Annual Arts Grant Report | Student Achievement | D | Pitts/Newton/Tate |
| Public Hearing/Texts & Instructional Materials (Due end week 8 of day 1 attendance) | Student Achievement | A | Pitts |
| Sunshine Negotiations | Attract/Develop/Retain Staff | D | Pitts |
| Honoring Tenured Teachers | Superintendent's Report | D | All |
| Business Update | Fiscal Integrity | D | Pitts/Rigney |
| Declaration to Exception to Class Size Maximum | Student Achievement | A | Pitts |
| Annual Operations Application for Class Size Reduction (Consent Agenda) | Student Achievement | A | Pitts |
| | | | |
| October 24, 2013 | | | |
| CBEDS/Enrollment Report | Student Achievement | D | Pitts |
| Curriculum: Adoption Report | Student Achievement | D | Pitts |
| Professional Services Contracts (include prior year's numbers & comparison) | Fiscal Integrity | D | Pitts/Rigney |
| Budget Revisions – First Interim | Fiscal Integrity | A | Pitts/Rigney |
| Quarterly Report: Williams Act (Consent Agenda) | Superintendent's Report | A | Pitts |
| Single Plans for Student Achievement (BA & MLK) | Student Achievement | D | Pitts/Principals |
| Grade Level or Program Report | Student Achievement | D | Pitts/Principals |
| Technology Report | Student Achievement | D | Pitts/IT |
| Quarterly Receivables Report (As Needed) | Fiscal Integrity | D | Pitts/Rigney |
| Board Self-Assessment | Governance | D | Pitts/President |
| WCA: Educational Program Evaluation/Report [MOU x. B] | Student Achievement | A | Pitts |

Draft-January 24, 2013

| Agenda Item Description | Strategic Priority | D/A | Reporter |
|---|------------------------------|-----|------------------|
| November 14, 2013 (Third Thursday) | | | |
| API Report | Student Achievement | D | Pitts/WCA |
| Library Report | Student Achievement | D | Pitts |
| Approve Single Plans for Student Achievement (Consent Agenda) | Student Achievement | A | Pitts/Principals |
| Grade Level or Program Report | Student Achievement | A | Pitts/Principals |
| Extended Learning Report | Student Achievement | D | Pitts |
| Benchmark Assessment Results | Student Achievement | D | Pitts/Principals |
| Pre K to 3 Report | Student Achievement | D | Pitts |
| | | | |
| December 12, 2013 (Second Thursday) | | | |
| Annual Organizational Meeting | Governance | A | Pitts |
| | | | |
| Regular Meeting | | | |
| Approve First Interim Budget Report (Due 12/15) | Fiscal Integrity | A | Pitts/Rigney |
| Accept WCA First Interim Budget Report (Due 12/15) | Fiscal Integrity | A | Pitts/Rigney/WCA |
| Approval of Tentative Bargaining Agreements | Attract/Develop/Retain Staff | A | Pitts |
| School Board Month Recognition | Governance | A | Pitts |
| Homework Update (As Needed) | Student Achievement | D | Principals |
| Grade Level or Program Report | Student Achievement | D | Pitts/Principals |
| School Accountability Report Card (SARC) Publication (Consent Agenda) | Communications | A | Pitts |
| | | | |
| January 23, 2014 | | | |
| Physical Fitness Assessment Results | Student Achievement | D | Pitts/XX |
| Review of Independent Auditor's Report | Fiscal Integrity | D | Pitts/Rigney |
| Accept WCA Independent Auditor's Report | Fiscal Integrity | A | Pitts/Rigney/WCA |
| Budget Revisions (Per Governor's Workshop) | Fiscal Integrity | D/A | Pitts/Rigney |
| WCA Budget Revisions (Per Governor's Workshop) | Fiscal Integrity | D/A | Pitts/Rigney/WCA |
| Adopt Budget Development Calendar | Fiscal Integrity | A | Pitts/Rigney |
| Quarterly Report: Williams Act (Consent Agenda) | Superintendent's Report | A | Pitts |
| Schedule Annual Budget Study Session for March | Fiscal Integrity | A | Pitts/Rigney |
| Annual Staff Review of School Safety Plans (Due 3/1) | Superintendent's Report | | Pitts/Corson |
| AB1200 Disclosures | Fiscal Integrity | D | Pitts/Rigney |
| Review Draft Annual Board Meeting/Planning Calendar | Governance | D | Pitts |
| Quarterly Receivables Report (As Needed) | Fiscal Integrity | D | Pitts/Rigney |
| Grade Level or Program Report | Student Achievement | D | Pitts/Principals |
| Annual Certificated Seniority/Credentials Held List (Consent Agenda) | Attract/Develop/Retain Staff | A | Pitts |
| WCA MOU: Proposed revisions by either party due on or before February 1 of each year (MOU 1.B.3.) | Governance | D | Pitts |
| WCA Prop 39 Request: Preliminary district response due on or before February 1 | Governance | A | Pitts |

| Agenda Item Description | Strategic Priority | D/A | Reporter |
|--|------------------------------|-----|---------------------|
| February 27, 2014 | | | |
| Approve Annual Board Meeting/Planning Calendar (Consent Agenda) | Governance | D | Pitts |
| Negotiations Update | Closed Session | D | Pitts |
| Curriculum and Instruction Report | Student Achievement | D | Pitts |
| Approve Second Interim Budget Report (Due 3/15) | Fiscal Integrity | A | Pitts/Rigney |
| Accept WCA Interim Budget Report (Due 3/15) | Fiscal Integrity | A | Pitts/Rigney/WCA |
| CSBA Delegate Vote (alternate years; next 2014) | Governance | A | Pitts |
| Grade Level or Program Report | Student Achievement | D | Pitts/Principals |
| Board Self-Assessment | Governance | D | Pitts/President |
| Review Draft Annual District Calendar * | Governance | D | Pitts |
| Resolution: If any, to reduce particular kinds of services (SDTA-Due March 15) | Governance | A | Pitts |
| | | | |
| March 27, 2014 | | | |
| Special Education Program Report | Student Achievement | D | Pitts/LaLonde |
| Annual Policy Review: Extracurricular, Co-Curricular (Others as Added) | Governance | D/A | Pitts |
| Approve Annual District Calendar (Consent Agenda)* | Governance | A | Pitts |
| Resolution – Lincoln’s Birthday Observation (Consent Agenda [for the following February]) | Governance | A | Pitts |
| Strategic Priorities Planning (As Needed) | Governance | D | Pitts |
| Grade Level or Program Report | Student Achievement | D | Pitts/Principals |
| Review/Selection of Auditor for Annual Audit | Fiscal Integrity | A | Pitts/Rigney |
| WCA Prop 39 Request Final District Response (Due on or before April 1) | Governance | A | Pitts |
| Resolution: If any, to reduce/eliminate classified services (CSEA) | Attract/Develop/Retain Staff | A | Pitts |
| | | | |
| April 24, 2014 | | | |
| Enrollment and Staffing Projections | Attract/Develop/Retain Staff | A | Pitts |
| First Draft – General Fund Budget | Fiscal Integrity | D | Pitts/Rigney |
| First Draft – WCA Budget | Fiscal Integrity | D | WCA |
| Quarterly Receivables Report (As Needed) | Fiscal Integrity | D | Pitts/Rigney |
| Resolution - Employee Appreciation (Consent Agenda) | Attract/Develop/Retain Staff | A | Pitts |
| P2 Enrollment Report (Due Mid-April) | Fiscal Integrity | D | Pitts/Rigney |
| Quarterly Report: Williams Act (Consent Agenda) | Superintendent’s Report | A | Pitts |
| Grade Level or Program Report | Student Achievement | D | Pitts/Principals |
| Recognition: Golden Bell winners, retirees, etc | Superintendent’s Report | D | Pitts |
| Tennessee Glen Agreement | Governance | A | Pitts |
| Tennessee Woods Agreement | Governance | A | Pitts |
| Mill Valley SD/SMCSD Attendance Agreement | Governance | A | Pitts |
| Ed Tech Succession Plan (Expires 06/30/14) | Student Achievement | D | Pitts/IT |
| | | | |
| May 20, 2014 (Tuesday) | | | |
| Benchmark Assessment Reports (including Writing/Study Island) | Student Achievement | D | Pitts |
| Overview of District Health Services | Safe/Healthy/Caring Schools | D | Pitts/Schools Nurse |
| Healthy Kids Survey | Fiscal Integrity | D | Pitts/Rigney |

| Agenda Item Description | Strategic Priority | D/A | Reporter |
|--|------------------------------|-----|------------------|
| May 22, 2014, continued | | | |
| Instructional Minutes/Bell Schedule | Student Achievement | A | Pitts/Principals |
| School Site Survey Results | Safe/ Healthy/Caring Schools | | Pitts/Principals |
| Second Draft – General Fund Budget | Fiscal Integrity | D | Pitts/Rigney |
| Second Draft-WCA Budget | Fiscal Integrity | D | Pitts/Rigney/WCA |
| Grade Level or Program Report | Student Achievement | D | Pitts/Principals |
| Interdistrict Transfer Agreements: Marin & SFUSD (Consent Agenda) | Student Achievement | A | Pitts |
| Wellness Policy Review and Report (every 3 years); last done 2011 | Safe/Healthy/Caring Schools | D | Pitts |
| | | | |
| June 12, 2014 | | | |
| Strategic Priorities Review | Governance | A | Pitts |
| Consolidated Application Part 1 | Fiscal Integrity | A | Pitts/Rigney |
| Authorizations to Sign (Consent Agenda) | | A | Pitts/Rigney |
| Board Self-Assessment | Governance | A | Pitts/President |
| Transportation Report | Safe/Healthy/Caring Schools | A | Pitts/Corson |
| School Site Safety Reports | Student Achievement | D | Pitts/Principals |
| Public Hearing: Categoricals Tier III (required- separate meeting from budget approval meeting) | Fiscal Integrity | | Pitts/Rigney |
| Resolution-State Categorical Funds/Implementing Flexibility Authorized by SBX3 | Fiscal Integrity | D | Pitts/Rigney |
| Public Hearing /Approve District Budget | Fiscal Integrity | A | Pitts/Rigney |
| Accept WCA Approved Budget | Fiscal Integrity | A | Pitts/Rigney/WCA |
| Resolution-Establishing Fund Balance Policies (GASB 54) | Fiscal Integrity | A | Pitts/Rigney |
| Resolution-Temporary Transfer of Funds, Tax Anticipation (TAN) | Fiscal Integrity | A | Pitts/Rigney |
| Resolution-Budget Transfers to Permit Payment Obligations at Close of Year | Fiscal Integrity | A | Pitts/Rigney |
| WCA: Annual Supplemental Funding Agreement | Fiscal Integrity | D/A | Pitts |
| WCA MOU: Finalize agreed upon changes (proposed in February of <u>each year</u> -(MOU 1.B.3.)) by July 1 | Fiscal Integrity | A | Pitts |
| WCA MOU: current MOU expires 06/30/14 WCA Facilities Use Agreement; current FUA expires 06/30/14 WCA Charter: 5 year term expires 06/30/14 | Governance | A | Pitts |

* See SDTA union agreement, Work Days.

**SAUSALITO MARIN CITY SCHOOL DISTRICT
BOARD MEETING MINUTES
December 13, 2012**

ATTENDANCE

Board Members Present: Thomas Newmeyer, Joshua Barrow, William Ziegler, Caroline Van Alst
and
Shirley Thornton, Ed. D. via Teleconference
Superintendent: Valerie Pitts, Ed. D.

The meeting was called to order at 6:00 p.m.

The agenda order was approved.

PERSONS WISHING TO ADDRESS THE BOARD PRIOR TO CLOSED SESSION

There was no public comment.

CLOSED SESSION

The Board, Superintendent and Legal Counsel, Noel Shumway, convened in closed session at 6:01 p.m.

RECONVENE TO OPEN SESSION

Open session reconvened at 7:09 p.m.

Announcement of Reportable Action Taken in Closed Session

President Newmeyer announced that there was no reportable action from closed session.

Pledge of Allegiance

Trustee Thornton led the Pledge of Allegiance.

PERSONS WISHING TO ADDRESS THE BOARD PRIOR TO OPEN SESSION

Barbara Sapienza thanked the board for the opportunity to talk about what's best for all the children of Bayside and Willow Creek Academy (WCA). She is a member of a committee discussing postponement of the decision in order to continue dialogue with parents and community. She is dedicated to building paths together and believes the board should keep Bayside at its present campus, find room for WCA on that campus, and find ways to work together.

Peter Sapienza stated that he represented a group of fifteen, who came together after hearing concerns from many about the plan to move Bayside to the Martin Luther King, Jr. Academy (MLK) campus. In an effort to influence the process, a letter was delivered to the board recommending a delay of up to a year for further investigation. Mr. Sapienza now presented a petition with signatures from a group of concerned citizens, requesting the board vote on consolidation of Bayside students at MLK be postponed for a year. He reported that 209 signatures had been obtained.

Bettie Hodges stated that she is part of a concerned committee trying to find a consensus of the optimum solution to the school problem; she is aware of financial issues. Ms. Hodges read a statement from Ethel Seiderman which opposed moving Bayside.

Mary DeMund believes that there are a number of unresolved issues around facilities and that it is vitally important to postpone a decision until those issues are resolved. She stated she had heard the move is due to finances but several persons do not understand how a loan in excess of \$3M will help. What specific savings/what specific cuts will be needed if the move is not made? Ms. DeMund asked, "What is the rush? All students are our future citizens."

Bettie Hodges asked whether MLK has been designated as a low performing school and, if so, what impact that has on the proposed consolidation.

Robert Woodrum: If WCA needs more space, why isn't the 200 Phillips Drive (Marin City) building being considered for WCA and the 630 Nevada Street (Sausalito) building for BA/MLK? It's not true that any child who wants to attend WCA can; what is the impact of more Bayside students attending WCA? Will it impact his number within WCA's lottery?

ANNUAL AND ORGANIZATIONAL BUSINESS 7:30 PM

Superintendent, Valerie Pitts, welcomed newly elected Trustee, Caroline Van Alst and re-elected Trustee, William Ziegler.

Oath of Office

Superintendent Pitts administered the Oath of Office to Trustees Van Alst and Ziegler, both of whom have been elected for four year terms.

Election of Board Officers and Appointment of the Superintendent to Board Secretary

Board members elected trustees to the following offices and appointed Superintendent Valerie Pitts Secretary to the Board:

- President – Newmeyer/Van Alst to nominate Bill Ziegler. Motion passed.
- Vice President – Ziegler/Thornton to nominate Joshua Barrow. Motion approved unanimously.
- Clerk – Newmeyer/Ziegler to nominate Caroline Van Alst. Motion approved unanimously.

Committee Designations/Appointments

Liaisons to Marin County Office of Education Committees and Marin Community Foundation were appointed as follows:

- Marin County School Boards Association (MCSBA): Thomas Newmeyer
- Golden Bell Committee: Caroline Van Alst
- Joint Legislative Advisory Committee (JLAC): Bill Ziegler
- Marin Community Foundation (MCF) Representative: Shirley Thornton primary; Joshua Barrow alternate

In-District Liaisons:

- Liaisons to in-district committees were appointed as follows:
- Facilities Committee: Thomas Newmeyer and William Ziegler
- Finance Committee: Caroline Van Alst and Joshua Barrow
- Discussions with Willow Creek Academy: Shirley Thornton and Joshua Barrow
- New committee, Communications: Joshua Barrow and Bill Ziegler

REGULAR SESSION

REPORTS

Trustee Reports

President Bill Ziegler acknowledged receipt of a letter to the board mentioned earlier by Mr. Sapienza.

Trustee Joshua Barrow noted that there has been extensive dialogue on moving Bayside since the last meeting, including the A-Team and their subcommittee. He acknowledged the frustration of the public's comments without board opportunity to discuss due to Brown Act requirements and asked everyone to attend the next meeting which will be more suited to the structure of dialogue.

President Ziegler, in agreement with Trustee Barrow, suggested a process whereby anyone can submit a written question directed to an agenda item, to any board member without limiting any other board member from speaking to the question. The board will attempt to respond if it is on the agenda.

Trustee Shirley Thornton disagreed with the suggestion. We (board members) are to listen; we would be moving away from our role to work on fact instead of opinion. There may be some discussions that will have to be deferred to further research and agendaized for a future meeting. She discouraged board members from responding at the moment without appropriate information.

President Ziegler agreed that, if needed, the topic could be placed on the agenda for the next meeting. He would like to address people's questions if possible.

Trustee Caroline Van Alst thanked everyone for putting their faith and trust in her; she has attended meetings for two years, feels up on issues and is willing to speak with anyone.

Superintendent's Report

A Team Report

Superintendent Pitts reported that the A Team met December 11 for dialogue, reflection, and about recent issues being discussed in the community. The A Team would prefer to make a recommendation to board after hearing further input. She distributed a draft document, Community Input Process:

Community Meetings in Marin City and Sausalito (Dec. 18, Jan. 8, Jan 15)

Dec. 18 facilitated by SMCSD; Jan 8; facilitated by Presbyterian Church Sausalito;

Jan. 15 facilitated by SMCS

Community formed/teams/small groups meet independently the next 6 weeks

If teams, appointed spokespersons can funnel any questions to Superintendent Pitts and Trustee Joshua Barrow.

Teams agree to keep each other informed by designated key contacts and email point people.

Key contacts report back to Superintendent Pitts and Trustee Barrow with their recommendations/considerations by Feb. 1

Town Hall to hear presentations/recommendations on Tuesday Feb. 5

Revised recommendations from community due on Feb. 11

Culmination at board meeting in Feb.

School Site Administrator Reports

Bayside Elementary Principal, Jonnette Newton, reported on:

- First trimester at an end; report cards have been distributed
- K-2 decorated the Sausalito ferry to San Francisco, an annual event, for community education
- Wind and brass ensemble field trip to hear another student band at Hall Middle School
- Developing community circles.

MLK, Jr. Academy Principal, Daniel Norbutas, reported on:

- Field trips
- Health and wellness screenings in conjunctions with Marin City Health & Wellness Clinic
- Winter event.

Willow Creek Academy Head of School, Carol Cooper, reported on:

- Third grade class gingerbread house at Bay Model for Sausalito competition
- Today, students are inside eating for the first time in eleven 11 years; JMs. Newton was thanked for helping coordinate a successful transition.

ENSURE THAT ALL STUDENTS WITHIN SMCS REACH HIGH LEVELS OF ACHIEVEMENT

Single Plans for Student Achievement (SPSA)

Superintendent Pitts described what the SPSAs include and how they are used. Principal Norbutas added that an important piece of each action plan is to set measurable goals for students. Staff responded to questions about costs: the format is drafted around budget time to inform budget discussion; there are ongoing and one- time expenditures.

M/s/c Newmeyer/Barrow/all to approve 2012/2013 Single Plans for Student Achievement for:

1. Bayside Elementary School
2. Martin Luther King, Jr. Academy

A five minute recess was taken at 8:43 p.m.

FACILITIES

Award of Contract for the Martin Luther King, Jr. Academy New Classrooms Project

President Ziegler asked if there were any written questions; there were none. Todd Lee (Greystone West) discussed what preconstruction services are. Trustee Newmeyer explained the need to identify a builder to complete designs for site work discussed at a prior meeting. The project was bid out; two bids were received. The contract being considered tonight is only for preconstruction services (\$35,000) so that the architects can continue their work.

M/s/c Newmeyer/Van Alst/all to award the contract to JL Modular for the Martin Luther King, Jr. Academy new classrooms project preconstruction services.

Resolution No. 674: Authorizing the Commencement of Proceedings in Connection with the Financing of Capital Improvement Projects for the District, Appointing a Financial Advisor, A Bond Counsel and a Disclosure Counsel in Connection Therewith

Superintendent Pitts explained that a couple scenarios to finance had been considered –this discussion is about Certificate of Participation. Mark Pressman (Wulff, Hansen & Co.), who advised earlier on a bond, responded to financing questions from the board. The board indicated an interest in moving forward; more information will be obtained for both parties over the next week.

M/s/c Newmeyer/Barrow/ Roll Call Ayes 5 Noes 0 to approve Resolution No. 674

MAINTAIN SOUND FISCAL DISCIPLINE AND OPERATIONS

First Interim Report and Budget Revisions: District

Paula Rigney, Business Manager, shared information and responded to board questions.

M/s/c Ziegler/Newmeyer/all to approve the First Interim Interim Report and Budget Revisions for Sausalito Marin City School District to enable the District to file it by the due date of December 14; however, the approval is with the understanding that every category is subject to further review and discussion by the board.

First Interim Report: Willow Creek Academy

Willow Creek Academy Treasurer, Clark Warden, reviewed the report. Superintendent Pitts noted that there are inconsistencies in three places; the district and WCA need to discuss anomalies and move forward.

M/s/c Newmeyer/Barrows/all to accept the WCA First Interim Report.

CONSENT AGENDA

Ms/s/c Newmeyer/Van Alst /Roll Call Ayes 5 Noes 0 to approve the consent agenda:

- Minutes of the regular meeting of November 15, 2012
- Minutes of the board study session of November 26, 2012
- Payments of Warrants

- Updated Board Policy/Administrative Regulation 1312.3 Uniform Compliant Procedure

ADJOURNMENT

Thornton/Newmeyer/all to adjourn at 10:05 p.m.

Signature/Date

Title

FUTURE BOARD AGENDA ITEMS

Physical Fitness Assessment Results

Review of Independent Auditor's Report

Accept WCA Independent Auditor's Report

Budget Revisions (Per Governor's Workshop)

WCA Budget Revisions (Per Governor's Workshop)

Adopt Budget Development Calendar

Quarterly Report: Williams Act

Schedule Annual Budget Study Session for March

AB1200 Disclosures

Grade Level or Program Report

Resolution – Lincoln's Birthday Observation

Annual Certificated Seniority/Credentials Held List

WCA MOU: Proposed Revisions by either party due on or before February 1 of each year

WCA Prop 39 Request: Preliminary District Response due on or before February 1

SAVE THE DATES

Future District Meeting Dates

All meetings are held at the District Office, 200 Phillips Drive, Marin City at 7:00 p.m. unless otherwise noted. *The first meeting date of each month will be allocated to additional special meetings on facilities issues, special meetings, community forum, etc. as needed. The only or second meeting date of each month will be allocated to regular board meetings.

January 24

February 28

March 28

April 25

May 23

June 13 Two meetings in June

June 27 Two meetings in June

Future Charter School Board Meeting Dates

Meetings are open to the public and generally held on the school campus, 33 Buchanan Street, Sausalito. With the exception of the December meeting, meetings are held on the 3rd Wednesday of the month at 6:30 p.m.

Upcoming Dates and Important Events

Please visit the District website www.smcsd.org

**SAUSALITO MARIN CITY SCHOOL DISTRICT
SPECIAL BOARD MEETING MINUTES
January 12, 2013**

ATTENDANCE

Board Members Present: Thomas Newmeyer, Joshua Barrow, William Ziegler, Caroline Van Alst
and Shirley Thornton, Ed. D.
Superintendent: Valerie Pitts, Ed. D.

CALL TO ORDER

The meeting was called to order at 8:50 a.m.

The agenda order was approved.

PERSONS WISHING TO ADDRESS THE BOARD PRIOR TO OPEN SESSION

None.

GOVERNANCE TEAM WORKSHOP

Superintendent Valerie Pitts led a discussion on governance team planning which included revision of team and operational norms and protocols.

Board members reviewed committee purposes and descriptions.

There were no actionable items at this meeting.

ADJOURNMENT

The meeting was adjourned at 11:45 a.m.

Signature/Date

Title

**SAUSALITO MARIN CITY SCHOOL DISTRICT
SPECIAL BOARD MEETING MINUTES
January 15, 2013**

ATTENDANCE

Board Members Present: Thomas Newmeyer, Joshua Barrow, William Ziegler, Caroline Van Alst
and Shirley Thornton, Ed. D.
Superintendent: Valerie Pitts, Ed. D.

CALL TO ORDER

The meeting was called to order at 6:00 p.m.

The agenda order was approved.

PERSONS WISHING TO ADDRESS THE BOARD PRIOR TO OPEN SESSION

Public comment was accepted throughout the study session.

STUDY SESSION

The Board conducted a discussion of facilities and a K – 8 school structure.

There were no actionable items at this meeting.

ADJOURNMENT

The meeting was adjourned at 8:15 p.m.

Signature/Date

Title

Sausalito Marin City School District

Payment of Warrants

1/24, 2013

Attached warrants include:

Batch 29 Fund 01 in the amount of \$8,956.91

Batch 30 Fund 01 in the amount of 47,135.67

Batch 30 Fund 40 in the amount of \$44,878.96

Batch 31 Fund 01 in the amount of \$54,596.79

Batch 31 Fund 13 in the amount of \$9,608.57

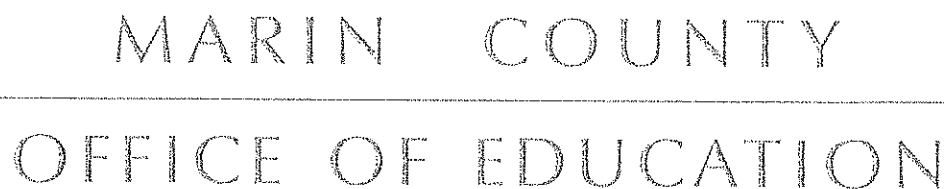
Batch 31 Fund 40 in the amount of \$770.00

Batch 32 Fund 01 in the amount of \$32,590.10

Batch 32 Fund 14 in the amount of \$6,570.00

Prepared by Vida Moattar

Sausalito Marin City School District Business Office



(415) 472-4110
FAX (415) 491-6625

Date 12/12/12

The Governing Board of the District named hereon hereby authorizes and directs payment of vendor payments in the total of \$ 8956.91.

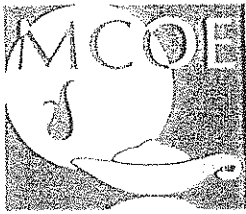
Authorized Signature

Paula Rigney

DISTRICT: 47 SAUSALITO SCHOOL DISTRICT
BATCH: 0029 GENERAL FUND
FUND : 01 GENERAL FUND

| WARRANT | NT | VENDOR/ADDR | NAME (REMIT) | DEPOSIT TYPE | ABA NUM | ACCOUNT NUM | AMOUNT | | | | | | | |
|--------------|------------|--------------------------------|--------------|---|---------|-------------|--------|------|------|-----|-----|-----|---------------------------|-------------|
| REQ# | REFERENCE | LN | FD | RESC | Y | OBJT | SO | GOAL | FUNC | LOC | ACT | GRP | DESCRIPTION | |
| 20004075 | 070358/ | AT&T | | | | | | | | | | | | |
| | | PO-130003 | 1. | 01-0000-0-5970.00-0000-7200-700-000-000 | | | | | | | | | 11/12 | 122.91 |
| | | | | | | | | | | | | | WARRANT TOTAL | \$122.91 |
| 20004076 | 070329/ | AT&T CALNET 2 | | | | | | | | | | | | |
| | | PO-130001 | 1. | 01-0000-0-5970.00-0000-2700-700-000-000 | | | | | | | | | 12/12 | 338.97 |
| | | | | | | | | | | | | | WARRANT TOTAL | \$338.97 |
| 20004077 | 001811/ | STATE OF CALIFORNIA | | | | | | | | | | | | |
| | | PV-130198 | | 01-0000-0-5821.00-0000-7200-725-000-000 | | | | | | | | | 943305 | 207.00 |
| | | | | | | | | | | | | | WARRANT TOTAL | \$207.00 |
| 20004078 | 002270/ | FISHMAN SUPPLY CO. | | | | | | | | | | | | |
| | | PO-130166 | 1. | 01-0000-0-4300.00-0000-8211-735-000-000 | | | | | | | | | 894201 | 545.68 |
| | | | | | | | | | | | | | WARRANT TOTAL | \$545.68 |
| 20004079 | 000047/ | MARIN MUNICIPAL WATER DST | | | | | | | | | | | | |
| | | PO-130010 | 1. | 01-0000-0-5535.00-0000-8200-000-000-000 | | | | | | | | | 10-12/12 | 1,561.76 |
| | | | | | | | | | | | | | WARRANT TOTAL | \$1,561.76 |
| 20004080 | 070470/ | MARIN RESOURCE RECOVERY CENTER | | | | | | | | | | | | |
| | | PO-130123 | 1. | 01-0000-0-5550.00-0000-8200-000-000-000 | | | | | | | | | 11/12 | 432.00 |
| | | | | | | | | | | | | | WARRANT TOTAL | \$432.00 |
| 20004081 | 000058/ | P G & E CO | | | | | | | | | | | | |
| | | PV-130197 | | 01-7230-0-4301.00-0000-3600-700-000-000 | | | | | | | | | 3085089005 | 287.44 |
| | | | | | | | | | | | | | WARRANT TOTAL | \$287.44 |
| 20004082 | 002545/ | SONITROL | | | | | | | | | | | | |
| | | PO-130019 | 1. | 01-0000-0-5840.00-0000-8300-101-000-000 | | | | | | | | | 1222000 | 1,563.15 |
| | | | | | | | | | | | | | WARRANT TOTAL | \$1,563.15 |
| 20004083 | 002834/ | TIMELY TRANSPORTATION | | | | | | | | | | | | |
| | | PO-130024 | 1. | 01-7230-0-5840.00-1110-3600-700-000-000 | | | | | | | | | 1/13 | 3,898.00 |
| | | | | | | | | | | | | | WARRANT TOTAL | \$3,898.00 |
| *** FUND | TOTALS *** | | | | | | | | | | | | | |
| | | | | | | | | | | | | | TOTAL NUMBER OF WARRANTS: | 9 |
| | | | | | | | | | | | | | TOTAL AMOUNT OF WARRANTS: | \$8,956.91* |
| *** BATCH | TOTALS *** | | | | | | | | | | | | | |
| | | | | | | | | | | | | | TOTAL NUMBER OF WARRANTS: | 9 |
| | | | | | | | | | | | | | TOTAL AMOUNT OF WARRANTS: | \$8,956.91* |
| *** DISTRICT | TOTALS *** | | | | | | | | | | | | | |
| | | | | | | | | | | | | | TOTAL NUMBER OF WARRANTS: | 9 |
| | | | | | | | | | | | | | TOTAL AMOUNT OF WARRANTS: | \$8,956.91* |

Printed: 12/14/2012 08:29:57



MARIN COUNTY

OFFICE OF EDUCATION

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SAN RAFAEL, CA 94913-4925
marincoe@marin.k12.ca.us

MARY JANE BURKE
MARIN COUNTY
SUPERINTENDENT OF SCHOOLS

(415) 472-4110
FAX (415) 491-6625

VENDOR PAYMENT CERTIFICATION

Date 12/19/12

District Name Sausalito Marin City District No. 47

The Governing Board of the District named hereon hereby authorizes and directs payment of vendor payments in the total of \$ 92,014.63.

| <u>FUND NUMBER</u> | <u>BATCH NUMBER</u> | <u>AMOUNT</u> |
|--------------------|---------------------|------------------|
| <u>01</u> | <u>30</u> | <u>47,135.67</u> |
| <u>40</u> | <u>30</u> | <u>44,878.96</u> |
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Authorized Signature

Paula Riquelme

DISTRICT: 47 SAUSALITO SCHOOL DISTRICT

BATCH: 0030 GENERAL FUND

FUND : 01 GENERAL FUND

| INT | VENDOR/ADDR REQ# | NAME (REMIT) REFERENCE LN | DEPOSIT TYPE FD RESC Y OBJT SO GOAL FUNC LOC ACT GRP | ABA NUM | ACCOUNT NUM DESCRIPTION | AMOUNT |
|----------|---------------------|------------------------------|---|----------|----------------------------|------------|
| 20005039 | 002896/ | ARMOR LOCKSMITH | | | | |
| | | PV-130213 | 01-8150-0-4300.00-0000-8100-735-000-000 | 8917 | | 10.75 |
| | | | WARRANT TOTAL | | | \$10.75 |
| 20005040 | 070329/ | AT&T CALNET 2 | | | | |
| | | PO-130001 | 1. 01-0000-0-5970.00-0000-2700-700-000-000 | 12/12 | | 473.16 |
| | | | WARRANT TOTAL | | | \$473.16 |
| 20005041 | 070694/ | JULIE AUSLANDER | | | | |
| | | PV-130206 | 01-0000-0-4300.00-1110-1010-101-000-000 | | Classroom Supplies | 290.01 |
| | | | WARRANT TOTAL | | | \$290.01 |
| 20005042 | 070726/ | BANTABA DANCE ENSEMBLE | | | | |
| | | PO-130186 | 1. 01-9476-0-5849.00-1451-1010-700-000-000 | 10-12/12 | | 900.00 |
| | | | WARRANT TOTAL | | | \$900.00 |
| 20005043 | 070711/ | BRIGHT PATH THERAPISTS | | | | |
| | | PO-130135 | 1. 01-6500-0-5835.00-5770-1182-700-000-000 | 419-423 | | 652.50 |
| | | | WARRANT TOTAL | | | \$652.50 |
| 20005044 | 070550/ | KELLY BROWNING | | | | |
| | | PO-130129 | 1. 01-9471-0-5800.00-1110-1010-700-000-000 | 1/13 | | 240.00 |
| | | | WARRANT TOTAL | | | \$240.00 |
| 20005045 | 070690/ | AMELIA CORBETT GREEN | | | | |
| | | PO-130130 | 1. 01-9471-0-5840.00-1110-1010-700-000-000 | 1/13 | | 1,505.45 |
| | | | WARRANT TOTAL | | | \$1,505.45 |
| 20005046 | 070569/ | FORREST CORSON | | | | |
| | | PV-130209 | 01-0000-0-4300.00-0000-7110-725-000-000 | | Smog Check, Deed Copy | 41.00 |
| | | | 01-7230-0-5600.00-0000-3600-700-000-000 | | Smog Check, Deed Copy | 86.25 |
| | | | WARRANT TOTAL | | | \$127.25 |
| 20005047 | 070722/ | CYPRESS SCHOOL | | | | |
| | | PO-130172 | 1. 01-6500-0-5833.00-5750-1185-700-000-000 | 112312 | | 3,353.80 |
| | | | 1. 01-6500-0-5833.00-5750-1185-700-000-000 | 113512 | | 3,693.80 |

DISTRICT: 47 SAUSALITO SCHOOL DISTRICT

BATCH: 0030 GENERAL FUND

FUND : 01 GENERAL FUND

| ANT | VENDOR/ADDR REQ# | NAME (REMIT) REFERENCE LN | DEPOSIT TYPE FD RESC Y OBJT SO GOAL FUNC LOC ACT GRP | ABA NUM | ACCOUNT NUM DESCRIPTION | AMOUNT |
|---------------|---------------------|--|---|-----------------------|----------------------------|-------------|
| WARRANT TOTAL | | | | | | \$7,047.60 |
| 20005048 | 070721/ | FAGEN FRIEDMAN FULFROST | | | | |
| | | PO-130173 1. 01-0000-0-5829.00-0000-7100-000-000-000 | | 28197-1 | | 980.50 |
| WARRANT TOTAL | | | | | | \$980.50 |
| 20005049 | 070026/ | ELLEN FRANZ | | | | |
| | | PV-130208 01-9472-0-4300.00-1110-1010-100-000-000 | | Workshop Registration | | 305.00 |
| WARRANT TOTAL | | | | | | \$305.00 |
| 20005050 | 000595/ | GRAINGER | | | | |
| | | PO-130174 1. 01-8150-0-4300.00-0000-8100-735-000-000 | | 9018994161 | | 392.07 |
| WARRANT TOTAL | | | | | | \$392.07 |
| 20005051 | 070712/ | LEARN IT THERAPY SERVICES | | | | |
| | | PO-130136 1. 01-6500-0-5800.00-5770-1190-700-000-000 | | LIS110048 | | 1,776.00 |
| WARRANT TOTAL | | | | | | \$1,776.00 |
| 20005052 | 000506/ | LOZANO SMITH | | | | |
| | | PO-130073 1. 01-0000-0-5829.00-0000-7100-000-000-000 | | 43527-30 | | 12,451.00 |
| WARRANT TOTAL | | | | | | \$12,451.00 |
| 20005053 | 070447/ | MAXIM HEALTHCARE SERVICES | | | | |
| | | PO-130076 1. 01-6500-0-5835.00-5770-1182-700-000-000 | | 1204770084 | | 1,033.50 |
| | | 1. 01-6500-0-5835.00-5770-1182-700-000-000 | | 1239020084 | | 1,855.00 |
| WARRANT TOTAL | | | | | | \$2,888.50 |
| 20005054 | 002358/ | MAXIMUS | | | | |
| | | PO-130021 1. 01-0000-0-5840.00-0000-7200-725-000-000 | | 101965.01.03 | | 2,136.00 |
| WARRANT TOTAL | | | | | | \$2,136.00 |
| 20005055 | 000548/ | MOLLIE STONE'S | | | | |
| | | PV-130199 01-0000-0-4300.00-0000-7110-725-000-000 | | 94851, 94973 | | 45.58 |
| WARRANT TOTAL | | | | | | \$45.58 |
| 20005056 | 070448/ | JONNETTE NEWTON | | | | |
| | | PV-130207 01-0000-0-4300.00-1110-1010-100-000-000 | | Classroom Materials | | 76.79 |

DISTRICT: 47 SAUSALITO SCHOOL DISTRICT
BATCH: 0030 GENERAL FUND
FUND : 01 GENERAL FUND

| ANT | VENDOR/ADDR | NAME (REMIT) | DEPOSIT TYPE | ABA NUM | ACCOUNT NUM | AMOUNT |
|----------|-------------|--------------------------|---|--------------------------|-------------|-------------|
| REQ# | REFERENCE | LN | FD RESC Y OBJT SO GOAL FUNC LOC ACT GRP | DESCRIPTION | | |
| | | | 01-0000-0-4300.00-1110-1010-100-000-000 | Classroom Materials | | 212.02 |
| | | | 01-9472-0-4300.00-1110-1010-100-000-000 | Classroom Materials | | 212.02 |
| | | | WARRANT TOTAL | | | \$500.83 |
| 20005057 | 070713/ | DANIEL NORBUTAS | | | | |
| | PV-130201 | | 01-9479-0-4300.00-1110-1010-101-000-000 | Reimb. Travel to Seattle | | 181.57 |
| | | | WARRANT TOTAL | | | \$181.57 |
| 20005058 | 000058/ | P G & E CO | | | | |
| | PO-130000 | 1. | 01-0000-0-5510.00-0000-8200-000-000-000 | Due 12/31/12 | | 209.31 |
| | | | WARRANT TOTAL | | | \$209.31 |
| 20005059 | 000056/ | PBI | | | | |
| | PO-130008 | 1. | 01-0000-0-5960.00-0000-2700-700-000-000 | 10-12/12 | | 464.62 |
| | | 2. | 01-0000-0-5960.00-0000-7200-725-000-000 | 10-12/12 | | 70.76 |
| | | | WARRANT TOTAL | | | \$535.38 |
| 20005060 | 070709/ | KARLI PIERCE | | | | |
| | PV-130210 | | 01-4035-0-4300.00-1110-1010-700-000-000 | Classroom Supplies | | 207.39 |
| | | | WARRANT TOTAL | | | \$207.39 |
| 20005061 | 070727/ | SAYLOR'S | | | | |
| | PV-130202 | | 01-0000-0-4300.00-0000-7110-725-000-000 | Holiday Party | | 326.40 |
| | | | 01-0000-0-4300.00-0000-7150-725-000-000 | Holiday Party | | 326.40 |
| | | | WARRANT TOTAL | | | \$652.80 |
| 20005062 | 001953/ | SPECTRUM CENTER | | | | |
| | CM-130002 | | 01-6500-0-5833.00-5750-1185-700-000-000 | 97730 | | 2,279.00 |
| | PO-130075 | 1. | 01-6500-0-5833.00-5750-1185-700-000-000 | 97311 | | 5,089.09 |
| | | 1. | 01-6500-0-5833.00-5750-1185-700-000-000 | 97312 | | 7,608.40 |
| | | | WARRANT TOTAL | | | \$10,418.49 |
| 20005063 | 000222/ | SUNBURST TECHNOLOGY CORP | | | | |
| | PV-130212 | | 01-0000-0-4300.00-1110-1010-100-000-000 | P103259 | | 49.98 |

COMMERCIAL WARRANT REGISTER
FOR WARRANTS DATED 12/21/2012

| ANT | VENDOR/ADDR | NAME (REMIT) | DEPOSIT TYPE | ABA NUM | ACCOUNT NUM | AMOUNT |
|----------|-------------|---------------|--|---------------------------|-------------|--------------|
| REQ# | REFERENCE | LN | FD RESC Y OBJT SO GOAL FUNC LOC ACT GRP | DESCRIPTION | | |
| | | | 01-0000-0-4300.00-1110-1010-101-000-000 | P103259 | | 49.97 |
| | | | WARRANT TOTAL | | | \$99.95 |
| 20005064 | 070522/ | TENISHA TATE | | | | |
| | | PV-130211 | 01-9472-0-4300.00-0000-2495-100-000-000 | Reimb. | | 11.94 |
| | | | 01-9479-0-4300.00-1110-1010-101-000-000 | Reimb. | | 148.00 |
| | | | WARRANT TOTAL | | | \$159.94 |
| 20005065 | 070662/ | TREE PROS | | | | |
| | | PO-130165 | 1. 01-8150-0-5600.00-0000-8111-735-000-000 | Tree removal | | 1,560.00 |
| | | | WARRANT TOTAL | | | \$1,560.00 |
| 20005066 | 070677/ | LYDIA TUVESON | | | | |
| | | PO-130077 | 1. 01-6500-0-5835.00-5770-1182-700-000-000 | 04LT2012-13 | | 243.00 |
| | | | WARRANT TOTAL | | | \$243.00 |
| 20005067 | 070719/ | KAYLA ZEISLER | | | | |
| | | PV-130205 | 01-0000-0-4300.00-1110-1010-101-000-000 | Classroom Materials | | 145.64 |
| | | | WARRANT TOTAL | | | \$145.64 |
| *** FUND | TOTALS *** | | TOTAL NUMBER OF WARRANTS: 29 | TOTAL AMOUNT OF WARRANTS: | | \$47,135.67* |

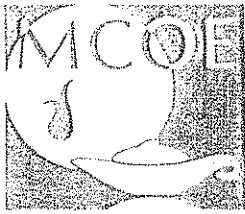
DISTRICT: 47 SAUSALITO SCHOOL DISTRICT

BATCH: 0030 GENERAL FUND

FUND : 40 SPECIAL RESERVE-CAP OUTLAY #1

| INT | VENDOR/ADDR | NAME (REMIT) | DEPOSIT TYPE | ABA NUM | ACCOUNT NUM | AMOUNT |
|--------------|-------------|-------------------|---|-------------|---------------------------|--------------|
| REQ# | REFERENCE | LN | FD RESC Y OBJT SO GOAL FUNC LOC ACT GRP | DESCRIPTION | | |
| 20005068 | 070728/ | MICHAEL FORD INC. | | | | |
| | | PV-130203 | 40-0000-0-5807.00-0000-8500-700-000-000 | 8356 | | 2,500.00 |
| | | | WARRANT TOTAL | | | \$2,500.00 |
| 20005069 | 070701/ | QUATTROCCHI KWOK | | | | |
| | | PV-130200 | 40-0000-0-6210.00-0000-8500-700-000-000 | 12557-8 | | 39,978.96 |
| | | | WARRANT TOTAL | | | \$39,978.96 |
| 20005070 | 070729/ | RGH CONSULTANTS | | | | |
| | | PV-130204 | 40-0000-0-5807.00-0000-8500-700-000-000 | 1112060 | | 2,400.00 |
| | | | WARRANT TOTAL | | | \$2,400.00 |
| *** FUND | TOTALS *** | | TOTAL NUMBER OF WARRANTS: | 3 | TOTAL AMOUNT OF WARRANTS: | \$44,878.96* |
| *** BATCH | TOTALS *** | | TOTAL NUMBER OF WARRANTS: | 32 | TOTAL AMOUNT OF WARRANTS: | \$92,014.63* |
| *** DISTRICT | TOTALS *** | | TOTAL NUMBER OF WARRANTS: | 32 | TOTAL AMOUNT OF WARRANTS: | \$92,014.63* |

Printed: 01/02/2013 09:34:41



MARIN COUNTY

OFFICE OF EDUCATION

1111 LAS GALLINAS AVENUE/P.O. BOX 4925
SAN RAFAEL, CA 94913-4925
marincoc@marin.k12.ca.us

MARY JANE BURKE
MARIN COUNTY
SUPERINTENDENT OF SCHOOLS

(415) 472-4110
FAX (415) 491-6625

VENDOR PAYMENT CERTIFICATION

Date 1/4/13

District Name Sausalito Marin City District No. 47

The Governing Board of the District named hereon hereby authorizes and directs payment of vendor payments in the total of \$ 64,975.36.

| <u>FUND NUMBER</u> | <u>BATCH NUMBER</u> | <u>AMOUNT</u> |
|--------------------|---------------------|------------------|
| <u>01</u> | <u>31</u> | <u>54,596.79</u> |
| <u>13</u> | <u>31</u> | <u>9,608.57</u> |
| <u>14</u> | <u>31</u> | <u>770.00</u> |
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Authorized Signature

Paula Rigney

DISTRICT: 47 SAUSALITO SCHOOL DISTRICT

BATCH: 0031 GENERAL FUND

FUND : 01 GENERAL FUND

| I | NT | VENDOR/ADDR | NAME (REMIT) | DEPOSIT TYPE | ABA NUM | ACCOUNT NUM | AMOUNT |
|----------|----|-------------|-------------------------------|--|---------|--------------|-------------|
| | | REQ# | REFERENCE LN | FD RESC Y OBJT SO GOAL FUNC LOC ACT GRP | | DESCRIPTION | |
| 20005514 | | 002550/ | ASSOCIATED VALUATION SERVICES | | | | |
| | | | PO-130005 | 1. 01-0000-0-5849.00-0000-7200-700-000-000 | | 4003 | 240.50 |
| | | | | WARRANT TOTAL | | | \$240.50 |
| 20005515 | | 000192/ | AT&T | | | | |
| | | | PO-130002 | 1. 01-0000-0-5970.00-0000-2700-000-000-000 | | 12/12 | 1,488.03 |
| | | | | WARRANT TOTAL | | | \$1,488.03 |
| 20005516 | | 070329/ | AT&T CALNET 2 | | | | |
| | | | PO-130001 | 1. 01-0000-0-5970.00-0000-2700-700-000-000 | | 12/12 | 14.82 |
| | | | | WARRANT TOTAL | | | \$14.82 |
| 20005517 | | 070513/ | BOYS AND GIRLS CLUB | | | | |
| | | | PO-130122 | 1. 01-6010-0-5840.00-1110-1010-700-000-000 | | SMCSD 1-2013 | 11,250.00 |
| | | | | WARRANT TOTAL | | | \$11,250.00 |
| 20005518 | | 070308/ | CDW-G | | | | |
| | | | PO-130184 | 1. 01-8150-0-5600.00-0000-8110-735-000-000 | | v459767 | 281.09 |
| | | | | WARRANT TOTAL | | | \$281.09 |
| 20005519 | | 002547/ | DISCOVERY OFFICE SYSTEMS | | | | |
| | | | PO-130026 | 1. 01-0000-0-5605.00-0000-7200-725-000-000 | | 12/12 | 104.35 |
| | | | | 2. 01-0000-0-5605.00-1110-1010-100-000-000 | | 12/12 | 25.40 |
| | | | | 3. 01-0000-0-5605.00-1110-1010-101-000-000 | | 12/12 | 13.40 |
| | | | | WARRANT TOTAL | | | \$143.15 |
| 20005520 | | 002345/ | EMPIRE ELEVATOR CO INC | | | | |
| | | | PO-130012 | 1. 01-8150-0-5600.00-0000-8110-735-000-000 | | 76426 | 114.40 |
| | | | | WARRANT TOTAL | | | \$114.40 |
| 20005521 | | 000023/ | GOODMAN BUILDING SUPPLY CO. | | | | |
| | | | PO-130083 | 1. 01-8150-0-4300.00-0000-8100-735-000-000 | | Due 1/11/13 | 73.39 |
| | | | | WARRANT TOTAL | | | \$73.39 |
| 20005522 | | 000595/ | GRAINGER | | | | |
| | | | PO-130174 | 1. 01-8150-0-4300.00-0000-8100-735-000-000 | | 9022900188 | 62.04 |

DISTRICT: 47 SAUSALITO SCHOOL DISTRICT
BATCH: 0031 GENERAL FUND
FUND : 01 GENERAL FUND

| INT | VENDOR/ADDR | NAME (REMIT) | DEPOSIT TYPE | ABA NUM | ACCOUNT NUM | AMOUNT |
|----------|-------------|--------------|--|-------------|-------------|-------------|
| REQ# | REFERENCE | LN | FD RESC Y OBJT SO GOAL FUNC LOC ACT GRP | DESCRIPTION | | |
| | | 1. | 01-8150-0-4300.00-0000-8100-735-000-000 | 9023207054 | | 76.68 |
| | | | WARRANT TOTAL | | | \$138.72 |
| 20005523 | 000701/ | | HYDREX PEST CONTROL | | | |
| | | | PO-130080 1. 01-0000-0-5525.00-0000-8200-000-000-000 | 12/12 | | 340.00 |
| | | | WARRANT TOTAL | | | \$340.00 |
| 20005524 | 000039/ | | KAISER FOUNDATION | | | |
| | | | PV-130218 01-0000-0-9520.00-0000-0000-000-000-000 | 16734-0001 | | 5,586.85 |
| | | | 01-0000-0-9520.00-0000-0000-000-000-000 | 578-0002 | | 13,651.49 |
| | | | 01-0000-0-9520.00-0000-0000-000-000-000 | 16734-0002 | | 944.13 |
| | | | WARRANT TOTAL | | | \$20,182.47 |
| 20005525 | 070624/ | | LARKSPUR CORTE MADERA SCHOOL | | | |
| | | | PV-130223 01-6500-0-5139.00-5770-1190-700-000-000 | 18 | | 6,672.47 |
| | | | WARRANT TOTAL | | | \$6,672.47 |
| 20005526 | 001927/ | | MILL VALLEY SERVICES | | | |
| | | | PO-130181 1. 01-0000-0-4300.00-0000-7110-725-000-000 | 78271 | | 211.23 |
| | | | WARRANT TOTAL | | | \$211.23 |
| 20005527 | 000548/ | | MOLLIE STONE'S | | | |
| | | | PV-130216 01-0000-0-4300.00-0000-7110-725-000-000 | 93161 | | 79.95 |
| | | | WARRANT TOTAL | | | \$79.95 |
| 20005528 | 000015/ | | MSIA DENTAL | | | |
| | | | PV-130220 01-0000-0-9520.00-0000-0000-000-000-000 | 1/13 | | 4,264.66 |
| | | | WARRANT TOTAL | | | \$4,264.66 |
| 20005529 | 000117/ | | MSIA VISION | | | |
| | | | PV-130221 01-0000-0-9520.00-0000-0000-000-000-000 | 1/13 | | 421.44 |
| | | | WARRANT TOTAL | | | \$421.44 |
| 20005530 | 000058/ | | P G & E CO | | | |
| | | | PO-130000 1. 01-0000-0-5510.00-0000-8200-000-000-000 | Due 1/7/13 | | 6,201.74 |
| | | | WARRANT TOTAL | | | \$6,201.74 |

DISTRICT: 47 SAUSALITO SCHOOL DISTRICT
BATCH: 0031 GENERAL FUND
FUND : 01 GENERAL FUND

| INT | VENDOR/ADDR REQ# | NAME (REMIT) REFERENCE | LN | FD | RESC | Y | OBJT | SO | GOAL | FUNC | LOC | ACT | GRP | ABA NUM DESCRIPTION | ACCOUNT NUM | AMOUNT |
|----------|---------------------|-------------------------------|----|---|------|---|------|----|------|------|-----|-----|-----|---------------------------|-------------|--------------|
| 20005531 | 000073/ | PEARSON | | | | | | | | | | | | | | |
| | | PO-130171 | 1. | 01-0000-0-4100.00-1110-1010-101-000-000 | | | | | | | | | | 7021966080 | | 94.68 |
| | | | | | | | | | | | | | | WARRANT TOTAL | | \$94.68 |
| 20005532 | 070222/ | PROTECTION ONE | | | | | | | | | | | | | | |
| | | PO-130133 | 1. | 01-0000-0-5840.00-0000-8300-100-000-000 | | | | | | | | | | 1/13 | | 68.93 |
| | | | 2. | 01-0000-0-5840.00-0000-8300-101-000-000 | | | | | | | | | | 1/13 | | 601.46 |
| | | | 3. | 01-0000-0-5840.00-0000-8300-103-000-000 | | | | | | | | | | 1/13 | | 103.29 |
| | | | | | | | | | | | | | | WARRANT TOTAL | | \$773.68 |
| 20005533 | 070384/ | FLORA SANCHEZ | | | | | | | | | | | | | | |
| | | PV-130225 | | 01-6286-0-5230.00-1110-1010-700-000-000 | | | | | | | | | | 12/12 Mileage | | 5.32 |
| | | | | | | | | | | | | | | WARRANT TOTAL | | \$5.32 |
| 20005534 | 001206/ | SHELL OIL CO. | | | | | | | | | | | | | | |
| | | PV-130222 | | 01-0000-0-4301.00-0000-8110-735-000-000 | | | | | | | | | | 12/12 | | 60.00 |
| | | | | | | | | | | | | | | WARRANT TOTAL | | \$60.00 |
| 20005535 | 070200/ | STANDARD INSURANCE COMPANY CB | | | | | | | | | | | | | | |
| | | PV-130217 | | 01-0000-0-9520.00-0000-0000-000-000-000 | | | | | | | | | | 503140-5001 | | 353.30 |
| | | | | 01-0000-0-9520.00-0000-0000-000-000-000 | | | | | | | | | | 503140-5000 | | 107.16 |
| | | | | | | | | | | | | | | WARRANT TOTAL | | \$460.46 |
| 20005536 | 070580/ | TRAHAN MECHANICAL | | | | | | | | | | | | | | |
| | | PV-130214 | | 01-8150-0-5600.00-0000-8110-735-000-000 | | | | | | | | | | 15182, 18181 | | 876.00 |
| | | | | | | | | | | | | | | WARRANT TOTAL | | \$876.00 |
| 20005537 | 002062/ | TRIUMPH LEARNING LLC | | | | | | | | | | | | | | |
| | | PO-130183 | 1. | 01-0000-0-4100.00-1110-1010-101-000-000 | | | | | | | | | | 916431 | | 158.66 |
| | | | | | | | | | | | | | | WARRANT TOTAL | | \$158.66 |
| 20005538 | 000078/ | WATERSTREET CO | | | | | | | | | | | | | | |
| | | PV-130219 | | 01-8150-0-4300.00-0000-8100-735-000-000 | | | | | | | | | | Maintenance supplies | | 49.93 |
| | | | | | | | | | | | | | | WARRANT TOTAL | | \$49.93 |
| *** FUND | TOTALS *** | | | | | | | | | | | | | TOTAL NUMBER OF WARRANTS: | 25 | |
| | | | | | | | | | | | | | | TOTAL AMOUNT OF WARRANTS: | | \$54,596.79* |

DISTRICT: 47 SAUSALITO SCHOOL DISTRICT

BATCH: 0031 GENERAL FUND

FUND : 13 CAFETERIA FUND

| ANT | VENDOR/ADDR | NAME (REMIT) | DEPOSIT TYPE | ABA NUM | ACCOUNT NUM | AMOUNT |
|----------|-------------|------------------|--|---------------------------|-------------|-------------|
| REQ# | REFERENCE | LN | FD RESC Y OBJT SO GOAL FUNC LOC ACT GRP | DESCRIPTION | | |
| 20005539 | 070649/ | REVOLUTION FOODS | | | | |
| | | PO-130031 | 2. 13-5310-0-5840.00-0000-3700-100-000-000 | 64115 | | 6,077.89 |
| | | | 3. 13-5310-0-5840.00-0000-3700-101-000-000 | 64115 | | 3,530.68 |
| | | | WARRANT TOTAL | | | \$9,608.57 |
| *** FUND | TOTALS *** | | TOTAL NUMBER OF WARRANTS: 1 | TOTAL AMOUNT OF WARRANTS: | | \$9,608.57* |

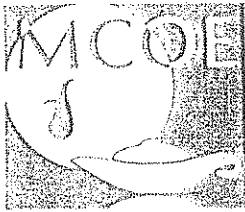
DISTRICT: 47 SAUSALITO SCHOOL DISTRICT

BATCH: 0031 GENERAL FUND

FUND : 14 DEFERRED MAINTENANCE FUND

| ANT | VENDOR/ADDR | NAME (REMIT) | DEPOSIT TYPE | ABA NUM | ACCOUNT NUM | AMOUNT | | | | | | | | |
|-------------------------|-------------|----------------------------|---------------------------|---|-------------|---------------------------|----|--------------|------|-----|-----|-----|-------------|----------|
| REQ# | REFERENCE | LN | FD | RESC | Y | OBJT | SO | GOAL | FUNC | LOC | ACT | GRP | DESCRIPTION | AMOUNT |
| 20005540 | 001000/ | FORSTER PUMP & ENGINEERING | | | | | | | | | | | | |
| | | PV-130215 | | 14-0000-0-6200.00-0000-8500-735-000-000 | | | | | | | | | 1488908 | 770.00 |
| | | WARRANT TOTAL | | | | | | | | | | | | \$770.00 |
| *** FUND | | TOTALS *** | TOTAL NUMBER OF WARRANTS: | | 1 | TOTAL AMOUNT OF WARRANTS: | | \$770.00* | | | | | | |
| *** BATCH TOTALS *** | | | TOTAL NUMBER OF WARRANTS: | | 27 | TOTAL AMOUNT OF WARRANTS: | | \$64,975.36* | | | | | | |
| *** DISTRICT TOTALS *** | | | TOTAL NUMBER OF WARRANTS: | | 27 | TOTAL AMOUNT OF WARRANTS: | | \$64,975.36* | | | | | | |

Printed: 01/09/2013 15:20:48



MARIN COUNTY

OFFICE OF EDUCATION

1111 LAS GALLINAS AVENUE/P.O. BOX 4925
SAN RAFAEL, CA 94913-4925
marincoc@marin.k12.ca.us

MARY JANE BURKE
MARIN COUNTY
SUPERINTENDENT OF SCHOOLS

(415) 472-4110
FAX (415) 491-6625

VENDOR PAYMENT CERTIFICATION

Date 1/9/13

District Name Sausalito Marin City District No. 47

The Governing Board of the District named hereon hereby authorizes and directs payment of vendor payments in the total of \$ 39,160.10.

| <u>FUND NUMBER</u> | <u>BATCH NUMBER</u> | <u>AMOUNT</u> |
|--------------------|---------------------|------------------|
| <u>01</u> | <u>32</u> | <u>32,590.10</u> |
| <u>14</u> | <u>32</u> | <u>6,570.00</u> |
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Authorized Signature

Paula Rigney

DISTRICT: 47 SAUSALITO SCHOOL DISTRICT
BATCH: 0032 GENERAL FUND
FUND : 01 GENERAL FUND

| V | NT | VENDOR/ADDR | NAME (REMIT) | DEPOSIT TYPE | ABA NUM | ACCOUNT NUM | | | | | | | | | | |
|----------|----|-------------|------------------------|--------------|---------|-------------|---|------|----|------|------|-----|-----|-----|-------------------------------|------------|
| | | REQ# | REFERENCE | LN | FD | RESC | Y | OBJT | SO | GOAL | FUNC | LOC | ACT | GRP | DESCRIPTION | AMOUNT |
| <hr/> | | | | | | | | | | | | | | | | |
| 20006065 | | 002765/ | ALADDINS AUTOMOTIVE | | | | | | | | | | | | | |
| | | | PO-130147 | 1. | 01 | 7230 | 0 | 5600 | 00 | 0000 | 3600 | 700 | 000 | 000 | Bus service | 3,270.13 |
| | | | | | | | | | | | | | | | WARRANT TOTAL | \$3,270.13 |
| 20006066 | | 000609/ | AMERICAN EXPRESS | | | | | | | | | | | | | |
| | | | PV-130235 | | 01 | 0000 | 0 | 4300 | 00 | 0000 | 7150 | 725 | 000 | 000 | Books -Board | 168.18 |
| | | | | | 01 | 0000 | 0 | 4300 | 00 | 1420 | 4100 | 700 | 000 | 000 | Due 1/11/13 | 163.35 |
| | | | | | 01 | 0000 | 0 | 5210 | 00 | 0000 | 7300 | 725 | 000 | 000 | Wellness Course-Moattar | 365.00 |
| | | | | | 01 | 9472 | 0 | 4300 | 00 | 0000 | 2495 | 100 | 000 | 000 | Seattle Conf. Tate | 798.22 |
| | | | | | 01 | 9472 | 0 | 4300 | 00 | 1110 | 1010 | 100 | 000 | 000 | Parent Night Food | 129.52 |
| | | | | | 01 | 9479 | 0 | 4300 | 00 | 1110 | 1010 | 101 | 000 | 000 | Seattle Conf. Norbutas | 798.22 |
| | | | | | | | | | | | | | | | WARRANT TOTAL | \$2,422.49 |
| 20006067 | | 070358/ | AT&T | | | | | | | | | | | | | |
| | | | PO-130003 | 1. | 01 | 0000 | 0 | 5970 | 00 | 0000 | 7200 | 700 | 000 | 000 | 12/12 | 153.00 |
| | | | | | | | | | | | | | | | WARRANT TOTAL | \$153.00 |
| 20006068 | | 070329/ | AT&T CALNET 2 | | | | | | | | | | | | | |
| | | | PO-130001 | 1. | 01 | 0000 | 0 | 5970 | 00 | 0000 | 2700 | 700 | 000 | 000 | 12/12 | 340.85 |
| | | | | | | | | | | | | | | | WARRANT TOTAL | \$340.85 |
| 20006069 | | 070730/ | MAHEALANI BERNES | | | | | | | | | | | | | |
| | | | PV-130233 | | 01 | 9472 | 0 | 5849 | 00 | 0000 | 2100 | 100 | 000 | 000 | PreK-3 Assignment | 140.00 |
| | | | | | | | | | | | | | | | WARRANT TOTAL | \$140.00 |
| 20006070 | | 070711/ | BRIGHT PATH THERAPISTS | | | | | | | | | | | | | |
| | | | PO-130135 | 1. | 01 | 6500 | 0 | 5835 | 00 | 5770 | 1182 | 700 | 000 | 000 | 275-7, 320,486,533,CM\$315.00 | 675.00 |
| | | | | | | | | | | | | | | | WARRANT TOTAL | \$675.00 |
| 20006071 | | 070672/ | ARACELI CASTANEDA | | | | | | | | | | | | | |
| | | | PO-130115 | 1. | 01 | 6500 | 0 | 5840 | 00 | 5770 | 7120 | 700 | 000 | 000 | 12/12 | 450.00 |
| | | | PO-130116 | 1. | 01 | 6500 | 0 | 5840 | 00 | 5770 | 7120 | 700 | 000 | 000 | 12/12 Mileage | 83.82 |
| | | | | | | | | | | | | | | | WARRANT TOTAL | \$533.82 |

DISTRICT: 47 SAUSALITO SCHOOL DISTRICT
BATCH: 0032 GENERAL FUND
FUND : 01 GENERAL FUND

| WT | VENDOR/ADDR REQ# | NAME (REMIT) REFERENCE LN | FD | RESC | Y | OBJT | SO | GOAL | FUNC | LOC | ACT | GRP | ABA NUM | ACCOUNT NUM DESCRIPTION | AMOUNT |
|----------|---------------------|--------------------------------|----|------|---|------|----|------|------|------|------|-----|---------|----------------------------|------------|
| 20006072 | 070569/ | FORREST CORSON | | | | | | | | | | | | | |
| | | PV-130226 | | 01 | | 8150 | 0 | 4300 | 00 | 0000 | 8100 | 735 | 000 | 000 | 73.93 |
| | | | | | | | | | | | | | | | \$73.93 |
| | | | | | | | | | | | | | | | |
| 20006073 | 070561/ | REBECCA COURTNEY | | | | | | | | | | | | | |
| | | PV-130232 | | 01 | | 9472 | 0 | 5849 | 00 | 0000 | 2100 | 100 | 000 | 000 | 717.50 |
| | | | | | | | | | | | | | | | \$717.50 |
| | | | | | | | | | | | | | | | |
| 20006074 | 070732/ | COURTNEY DERN | | | | | | | | | | | | | |
| | | PV-130231 | | 01 | | 9472 | 0 | 5849 | 00 | 0000 | 2100 | 100 | 000 | 000 | 245.00 |
| | | | | | | | | | | | | | | | \$245.00 |
| | | | | | | | | | | | | | | | |
| 20006075 | 070667/ | JULIANNE EDMONDSON | | | | | | | | | | | | | |
| | | PV-130228 | | 01 | | 0000 | 0 | 4300 | 00 | 1110 | 1010 | 101 | 000 | 000 | 11.95 |
| | | | | | | | | | | | | | | | \$11.95 |
| | | | | | | | | | | | | | | | |
| 20006076 | 001807/ | EMPLOYMENT DEVELOPMENT DEPT. | | | | | | | | | | | | | |
| | | PV-130230 | | 01 | | 0000 | 0 | 9515 | 00 | 0000 | 0000 | 000 | 000 | 000 | 7,770.44 |
| | | | | | | | | | | | | | | | \$7,770.44 |
| | | | | | | | | | | | | | | | |
| 20006077 | 070731/ | ESSIE HARDY | | | | | | | | | | | | | |
| | | PV-130234 | | 01 | | 9472 | 0 | 5849 | 00 | 0000 | 2100 | 100 | 000 | 000 | 70.00 |
| | | | | | | | | | | | | | | | \$70.00 |
| | | | | | | | | | | | | | | | |
| 20006078 | 070624/ | LARKSPUR CORTE MADERA SCHOOL | | | | | | | | | | | | | |
| | | PO-130155 | 1. | 01 | | 0000 | 0 | 5839 | 00 | 0000 | 7400 | 725 | 000 | 000 | 5,132.43 |
| | | | | | | | | | | | | | | | \$5,132.43 |
| | | | | | | | | | | | | | | | |
| 20006079 | 070470/ | MARIN RESOURCE RECOVERY CENTER | | | | | | | | | | | | | |
| | | PO-130123 | 1. | 01 | | 0000 | 0 | 5550 | 00 | 0000 | 8200 | 000 | 000 | 000 | 366.00 |
| | | | | | | | | | | | | | | | \$366.00 |
| | | | | | | | | | | | | | | | |
| 20006080 | 070447/ | MAXIM HEALTHCARE SERVICES | | | | | | | | | | | | | |
| | | PO-130076 | 1. | 01 | | 6500 | 0 | 5835 | 00 | 5770 | 1182 | 700 | 000 | 000 | 2,093.50 |
| | | | | | | | | | | | | | | | |
| | | | 1. | 01 | | 6500 | 0 | 5835 | 00 | 5770 | 1182 | 700 | 000 | 000 | 1,245.50 |
| | | | | | | | | | | | | | | | |
| | | | 1. | 01 | | 6500 | 0 | 5835 | 00 | 5770 | 1182 | 700 | 000 | 000 | 2,093.50 |

DISTRICT: 47 SAUSALITO SCHOOL DISTRICT

BATCH: 0032 GENERAL FUND

FUND : 01 GENERAL FUND

| WT | VENDOR/ADDR REQ# | NAME (REMIT) REFERENCE | LN | FD | RESC | Y | OBJT | SO | GOAL | FUNC | LOC | ACT | GRP | ABA NUM | ACCOUNT NUM DESCRIPTION | AMOUNT | |
|---------------------|---------------------|-------------------------------|----|---|------|---|------|----|------|------|-----|-----|-----|-------------|----------------------------|---------------------------|--------------|
| WARRANT TOTAL | | | | | | | | | | | | | | | | \$5,432.50 | |
| 20006081 | 001927/ | MILL VALLEY SERVICES | | | | | | | | | | | | | | | |
| | | PO-130189 | 1. | 01-0000-0-4300.00-1110-1010-101-000-000 | | | | | | | | | | 78358I | | 213.75 | |
| WARRANT TOTAL | | | | | | | | | | | | | | | | \$213.75 | |
| 20006082 | 000058/ | P G & E CO | | | | | | | | | | | | | | | |
| | | PV-130229 | | 01-7230-0-4301.00-0000-3600-700-000-000 | | | | | | | | | | 3085089005 | | 343.84 | |
| WARRANT TOTAL | | | | | | | | | | | | | | | | \$343.84 | |
| 20006083 | 070406/ | SILYCO | | | | | | | | | | | | | | | |
| | | PO-130032 | 1. | 01-0000-0-5849.00-0000-2420-700-000-000 | | | | | | | | | | DEC2012 | | 3,600.00 | |
| WARRANT TOTAL | | | | | | | | | | | | | | | | \$3,600.00 | |
| 20006084 | 070580/ | TRAHAN MECHANICAL | | | | | | | | | | | | | | | |
| | | PV-130227 | | 01-8150-0-5600.00-0000-8110-735-000-000 | | | | | | | | | | 15161 | | 90.00 | |
| WARRANT TOTAL | | | | | | | | | | | | | | | | \$90.00 | |
| 20006085 | 070677/ | LYDIA TUVESON | | | | | | | | | | | | | | | |
| | | PO-130077 | 1. | 01-6500-0-5835.00-5770-1182-700-000-000 | | | | | | | | | | 05LT2012-13 | | 243.00 | |
| WARRANT TOTAL | | | | | | | | | | | | | | | | \$243.00 | |
| 20006086 | 070525/ | US BANCORP EQUIP. FINANCE INC | | | | | | | | | | | | | | | |
| | | PO-130028 | 2. | 01-0000-0-5605.00-0000-2700-700-000-000 | | | | | | | | | | 12/12 | | 744.47 | |
| WARRANT TOTAL | | | | | | | | | | | | | | | | \$744.47 | |
| *** FUND TOTALS *** | | TOTAL NUMBER OF WARRANTS: 22 | | | | | | | | | | | | | | TOTAL AMOUNT OF WARRANTS: | \$32,590.10* |

DISTRICT: 47 SAUSALITO SCHOOL DISTRICT

BATCH: 0032 GENERAL FUND

FUND : 14 DEFERRED MAINTENANCE FUND

| WT | VENDOR/ADDR | NAME (REMIT) | DEPOSIT TYPE | ABA NUM | ACCOUNT NUM | AMOUNT | | | | | | | | |
|--------------|-------------|-------------------|--------------|---|-------------|---------------------------|----|------|------|-----|-----|-----|---------------------------|--------------|
| REQ# | REFERENCE | LN | FD | RESC | Y | OBJT | SO | GOAL | FUNC | LOC | ACT | GRP | DESCRIPTION | AMOUNT |
| 20006087 | 070580/ | TRAHAN MECHANICAL | | | | | | | | | | | | |
| | | PO-130168 | 1. | 14-0000-0-6200.00-0000-8500-735-000-000 | | | | | | | | | 15190 | 6,570.00 |
| | | | | | | | | | | | | | WARRANT TOTAL | \$6,570.00 |
| *** FUND | TOTALS *** | | | | | TOTAL NUMBER OF WARRANTS: | 1 | | | | | | TOTAL AMOUNT OF WARRANTS: | \$6,570.00* |
| *** BATCH | TOTALS *** | | | | | TOTAL NUMBER OF WARRANTS: | 23 | | | | | | TOTAL AMOUNT OF WARRANTS: | \$39,160.10* |
| *** DISTRICT | TOTALS *** | | | | | TOTAL NUMBER OF WARRANTS: | 23 | | | | | | TOTAL AMOUNT OF WARRANTS: | \$39,160.10* |

Printed: 01/11/2013 08:01:54

Field Trip Report

Dates: December 13, 2012
Destination: Hall Middle School
Teacher: Ms. Hammons, Mr. Scullion
Grade: 3rd and 4th
Standards Supported: 1.0 Music; listen, analyze and describe
Funding: Field Trip Fund
Cost: \$250.00

Dates: April 23, 2013
Destination: Phoenix Lake ~ Marin Municipal Water District (MMWD)
Teacher: Ms. Hammons, Mr. Scullion
Grade: 3rd and 4th
Standards Supported: Life Science: Living organisms and environment
Funding: MMWD Grant
Cost: \$500.00

January 24, 2013

Valenzuela/CAHSEE Lawsuit Settlement
Quarterly Report on Williams Uniform Complaints
 [Education Code § 35186(d)]

District: Sausalito Marin City School District

Person completing this form: Valerie Pitts Title: Superintendent

Quarterly Report Submission Date:

☐ July 2012
☐ October 2012
☒ January 2013
☐ April 2013

Date for information to be reported publicly at governing board meeting January 24, 2013

Please check the box that applies:

- ☒ No complaints were filed with any school in the district during the quarter indicated above.
- ☐ Complaints were filed with schools in the district during the quarter indicated above. The following chart summarizes the nature and resolution of these complaints.

| General Subject Area | Total # of Complaints | # Resolved | # Unresolved |
|---|-----------------------|------------|--------------|
| Textbooks and Instructional Materials | | | |
| Teacher Vacancy or Misassignment | | | |
| Facilities Conditions | | | |
| CAHSEE Intensive Instruction and Services | | | |
| TOTALS | 0 | 0 | 0 |

Valerie Pitts
 Print Name of District Superintendent

 Signature of District Superintendent

January 24, 2013
 Date

**Sausalito Marin City School District
Certificated Seniority List
2012-13**

| Rank | Last Name | First Name | First date of Probation | FTE | Status | Credential |
|------|-----------|------------|-------------------------|------|--------|--|
| 1 | Scullion | James | 6/22/1987 | 1.00 | Perm | Life Multiple Subject Teaching, Life Instruction Specialist in Special Education with Learning Handicapped Authorization, and SDAIE |
| 2 | Hammons | Paula | 12/15/1993 | 1.00 | Perm | Clear Multiple Subject Teaching Credential with CLAD, expires 12/01/2017 |
| 3 | Cassidy | Susan | 8/23/1999 | 1.00 | Perm | Clear Multiple Subject Teaching Credential, expires 04/01/2014 and CLAD |
| 4 | Banks | Jennifer | 6/25/2001 | 1.00 | Perm | Professional Clear Multiple Subject Teaching with CLAD, expires 02/01/2015 |
| 5 | Franz | Ellen | 8/26/2002 | 1.00 | Perm | Clear Multiple Subject Teaching Credential, expires 09/01/2015 and SDAIE |
| 6 | Griffin | Natasha | 12/10/2007 | 1.00 | Perm | Clear Single Subject, Science; Biological Sciences and CLAD, expires 10/01/2014 |
| 7 | Edmondson | Julianne | 8/12/2011 | 1.00 | Prob 2 | Preliminary Level I Education Specialist, Mild/Moderate Disabilities, expires 07/01/2016 and Preliminary Multiple Subjects Teaching Credential with CLAD, expires 07/01/2016 |
| 8 | McDougal | Jan | 8/12/2011 | 1.00 | Prob 2 | Preliminary Single Subject, Math, with CLAD, expires 06/01/2016 |
| 9 | Trevor | Cari | 1/3/2012 | 1.00 | Prob 2 | Clear Multiple Subject Teaching with CLAD, expires 07/01/2014 |
| 10 | Fung | Jennie | 2/1/2012 | 1.00 | Prob 1 | Preliminary Education Specialist Credential, Mild/Moderate with Autism with CLAD, expires 03/01/2017 |
| 11 | Ausiander | Julie | 6/26/2012 | 1.00 | Prob 1 | Clear Pupil Personnel Services Credential, School Social Work and School Child Welfare and Attendance, expires 02/01/2016 |
| 11 | Denton | Danielle | 6/26/2012 | 1.00 | Prob 1 | Preliminary Single Subject, Art, expires 07/01/2015 and Emergency CLAD |
| 11 | Pierce | Karlie | 6/26/2012 | 1.00 | Prob 1 | Clear Multiple Subject Teaching with CLAD, expires 07/01/2015 and Temporary County Certificate for Added Authorization: Spanish |
| 12 | Suto | Denise | 8/17/2012 | 1.00 | Prob 1 | Clear Single Subject, Science: Biological Sciences with CLAD, exp. 08/01/2018 |
| 12 | Zeisler | Kayla | 8/17/2012 | 1.00 | Prob 1 | Preliminary Single Subject English and Social Science, exp. 03/01/2016 and CLAD |

| | | | | | | |
|----|----------|--------|--|------|-----------|--|
| 13 | Fusilier | Joseph | | 1.00 | Temporary | Provisional Internship Permit, includes ELL Authorization, expires 08/20/2013 and Temporary County Certificate |
|----|----------|--------|--|------|-----------|--|