MARIN COUNTY OFFICE OF EDUCATION

MARIN COUNTY COMMITTEE ON SCHOOL DISTRICT ORGANIZATION

Special Meeting
May 17, 2021
6:00 p.m.

Zoom Webinar
https://us02web.zoom.us/j/82320977389?pwd=UlBXTnJKbWszUnRNcGFQV0FIM0owdz09

Webinar ID: 823 2097 7389 **Passcode:** 873291 **Dial In:** (669) 900-6833

A G E N D A

The special meeting of the Marin County Committee on School District Organization will be held on **May 17, 2021 at 6:00 p.m.,** via zoom webinar.

1. Call to Order — Ms. O'Brien
2. Roll Call / Introduction of CCSDO Committee Members — Ms. Mares

ACTION ITEMS

3. Approval and Adoption of Agenda — Ms. O'Brien
4. Approval of Meeting Minutes of the Annual Organizational Meeting, November 5, 2020 — Ms. O'Brien

PUBLIC HEARING OF THE LAPSATION AND ANNEXATION OF LINCOLN UNION SCHOOL DISTRICT

5. Informational Items — Ms. Mares
6. Order of Speakers — Ms. O'Brien
7. Next Steps — Ms. Mares

OTHER ITEMS

8. LAFCO Notices Received — Ms. Mares

ADJOURNMENT — Ms. O'Brien

Next meeting, Wednesday, May 26, 2021 at 6:00 p.m.

PDF Packet Instructions

This PDF meeting packet was created with interactive features
to allow easy access to the various elements.

Items in the Table of Contents are hyperlinked to the associated page in the packet. Click an element to navigate directly to that page in the document.

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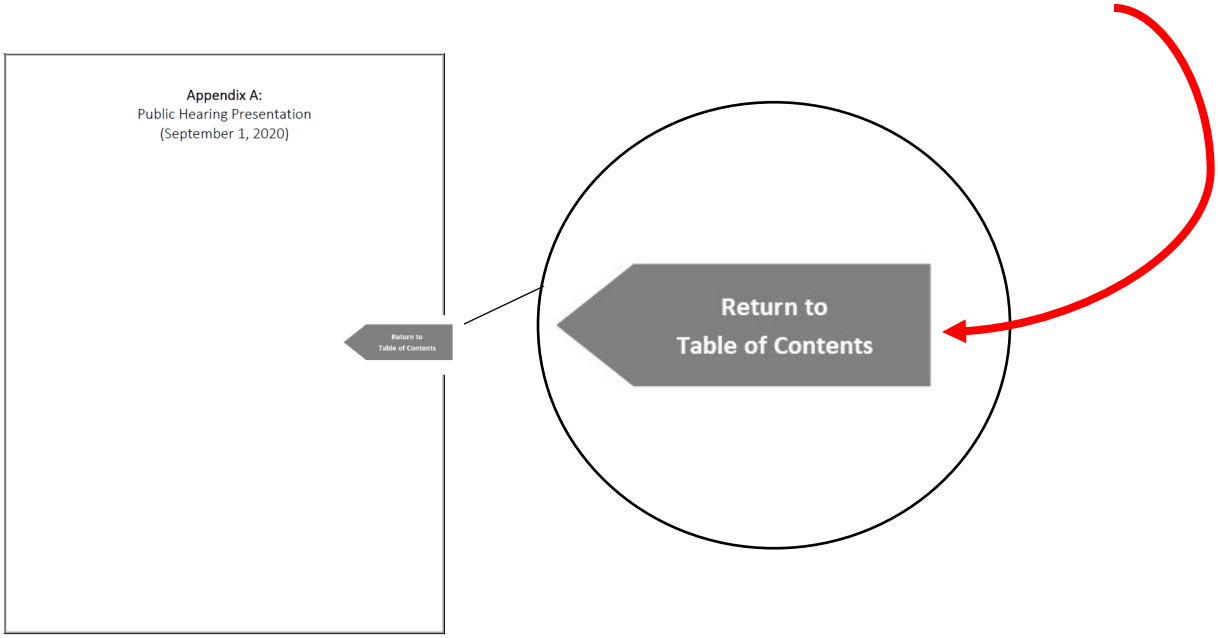

MARIN COUNTY OFFICE OF EDUCATION

MARIN COUNTY COMMITTEE ON SCHOOL DISTRICT ORGANIZATION

Special Meeting
May 17, 2021

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MEMO

To: Marin County Committee on School District Organization (CCSDO)

From: Terena Mares
Deputy Superintendent, Marin County Office of Education
Secretary Designee, Marin CCSDO

Date: May 17, 2021

Re: Overview of the Lapsation and Annexation of Lincoln Union School District

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In addition to the unadopted meeting minutes from the Annual Organizational Meeting on November 5, 2020 and the LAFCO Notices from November 6, 2020 to present, the packet includes historic documents from the Lincoln Union and Laguna Joint School Districts related to the eminent lapsation of Lincoln Union School District.

- Notification to CCSDO from Luke McCann on behalf of Lincoln Union School District
- Notification to CCSDO from Luke McCann on behalf of Laguna Joint School District
- Lincoln Union to Laguna Joint School District Fact Sheet
- Appendix A: Public Hearing Presentation (September 1, 2020)
- Appendix B: Reorganization Plan Resolutions (September 8, 2020)
- Appendix C: Public Hearing Presentation (February 9, 2021)
- Appendix D: Joint Board Meeting (February 11, 2021)
- Appendix E: Resolutions of Intent to Reorganize (April 13, 2021)
- Appendix F: Timeline and Benchmarks (Updated April 26, 2021)
- Appendix G: Reorganization Subcommittee Meeting Notes

As you will see in the letters from Luke McCann, Superintendent of Laguna Joint and Lincoln Union School Districts, the Lincoln Union and Laguna Joint School Districts have been working collaboratively on the pursuit of "a reorganization" of their districts in anticipation of the eminent lapsation of Lincoln Union School District.

Role of the County Committee

1. Lapse the Lincoln Union School District

   Education Code 35780(a), "A school district that has been organized for more than three years shall be lapsed as provided in this article if the number of registered electors in the school district is less than six or **if the average daily attendance of pupils in the school or schools maintained by the school district is less than six in grades 1 through 8**…" As you will see in the documentation attached, and as outlined in the Lincoln Union to Laguna

Joint School District Fact Sheet, the Lincoln Union School District has less than six average daily attendance during the 2020-21 school year.

2. Annex the Lincoln Union School District

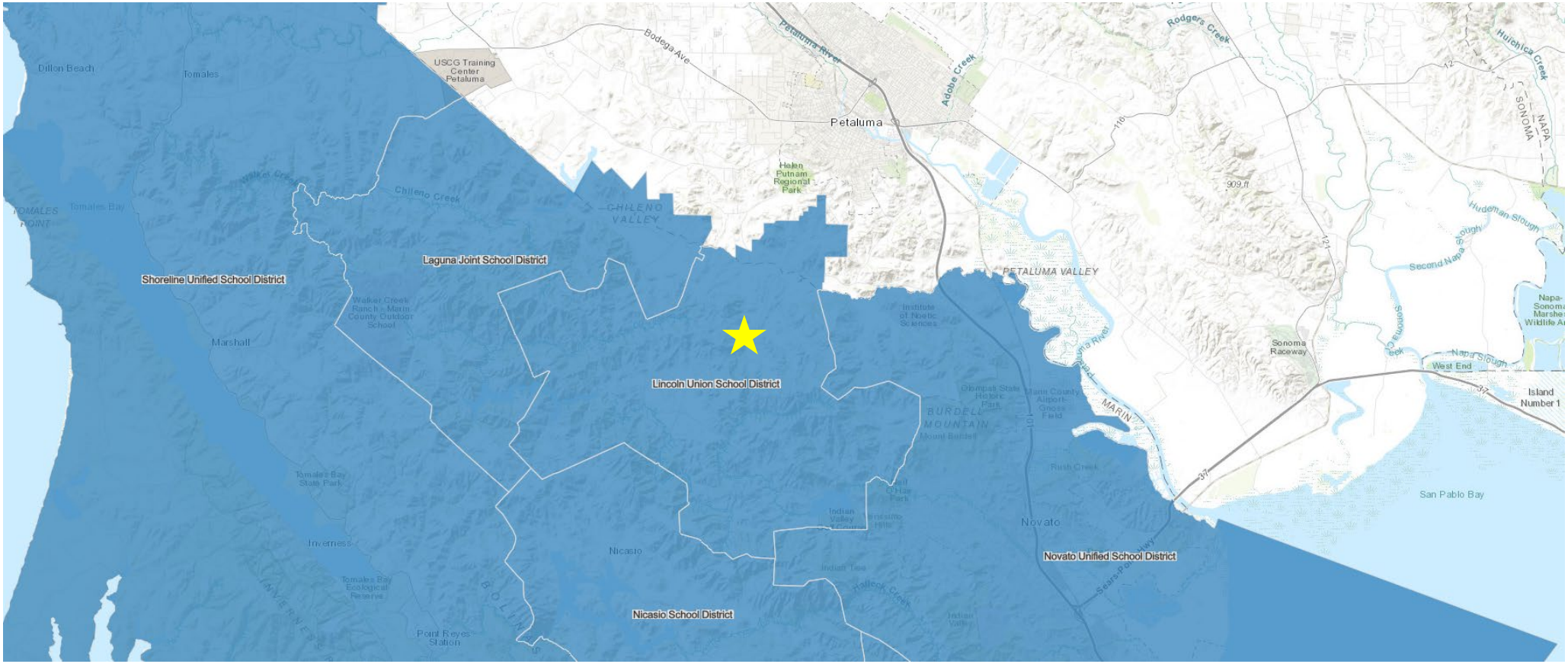
   Education Code 35780 states that "after the hearing, and at least 30 days before the end of the school year, **the county committee shall order the territory annexed to one or more adjoining districts as seems to the county committee to be in the best interest of the adjoining districts and the residents of the lapsed district."**

Adjoining School Districts

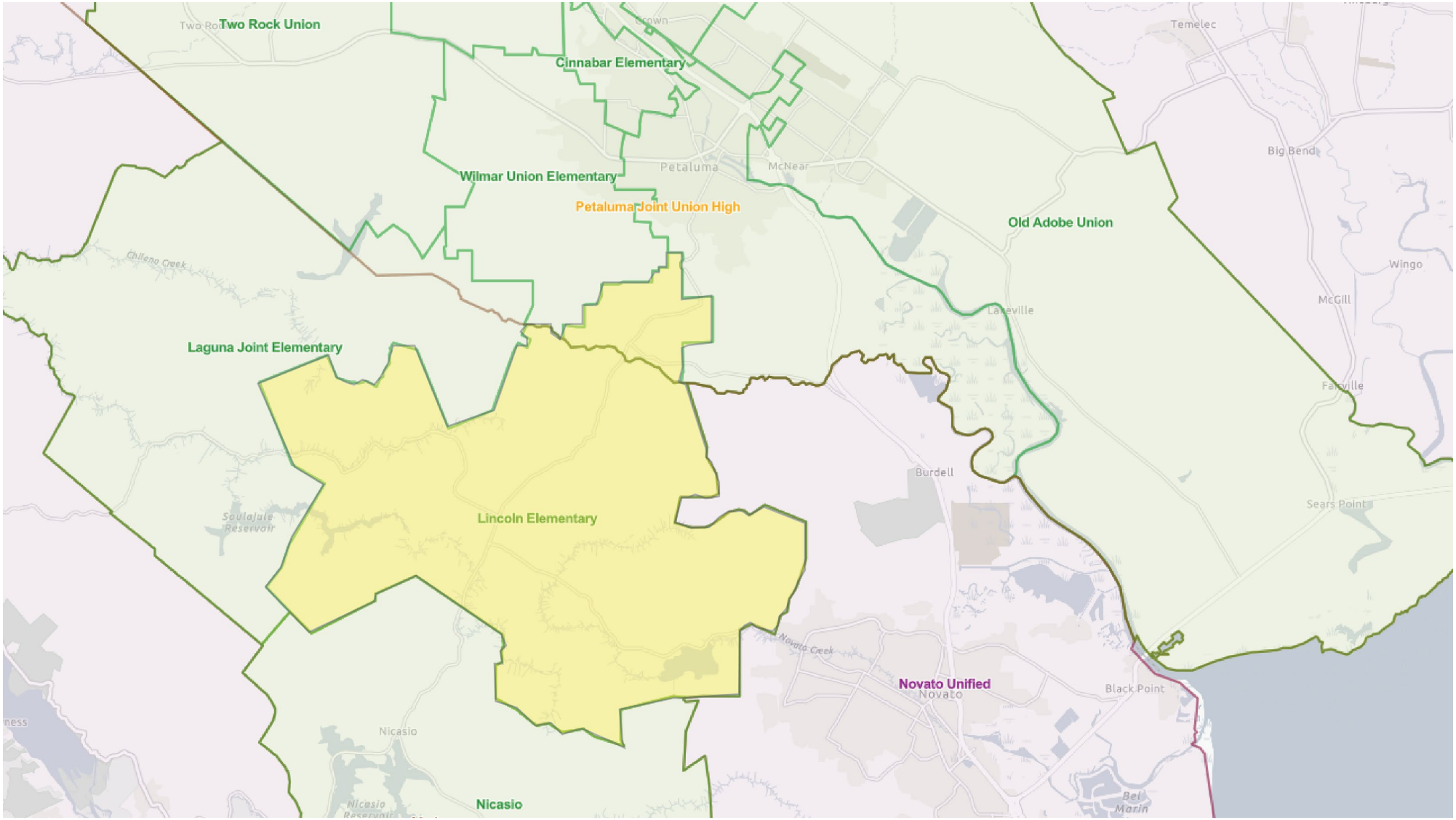
- Laguna Joint School District
- Nicasio School District
- Novato Unified School District
- Petaluma City Schools District
- Wilmar Union School District

For the County Committee's reference, below are maps of all adjoining districts.

Marin County Districts



Marin and Sonoma County Districts



Unadopted Meeting Minutes of the Annual Organizational Meeting (November 5, 2020)

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MARIN COUNTY OFFICE OF EDUCATION
1111 Las Gallinas Avenue/P. O. Box 4925, San Rafael, CA 94913

MARIN COUNTY COMMITTEE ON SCHOOL DISTRICT ORGANIZATION
Annual Organizational Meeting
November 5, 2020
6:00 p.m.

Meeting Minutes

The Annual Organizational Meeting of the Marin County Committee on School District Organization (CCSDO) was held on **November 5, 2020, 6:00 p.m**., via Zoom.

1. Call to Order — Ms. Crockett

Chairperson Crockett called the meeting to order at 6:06 p.m. via Zoom.

Chairperson Crockett reviewed Zoom meeting format.

Chairperson Crockett stated that the purpose of meeting is to hold the annual organizational meeting for the Marin County Committee on School District Organization, to administer the oath of office to newly elected representatives for Districts 1, 2, and 4 due to term expirations, and to elect the Chairperson and Vice-Chairperson.

2. Attendance/Introductions — Ms. Crockett

Committee Members by Roll Call — Ms. Mares

2a Members present/absent:

Committee Member	**Present Y/N**
Karen Crockett, Chairperson (District #1)	Yes
Stephanie O'Brien, Vice Chairperson (Member At-Large)	No
Kathy Ohm (District #1)	No
Stuart Tanenberg (District #2)	Yes
Elizabeth Robbins (District #2)	Yes
Robin Moses (District #3)	Yes
Raoul Wertz (District #3)	No
Jim Lino (District #4)	No
Richard Sloan (District #4)	No
Debbie Butler (District #5)	Yes
Derek Knell (District #5)	Yes

A roll call vote indicated that a quorum of six (6) was present.

DRAFT

Staff members present: Terena Mares, Secretary Designee
Mary Snell, Recorder

Secretary Designee, Ms. Mares administered the Oath of Office

Ms. Mares

Oath of Office administered to

- District 2 elected member, Stuart Tanenberg

Ms. Mares announced that Kathy Ohm and Richard Sloan would give their oaths of office at a later date.

ACTION ITEMS

4. Consider Approval and Adoption of Agenda Ms. Crockett

Chairperson Crockett asked if there was anyone wishing to address the Committee on items not listed on the agenda.

No members wished to address the Committee at this time.

Motion to approve the November 5, 2020 agenda:
Mr. Tanenberg approved Agenda as submitted.
Ms. Robbins seconded approval of Agenda as submitted.
Motion carried: Aye 6 No 0 Abstain 0 Absent 5

5. Consider Approval of Minutes, CCSDO Meetings of April 15, 2020 Ms. Crockett

Motion to approve the Minutes of April 15, 2020:
Mr. Knell approved Minutes of April 15, 2020 as submitted.
Mr. Tanenberg seconded approval of Minutes of April 15, 2020 as submitted.
Motion carried: Aye 6 No 0 Abstain 0 Absent 5

6. Election of Officers

Ms. Crockett nominated Stephanie O'Brien as new Chairperson.
Mr. Tanenberg seconded nomination.
Nomination carried: Aye 6 No 0 Abstain 0 Absent 5

Ms. Moses nominated Karen Crockett at new Vice Chairperson.
Mr. Tanenberg seconded nomination.
Nomination carried: Aye 6 No 0 Abstain 0 Absent 5

DRAFT

OTHER ITEMS

7. LAFCO Notices Received — Ms. Mares

LAFCO notices received have been reviewed; it was determined by Legal Counsel that there is no impact on school districts. There is no Committee action required.

8. Report of County Committee Members — Ms. Crockett

No reports from Committee Members.

9. Report of Secretary Designee of County Committees — Ms. Mares

The lapsation of the Lincoln Union School District is moving forward and Lincoln Union will lapse at the end of 2020-21. Once all processes are completed by Lincoln Union School District there will be action needed by the Committee.

Request that the Committee Members confirm two meetings with regard to this lapsation:

Committee confirmed the following two meetings:

April 27 – 6:00pm – Public Hearing. All present Committee Members confirmed date and time; 6-person quorum required.

June 9 – 6:00pm – Committee Meeting. All present Committee Members confirmed date and time; 6-person quorum required.

No other matters have come forward from other districts to report.

ADJOURNMENT

Ms. Crockett adjourned the meeting at 6:26 p.m. — Ms. Crockett

Motion to approve adjournment of meeting:
Mr. Tanenberg approved adjournment of meeting.
Ms. Knell seconded approval of adjournment of meeting.
Motion carried: Aye 6 No 0 Abstain 0 Absent 5

DRAFT

Notification to CCSDO from Luke McCann on behalf of Lincoln Union School District

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LINCOLN UNION SCHOOL DISTRICT

1300 HICKS VALLEY ROAD, PETALUMA, CALIFORNIA 94952
Telephone: 707-763-0045

May 3, 2021

Dear Members of County Committee on School District Organization,

On behalf of the Laguna Joint School District and Lincoln Union School District Boards and respective communities, I am submitting materials and documentation to support your review of our request to annex Lincoln Union School District into the Laguna Joint School District.

As the attached materials will demonstrate, this effort has been over two years in the making and involved several public meetings to obtain input and testimony from affected stakeholders: community members, parents and staff. There has never been an objection/complaint registered on the direction for combining these two "sister" rural school districts during this time.

Early on both boards appointed representatives to a Subcommittee on Reorganization that guided the planning and implementation of this effort. The boards have worked diligently with members of the Marin County Office of Education and California Department of Education to fully comply with all Education Code, State Board of Education requirements in this matter.

The end result has been the passage of unanimous Board Resolutions to combine these two districts so as to advantage the students now and into the future with unique opportunities to be educated in a one room rural school environment.

Board members and staff from both districts will be in attendance at your May 17, 2021 Meeting and look forward to answering questions and providing additional information to support your action on this request for annexation.

Sincerely,

Luke McCann

Luke McCann
Superintendent Laguna Joint and
Lincoln Union School Districts

Notification to CCSDO from Luke McCann on behalf of Laguna Joint School District

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LAGUNA SCHOOL

2657 CHILENO VALLEY ROAD, PETALUMA, CALIFORNIA 94952
Telephone: 707-752-6051

May 3, 2021

Dear Members of County Committee on School District Organization,

On behalf of the Laguna Joint School District and Lincoln Union School District Boards and respective communities, I am submitting materials and documentation to support your review of our request to annex Lincoln Union School District into the Laguna Joint School District.

As the attached materials will demonstrate, this effort has been over two years in the making and involved several public meetings to obtain input and testimony from affected stakeholders: community members, parents and staff. There has never been an objection/complaint registered on the direction for combining these two “sister” rural school districts during this time.

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The end result has been the passage of unanimous Board Resolutions to combine these two districts so as to advantage the students now and into the future with unique opportunities to be educated in a one room rural school environment.

Board members and staff from both districts will be in attendance at your May 17, 2021 Meeting and look forward to answering questions and providing additional information to support your action on this request for annexation.

Sincerely,

Luke McCann

Luke McCann
Superintendent Laguna Joint and
Lincoln Union School Districts

Lincoln Union to Laguna Joint School District Fact Sheet

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PROPOSED REORGANIZATION BY LAPSATION OF LINCOLN UNION TO LAGUNA JOINT SCHOOL DISTRICT FACT SHEET updated April 28, 2021

INTRODUCTION

Lincoln Union School District (Lincoln Union) was renamed after the Lincoln School District became the receiving district in an action by the County Committee on School District Organization lapsing the Union School District on July 1, 2018. Lincoln Union operates a single school located in West Marin and Southern Sonoma counties serving a current enrollment of ten (10) students, (5) five of whom reside within Lincoln Union's attendance boundaries and the remaining five (5) attend on inter-district transfers.

Laguna Joint District (Laguna) is a single school district that shares its eastern border with Lincoln-Union School District. Laguna currently serves 20 students, 15 of whom reside within Laguna's attendance boundaries and the remaining 5 attend on inter-district transfers.

Both districts are staffed with a full-time principal/teacher and a full time classroom aide. Business and Superintendent services are provided by the Marin County Office of Education for a nominal annual fee. Custodial and maintenance services are performed by independent contractors. Laguna contracts with Petaluma City Schools to participate in the national school lunch program, there are currently no low income students attending Lincoln Union. Transportation services from home to school are not provided.

Lincoln Union's facilities comprise two (2) original one-room schoolhouses constructed in the 1800s. The title to the facilities and land is recorded to Union School District and to Lincoln School District respectively. Laguna's facilities similarly comprise a schoolhouse dating back to the 1800s however, Laguna's facilities were expanded in the 1900s to add a second classroom. Laguna holds title to the building and associated land.

ENROLLMENT, ATTENDANCE AND LAPSATION

Lincoln Union's student enrollment fell to four (4) students in 2018-19 which, absent any action, would have triggered education code requiring the County Committee on School District Organization to lapse the District at the close of the fiscal year. Lincoln Union requested a waiver of Education Code to allow the District to continue to operate with fewer than six (6) students in grades one (1) through six (6). The waiver was approved for both 2018-19 and 2019-20. Despite Lincoln Union's efforts at recruiting students into the District, enrollment remained below six (6) through 2019-20.

In Spring 2020, schools were closed in response to the COVID-19 pandemic. The adoption of the state budget for 2020-21 was accompanied by temporary rules for attendance accounting due to the continuing impact of the pandemic. The temporary rules eliminated traditional attendance accounting and provided that 2019-20 attendance would serve as the attendance for 2020-21. As a result, although student enrollment has grown in 2020-21, Lincoln Union's certified attendance for 2020-21 is less than the minimum six (6) students needed to prevent automatic lapsation at the close of the 2020-21 fiscal year.

LOCAL CONTROL FUNDING FORMULA AND NECESSARY SMALL SCHOOL FUNDING

All three (3) rural districts – Laguna, Lincoln and Union school districts were funded under the 'necessary small school' funding formula which provided block grant funding as averse to per student funding. The Local Control Funding Formula imposed some new distance eligibility requirements on necessary small schools. None of the rural districts met the new eligibility requirements to qualify for necessary small school funding detailed in Education Code Section 42283 as the pupils served by the districts had other school attendance options as close or closer to their homes.

LOCAL CONTROL FUNDING FORMULA AND FLAT FUNDING

The Local Control Funding Formula (LCFF) ensured that no district would receive less funding going forward than it received in 2012-13. While the held-harmless provision prevented a catastrophic loss of funding, it is nonetheless, approximately 20% less than was received by the districts before the recession that began in 2008-09. When Lincoln received Union Joint District the entire held harmless funding base was also transferred to Lincoln and as a result the Lincoln Union District receives sufficient funding to operate a single site and show a budgetary surplus.

For the first few years of the new funding formula, Laguna Joint District was apportioned significant additional funding above the held harmless level, due to Laguna's student population reflecting a high percentage of students identified as either Low-Income, English Learner or Foster Youth. Unfortunately, beginning in 2016-17, Laguna's student population began to decline with a commensurate drop in funding such that Laguna has been operating on flat held harmless funding since 2018-19 and, as a result, has been deficit spending at an unsustainable rate.

DEFICIT SPENDING

The Lincoln Union school district is able to maintain a balanced budget with a surplus as it is receiving the funding for two necessary small schools but operating a single school site.

As noted above, Laguna has been deficit spending as it is operating on flat funding. While Laguna had reserves equal to 360% of the operating budget ten years ago, in the ensuing years a high-cost special education placement increased the district's budget by over 20% for a sustained number of years causing significant deficit spending. The increase in expenditures was accompanied by a steady decline in revenues due to enrollment loss. The effect of multiple years of deficit spending is that the District's reserves have been steadily diminishing.

Despite efforts to balance the budget, Laguna's board self-certified the 2019-20 second interim budget as "qualified" meaning the district may not be able to meet all obligations in the current or subsequent two fiscal years.

PROPOSED REORGANIZATION BY LAPSATION OF LINCOLN UNION TO LAGUNA JOINT SCHOOL DISTRICT FACT SHEET updated April 28, 2021

FORMATION OF A JOINT SCHOOL DISTRICT REORGANIZATION SUBCOMMITTEE

Lincoln Union and Laguna held a joint board meeting on February 11, 2020 to begin exploration of a possible consolidation of the two (2) districts. A fiscal oversight report from the Marin County Superintendent of Schools identified the going concern threats facing both districts:

Lincoln Union would need to explore additional State Board of Education action to prevent automatic lapsation on June 30, 2021 and Laguna would need to find a remedy to deficit spending by June 30, 2021 or face a disapproved budget for 2021-22. In short, both districts needed to take action to ensure continuing operations.

At the conclusion of the meeting, the Boards of both Lincoln Union and Laguna unanimously decided to proceed in a partnership to explore the potential of reorganizing into a single school district. To that end Dan Hess was appointed by the Laguna Board to a joint reorganization subcommittee. At the subsequent meeting of Lincoln Union's Board on March 17, 2020, Jim Grossi was appointed by the Lincoln Union Board to the subcommittee. The materials from the February 2020 joint board meeting are included as Appendix A.

REORGANIZATION PROCESS

The reorganization subcommittee met on April 8, 2020 to discuss the various ways in which school districts can reorganize and to develop a timeline with benchmark dates to conclude the process by July 1, 2021. A full report was made to both Boards on April 21, 2020. An additional joint board meeting was held on July 14, 2020 that included a report and discussion of the reorganization process.

Over the summer of 2020, the Boards composed a joint letter inviting their respective communities to public hearings for the Boards to take public input on a proposed reorganization of the two (2) districts. The letter was mailed to all registered voters in both districts to notify the public of the public hearings to be held in both districts on September 1, 2020. The presentation included a review of the conditions leading to the proposed reorganization, each district's boundaries and other contiguous districts, and the timeline of events should the reorganization proceed. No opposition to the plan was voiced at either of the public hearings on the proposed reorganization. With no community opposition and both Boards in agreement, both Boards took action by resolution at their September 8, 2020 meetings to commit to partnering in a reorganization by requesting the annexation of Lincoln Union to Laguna in an action by the County Committee on School District Organization to lapse Lincoln Union.

The public hearing materials are included as Appendix B and the resolutions of intent to reorganize comprise Appendix C.

REORGANIZATION SUBCOMMITTEE

The Reorganization Subcommittee was tasked with reviewing the elements of a reorganization and advising the Boards of any necessary action to ensure a smooth transition. The committee established a monthly meeting schedule to meet one (1) week prior to the regularly scheduled board meeting with the members reporting back to their respective Boards each month.

The reorganization committee meetings were focused on the elements as identified below with each meeting starting with a review of previous elements discussed and any remaining follow up before moving to the new elements slated for that month:

November 4, 2020	Reorganization Process & Board membership
December 2, 2020	Board Policies, District Naming
January 6, 2021	Personnel – Salary & Seniority Considerations & Real Property
February 3, 2021	Joint Powers Agreements, Outstanding Liabilities, Records
March 3, 2021	Maintaining Viability – fiscal sustainability

The subcommittee has continued to meet monthly to finalize each of these elements. Reorganization subcommittee meeting minutes through April 2021 are included as Appendix D.

BOARD ACTIONS TO PREPARE FOR THE PROPOSED REORGANIZATION
Since adopting the resolutions of intent to reorganize in September 2020, the District Boards:

- Held a Joint Board meeting on October 13, 2020 to obtain information regarding elements of consideration in a reorganization of school districts from School & College Legal Services.
- Have included reports from the reorganization subcommittee as a standing board agenda item.
- Have included district naming as a standing board agenda discussion item.
- Held a Joint Board meeting on February 3, 2021 to discuss the District Name and form the reorganization plan addressing each of the elements of consideration.
- Held public hearings on February 9, 2021 to take public input on the reorganization plan. There was no public opposition in either district.
- Have each adopted a reorganization plan by resolution at their April 13, 2021 board meetings.

The presentation made at the public hearings held on February 9, 2021 is included as Appendix E.
The Reorganization Plan resolutions from both Districts are included as Appendix F.

LAGUNA BOARD ACTIONS TO PREPARE FOR THE PROPOSED REORGANIZATION
As outlined in the reorganization plan, to ensure adequate board seats to allow representation from all three (3) communities that will comprise the District on July 1, 2021, should the County Committee on School District Organization approve the annexation of Lincoln Union to Laguna, the Laguna Board held a public hearing at their regularly scheduled board meeting in March 2021 to take public input on increasing the board membership from three (3) to five (5) members and requesting waiver of education code relative to election requirements. There was no public opposition to the Board's proposed action.

The Laguna Board took action at their April 13, 2021 meeting to adopt said resolution. Staff subsequently submitted a waiver request to the California Department of Education for placement on the State Board of Education July 2021 agenda.

PROPOSED REORGANIZATION BY LAPSATION OF LINCOLN UNION TO LAGUNA JOINT SCHOOL DISTRICT FACT SHEET updated April 28, 2021

TIMELINE WITH BENCHMARKS

A timeline with benchmark actions has been used to manage the many board meetings, joint meetings, public hearings, subcommittee meetings, and preparation for requesting the annexation of Lincoln Union to Laguna in an action by the County Committee on School District Organization. The timeline has also been extended into the new fiscal year to identify the actions and processes to ensure the collaborative process undergone by the Lincoln Union and Laguna School Districts results in a fully represented and sustainable district. The timeline was most recently updated on April 26, 2021 and is provided as Appendix G.

NEXT STEPS

The County Committee on School District Organization have planned a public hearing relative to the lapsation of the Lincoln Union District to be held on May 17, 2021. All board members from both Lincoln Union and Laguna plan on attending the public hearing to give testimony and be available to answer any questions the County Committee on School District Organization may have. In compliance with the Brown Act both districts will identify May 17, 2021 as a special meeting at which the boards may give testimony and answer questions relative to Lincoln Union's lapsation.

Appendix A:
Public Hearing Presentation
(September 1, 2020)

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Laguna Joint & Lincoln Union School Districts

PUBLIC HEARING ON PROPOSED REORGANIZATION

SEPTEMBER 1, 2020

Laguna Joint School District * 2657 Chileno Valley Road * Petaluma CA 94952

Summer, 2020

Dear Residents of the Laguna Joint School District,

After 114 years of providing quality education to generations of Chileno Valley area children, Laguna School is facing a difficult decision. For the last decade, declining enrollment has been affecting schools throughout California. That, coupled with very high special education costs, has depleted the school's financial reserves such that Laguna will be unable to continue operation after the 2020-2021 school year. Your school board has made repeated efforts to increase enrollment by attracting out-of-district students to improve our ADA (Average Daily Attendance) funding. Unfortunately, this effort has not produced results that will reverse the trend.

Lincoln School
ONE ROOM SCHOOLHOUSE

1300 Hicks Valley Rd.
Petaluma, CA 94952-9407
(707) 763-0045 phone
Info@lincoln-unionschool.org
Lincoln-unionschool.org

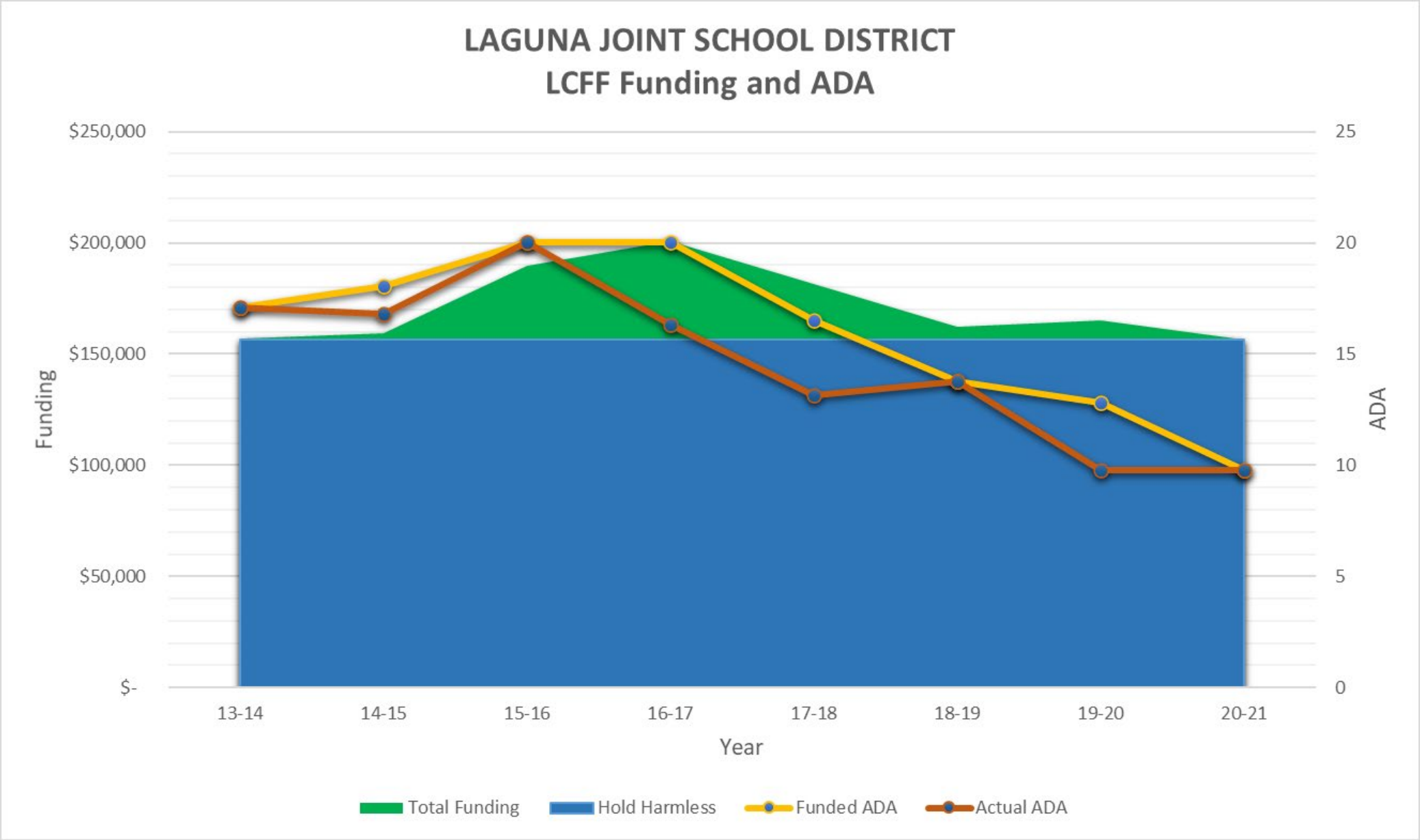
July 31, 2020

To Residents of the Lincoln Union School District,

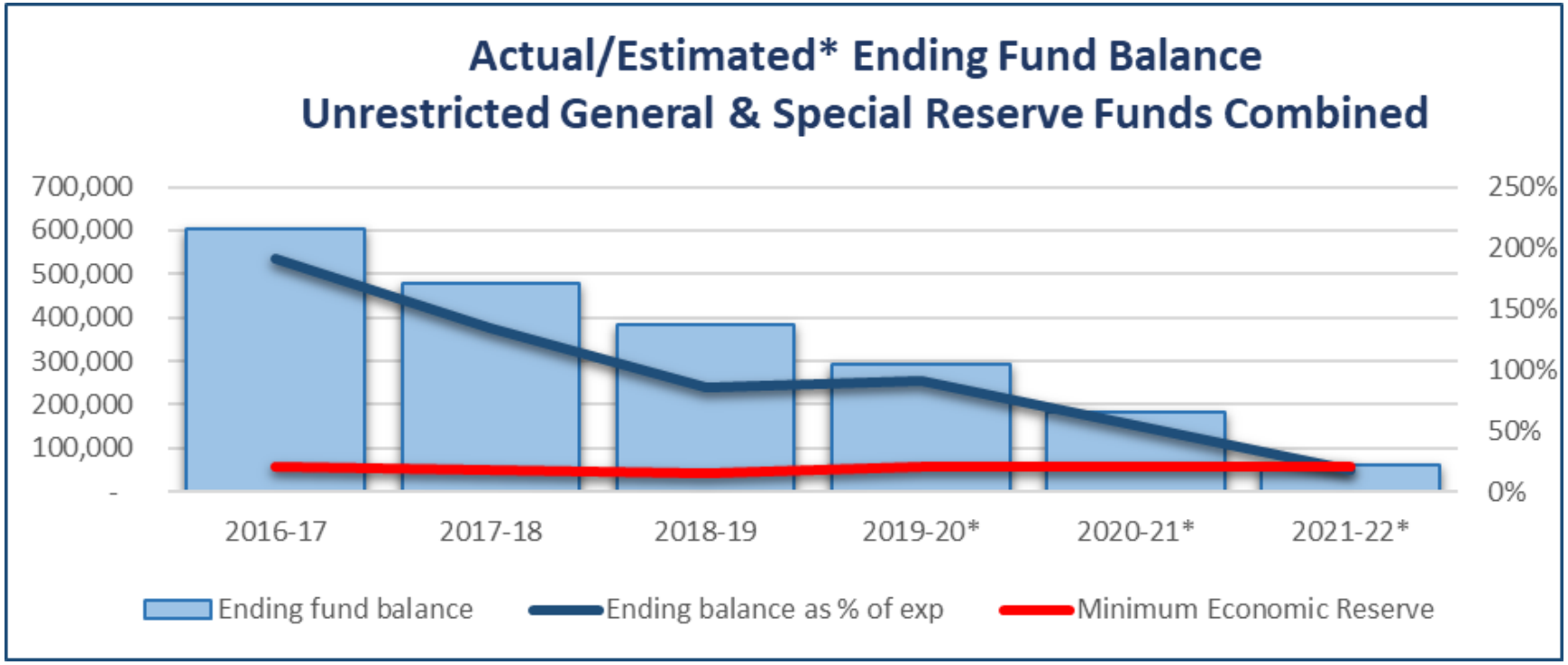
Lincoln Union School District is facing a difficult decision. For the last decade, declining enrollment has been affecting schools throughout California. Our Board and Staff have made a concerted effort over the past two years to attract additional students, with minimal success. The Board of Trustees has made repeated efforts to increase enrollment by attracting students to improve our Average Daily Attendance (ADA). This included a major upgrading of the facility and conducting a concentrated marketing effort. Unfortunately, this effort has not produced results that will reverse the trend. That, along with the State of California Office of Education's decision to not increase our revenue beyond that provided in 2012/2013 makes it impossible to continue operation after the 2020-2021 school year. Our District has been fiscally responsible over the past several years which has resulted in a more than sufficient reserve, but our student enrollment is not sufficient, by state codes, to keep the school open beyond the 2020/2021 school year.

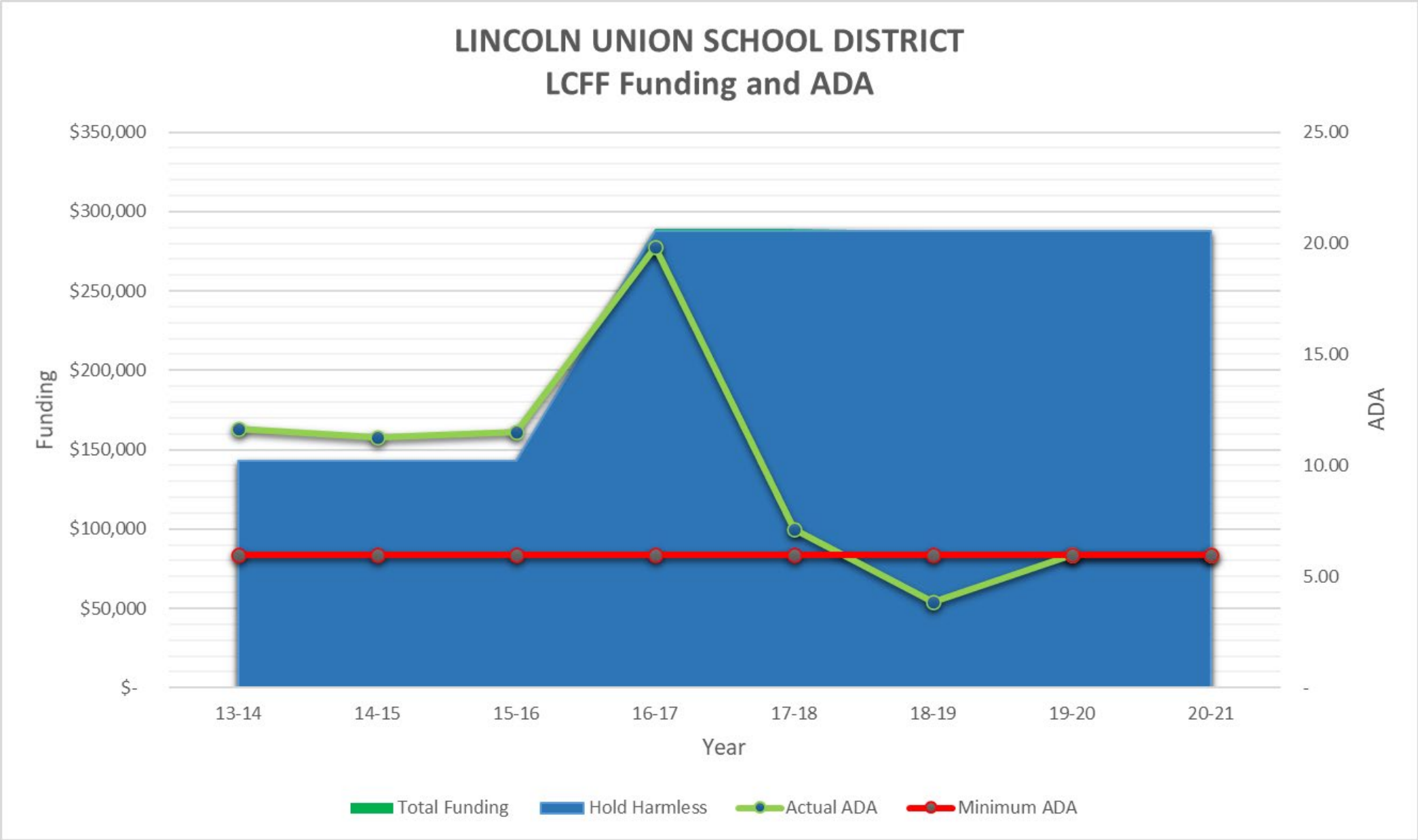
Letters to the Community

As a result, your school board is exploring the idea of a merger to create a single school district. This plan would allow both schools to remain open and continue to serve the needs of both groups of students. Our two (2) districts do not presently have any Bonding, Parcel Taxes or other forms of taxation and this merger will not affect that status.

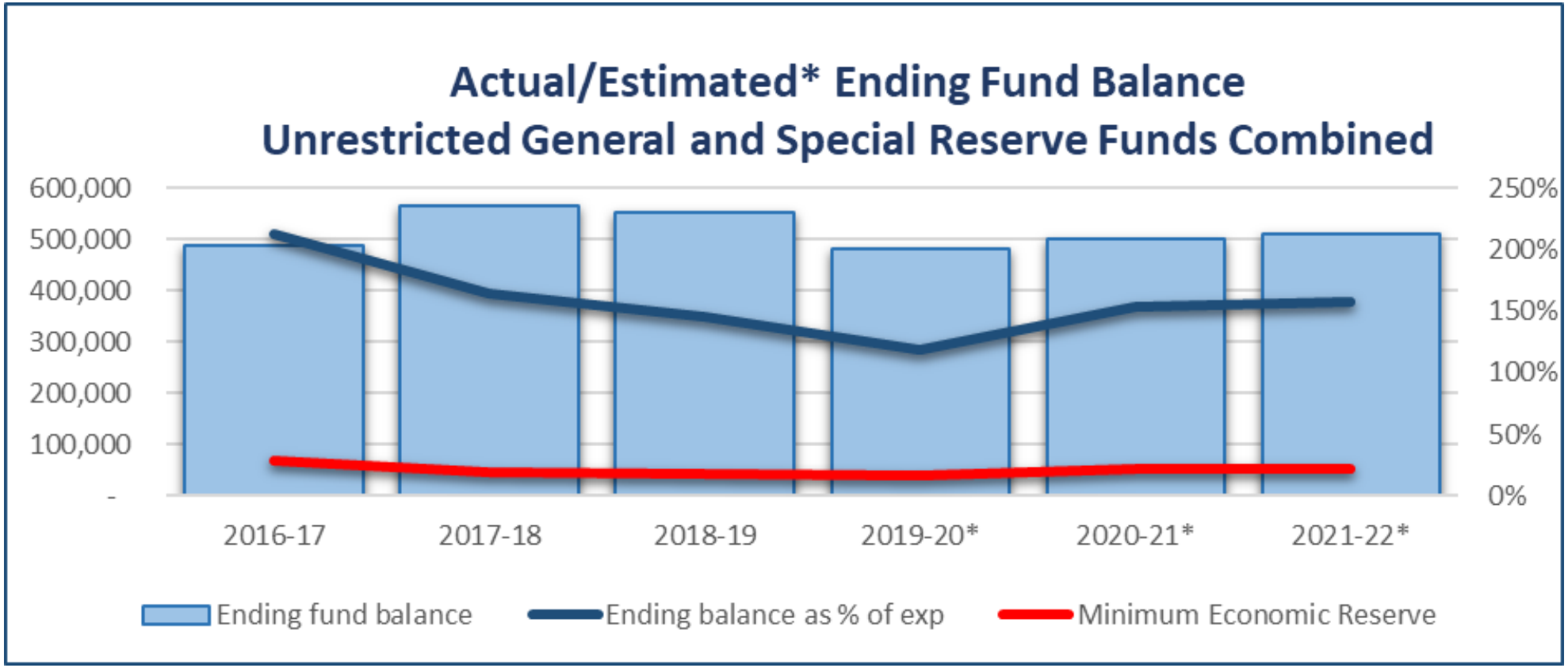

LAGUNA JOINT SCHOOL DISTRICT
LCFF Funding and ADA
$250,000
$200,000
$150,000
$100,000
$50,000
$-
Funding
25
20
15
10
5
0
ADA
13-14
14-15
15-16
16-17
17-18
18-19
19-20
20-21
Year
Total Funding
Hold Harmless
Funded ADA
Actual ADA

Laguna Joint School District Reserves



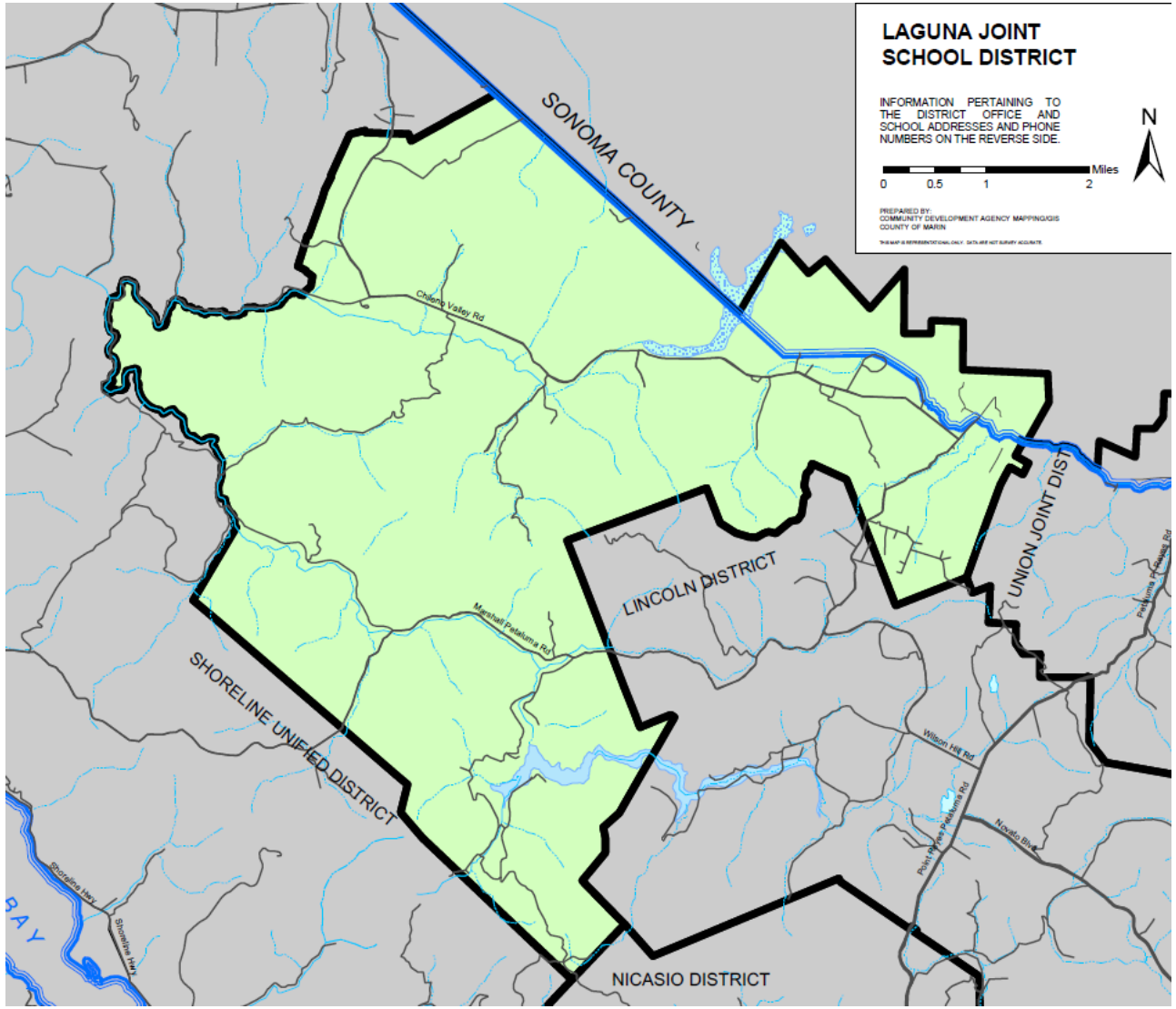

LINCOLN UNION SCHOOL DISTRICT
LCFF Funding and ADA
$350,000
$300,000
$250,000
$200,000
$150,000
$100,000
$50,000
$-
Funding
25.00
20.00
15.00
10.00
5.00
-
ADA
13-14
14-15
15-16
16-17
17-18
18-19
19-20
20-21
Year
Total Funding
Hold Harmless
Actual ADA
Minimum ADA

Lincoln Union School District Reserves



Operating two schools after reorganization

	Laguna	Lincoln Union	Total	Reorg Changes	Reorganized District
Revenue	208,231	317,295	525,526	(17,885)	507,641
Operating 2 Schools					
Teacher/Aide each site	169,447	171,174	340,621	-	340,621
Other Costs	132,416	102,203	234,619	(34,000)	200,619
Total Expenditures	301,863	273,377	575,240	(34,000)	541,240
Surplus/(Deficit)	(93,632)	43,918	(49,714)	16,115	(33,599)


LAGUNA JOINT
SCHOOL DISTRICT
INFORMATION PERTAINING TO THE DISTRICT OFFICE AND SCHOOL ADDRESSES AND PHONE NUMBERS ON THE REVERSE SIDE.
N
Miles
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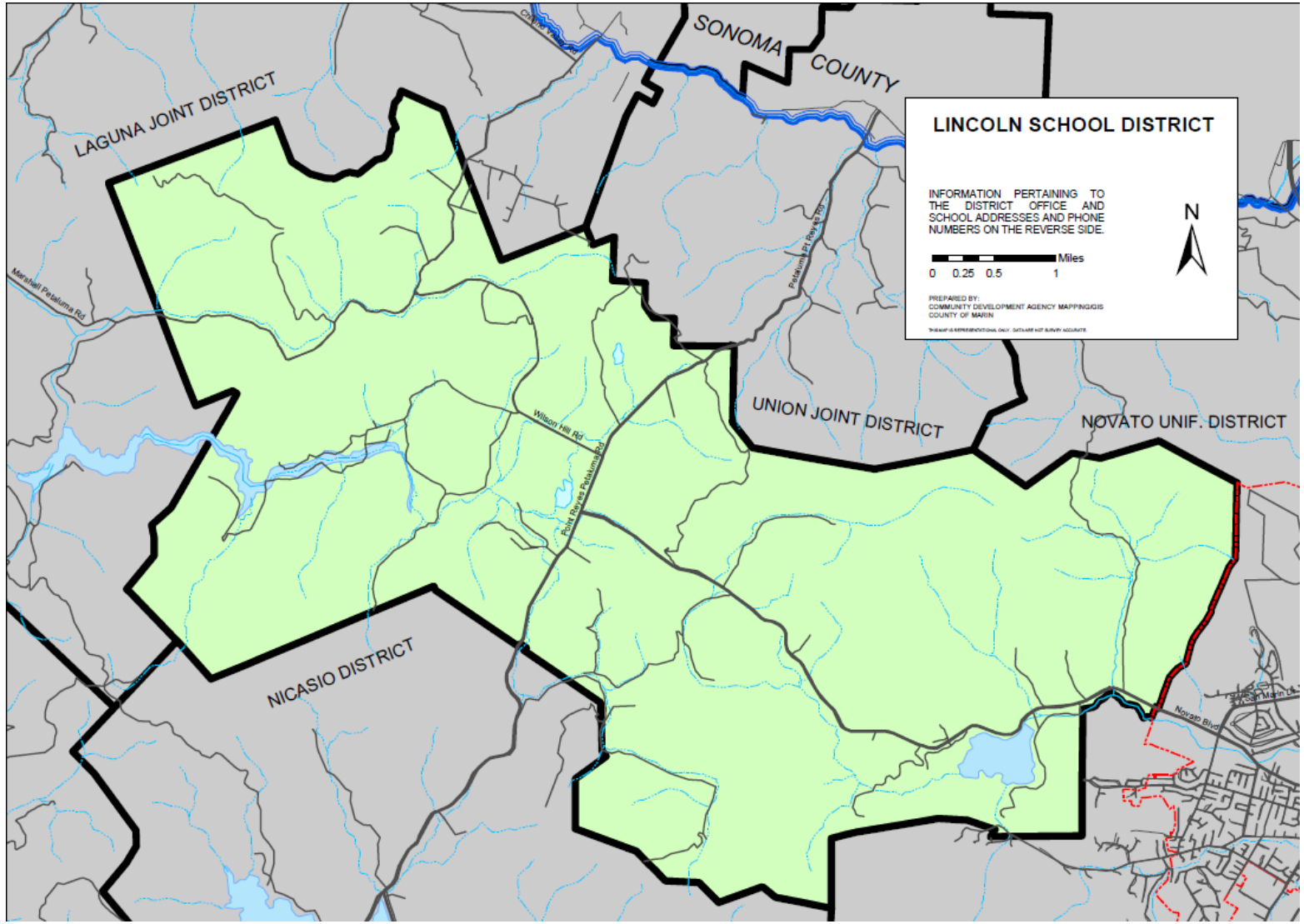
0.5
1
2
PREPARED BY:
COMMUNITY DEVELOPMENT AGENCY MAPPING/GIS
COUNTY OF MARIN
SONOMA COUNTY
Chileno Valley Rd
Marshall Petaluma Rd
LINCOLN DISTRICT
UNION JOINT DIST
SHORELINE UNIFIED DISTRICT
Wilson Hill Rd
Point Reyes Petaluma Rd
Novato Blvd
Shoreline Hwy
NICASIO DISTRICT


LINCOLN SCHOOL DISTRICT
INFORMATION PERTAINING TO THE DISTRICT OFFICE AND SCHOOL ADDRESSES AND PHONE NUMBERS ON THE REVERSE SIDE.
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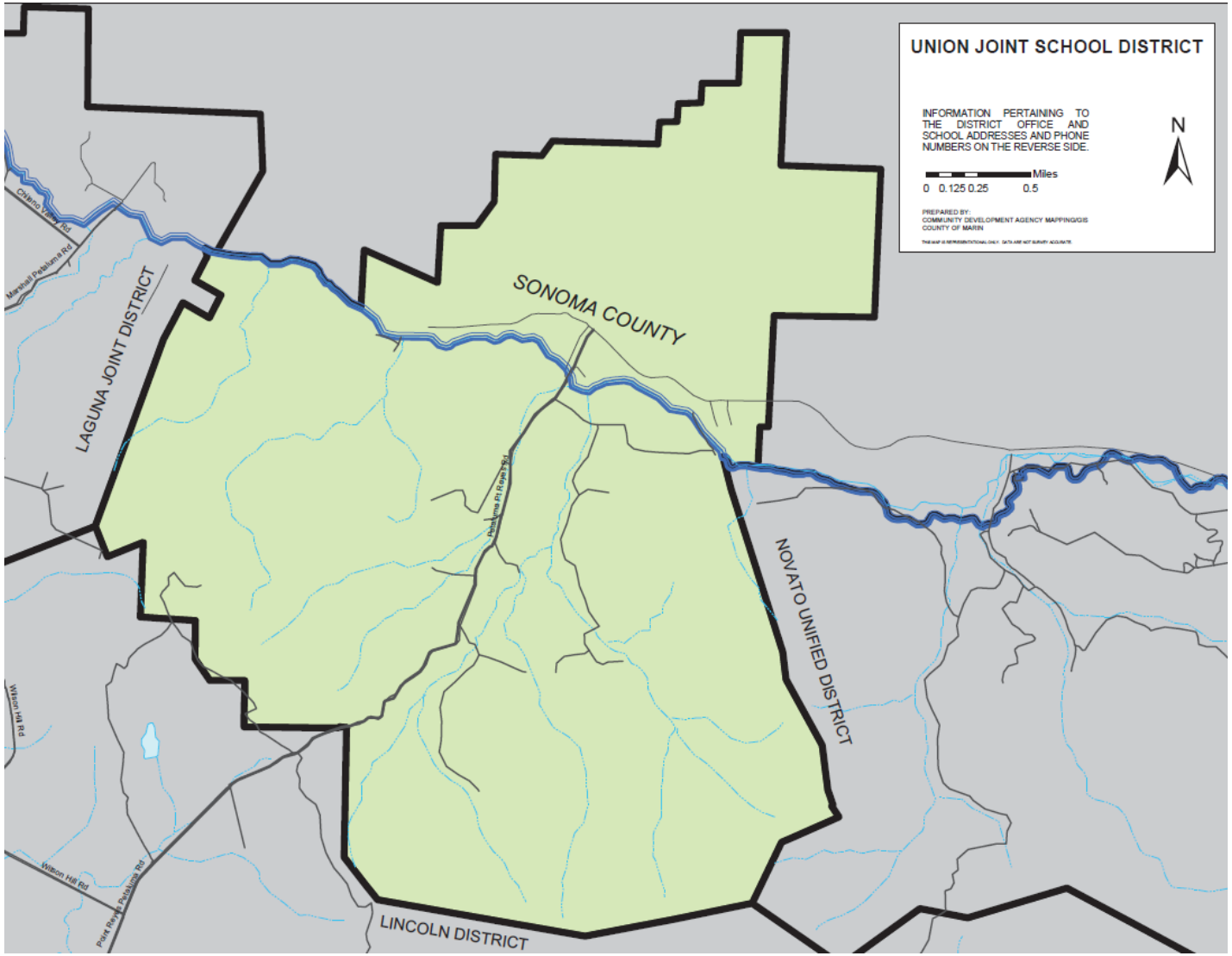
PREPARED BY:
COMMUNITY DEVELOPMENT AGENCY MAPPING/GIS
COUNTY OF MARIN
SONOMA COUNTY
LAGUNA JOINT DISTRICT
UNION JOINT DISTRICT
NOVATO UNIF. DISTRICT
NICASIO DISTRICT
Marshall Petaluma Rd
Wilson Hill Rd
Point Reyes Petaluma Rd
Petaluma Pt Reyes Rd
Novato Blvd


UNION JOINT SCHOOL DISTRICT
INFORMATION PERTAINING TO THE DISTRICT OFFICE AND SCHOOL ADDRESSES AND PHONE NUMBERS ON THE REVERSE SIDE.
Miles
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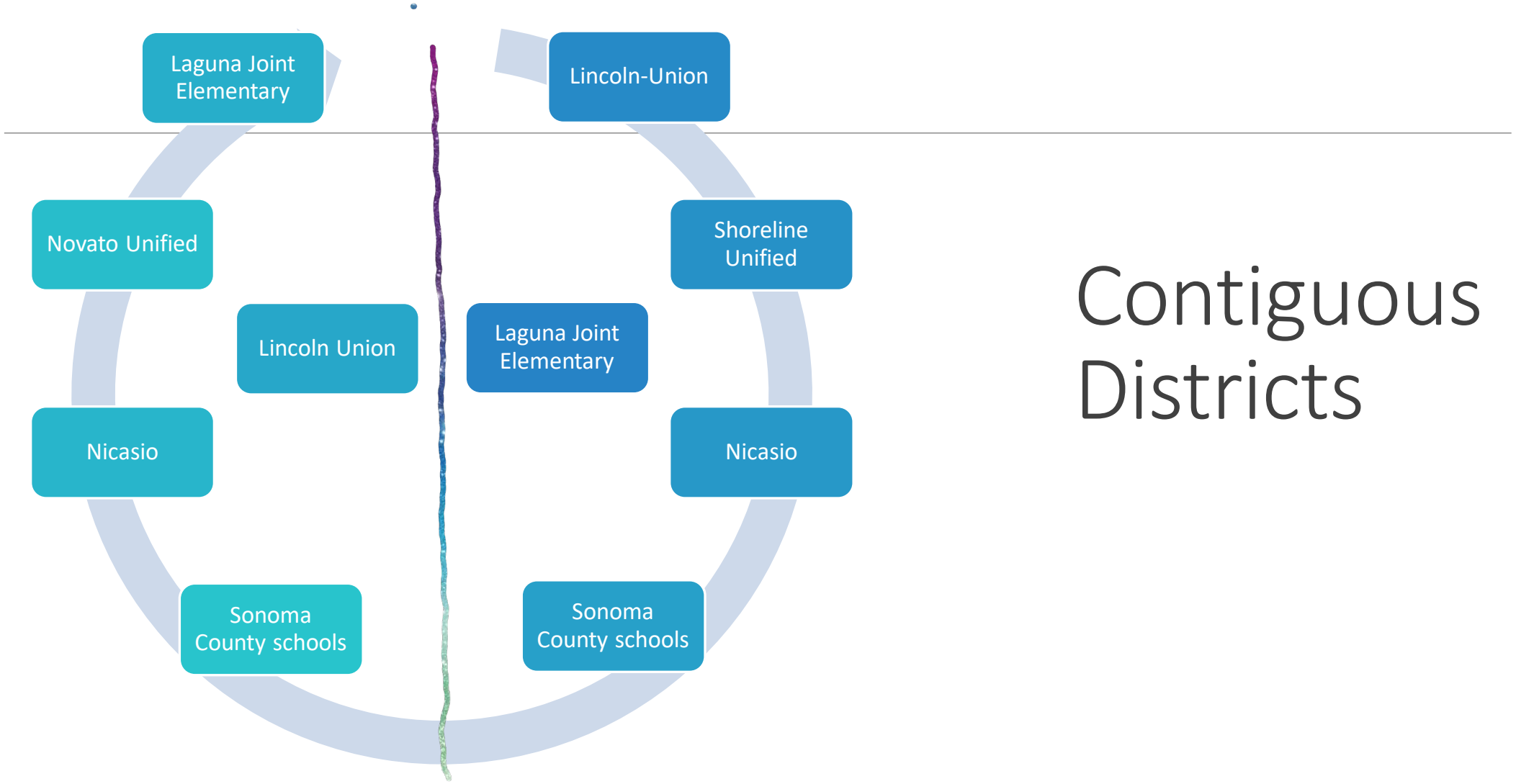
PREPARED BY:
COMMUNITY DEVELOPMENT AGENCY MAPPING/GIS
COUNTY OF MARIN
SONOMA COUNTY
LAGUNA JOINT DISTRICT
NOVATO UNIFIED DISTRICT
LINCOLN DISTRICT
Chileno Valley Rd
Marshall Petaluma Rd
Petaluma Pt Reyes Rd
Wilson Hill Rd
Point Reyes Petaluma Rd



Contiguous Districts

General Obligation Bonds & Parcel Taxes

District	GO Bond	Parcel Tax
Laguna Joint	None	None
Lincoln	None	None
Novato Unified	✓	$ 251.00
Shoreline Unified	✓	$ 212.16
Nicasio	✓	$ 664.80
Sonoma Co Schools	✓	✓

Laguna Joint / Lincoln Union Reorganization TimeLine and Benchmarks - *revised 8* -26-2020

February 11, 2020	March 17, 2020	April 9, 2020	April 21, 2020	July 14, 2020	Summer 2020
Joint Board Meeting Discussion of Conditions at each district Action taken to appoint Dan Hess to reorganization committee by Laguna Board Resources Provided Fiscal Analysis of alternate operating models including Background conditions for each district and Budget & MYP Scenarios	Board Meetings Lincoln-Union Action taken to appoint Jim Grossi to the reorganization committee. 2nd Interim budget approved P2 ADA < six (6) Laguna Joint Action taken to approve second interim budget with quaified certification	Reorganization Committee Meeting Discusion of various ways in which reorganization can be effected, options available and timeline for action Resources Provided 1-Reorganization flowcharts prepared for Union's reorganization. 2-Reorganization Handbook 3-Reorganization in more than one county 4-Effects of school district reorganization	Board meetings 1- Report to full boards on reorganization processes 2. Board Action to set next joint board meeting Resources Provided 1-Petition process & flowchart 2-Lapsation process 3-Timeline and benchmarks 4-Staff support	Joint Board Meeting 1-Report to full boards on State budget 2- Report to full boards on reorganization processes 3 -Board action to give re-org committee and staff direction	Board letters inviting the community to attend a public hearing on a potential reorganization prepared and mailed to all households in both Districts

Laguna Joint / Lincoln Union Reorganization TimeLine and Benchmarks - *revised 8* -26-2020

September 2020	October 2020	JANUARY 2021	FEBRUARY 2021	MARCH 2021	MAY 2021	PROPOSED JULY 2021
Sept 1, 2020 PUBLIC HEARINGS To take public input on proposed reorganization from members of each district's community	Reorganization Commitee Meeting Conduct community outreach to guide recommendations to board on the reorganization plan		**PUBLIC HEARINGS** To take public input on the reorganization plan from members of each district's community	Board Meetings Each Board to consider adoption of a Reorganization Plan by resolution	CCSDO Public Hearing on proposed lapsation reorganization	Districts are reorganized into a single district operating two schools serving a minimum combined total of at least six (6) ADA in grades 1-6
Sept 8, 2020 Board Meetings Each Board to consider approval of a Resolution of Intent to Reorganize	Joint Board meeting To obtain information regarding board membership in a reorganized district	Joint Board meeting To form the reorganization plan: a) Board membership b) Board policies c) Staff/salary considerations d) Land, building & equipment considerations e) Joint Powers Agreements f) Outstanding liabilities g) Records				

Resolution of intent to reorganize

To be considered at public board meetings scheduled for

September 8, 2020

WHEREAS, the Lincoln Union School District (Lincoln Union) and the Laguna Joint School District (Laguna) are both one-room school houses that have been operating since the 19th century serving students in West Marin; and

WHEREAS, Lincoln Union and Laguna share a long history of collaboration; and

WHEREAS, Lincoln Union shares a territory boundary with Laguna; and

WHEREAS, a reorganization of Lincoln Union with Laguna would allow the two districts to pool resources and preserve the historic local option of the one-room school house; and

WHEREAS, Laguna and Lincoln Union held a joint board meeting on February 11, 2020 to discuss conditions at each district and begin consideration of a merger of the two districts; and

WHEREAS, Laguna and Lincoln Union formed a reorganization subcommittee appointing Dan Hess from Laguna and Jim Grossi from Lincoln Union to represent their respective boards; and

WHEREAS, Lincoln Union and Laguna held a joint board meeting on July 14, 2020 at which the boards gave staff direction to provide support to assist the districts to implement a reorganization of the two districts; and

WHEREAS, Lincoln Union and Laguna notified their respective public of public hearings held in each district on September 1, 2020 to guide both governing boards in their consideration of a merger of the two districts; and

THEREFORE, be it resolved the Lincoln Union School District [Laguna Joint School District] does hereby intend to partner with Laguna Joint School District [Lincoln Union School District] in a school district reorganization to take effect on July 1, 2021 pending confirmation by the Marin County Committee on School District Organization.

QUESTIONS AND COMMENTS

If participating by zoom please type your question or comment into the chat box or use the tools to raise your hand to speak

Appendix B:
Reorganization Plan Resolutions
(September 8, 2020)

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LAGUNA JOINT SCHOOL DISTRICT

RESOLUTION NO. 2020-08-09-B

RESOLUTION REGARDING INTENT TO REORGANIZE

WHEREAS, the Lincoln Union School District (Lincoln Union) and the Laguna Joint School District (Laguna) are both one-room school houses that have been operating since the 19th century serving students in West Marin; and

WHEREAS, Lincoln Union and Laguna share a long history of collaboration; and

WHEREAS, Lincoln Union shares a territory boundary with Laguna; and

WHEREAS, a reorganization of Lincoln Union with Laguna would allow the two districts to pool resources and preserve the historic local option of the one-room school house; and

WHEREAS, Laguna and Lincoln Union held a joint board meeting on February 11, 2020 to discuss conditions at each district and begin consideration of a merger of the two districts; and

WHEREAS, Laguna and Lincoln Union formed a reorganization subcommittee appointing Dan Hess from Laguna and Jim Grossi from Lincoln Union to represent their respective boards; and

WHEREAS, Lincoln Union and Laguna held a joint board meeting on July 14, 2020 at which the boards gave staff direction to provide support to assist the districts to implement a reorganization of the two districts; and

WHEREAS, Lincoln Union and Laguna notified their respective public of public hearings held in each district to guide both governing boards in their consideration of a merger of the two districts, and finding no objection from the public; and

THEREFORE, be it resolved the Laguna Joint School District does hereby intend to partner with Lincoln Union School District in a school district reorganization to take effect on July 1, 2021 pending confirmation by the Marin County Committee on School District Organization.

AYES: 3

NOES: 0

ABSENT: 0

Sharon Hess, Board President
Laguna Joint School District

September 8, 2020

Date

ATTEST: DocuSigned by: Jim Lanatti
E2D82DC0BA264C4...

Jim Lanatti, Clerk
Laguna Joint School District

LINCOLN UNION SCHOOL DISTRICT

RESOLUTION NO. 0908-2020-02

RESOLUTION REGARDING INTENT TO REORGANIZE

WHEREAS, the Lincoln Union School District (Lincoln Union) and the Laguna Joint School District (Laguna) are both one-room school houses that have been operating since the 19th century serving students in West Marin; and

WHEREAS, Lincoln Union and Laguna share a long history of collaboration; and

WHEREAS, Lincoln Union shares a territory boundary with Laguna; and

WHEREAS, a reorganization of Lincoln Union with Laguna would allow the two districts to pool resources and preserve the historic local option of the one-room school house; and

WHEREAS, Laguna and Lincoln Union held a joint board meeting on February 11, 2020 to discuss conditions at each district and begin consideration of a merger of the two districts; and

WHEREAS, Laguna and Lincoln Union formed a reorganization subcommittee appointing Dan Hess from Laguna and Jim Grossi from Lincoln Union to represent their respective boards; and

WHEREAS, Lincoln Union and Laguna held a joint board meeting on July 14, 2020 at which the boards gave staff direction to provide support to assist the districts to implement a reorganization of the two districts; and

WHEREAS, Lincoln Union and Laguna notified their respective public of public hearings held in each district to guide both governing boards in their consideration of a merger of the two districts; and

THEREFORE, be it resolved the Lincoln Union School District does hereby intend to partner with Laguna Joint School District in a school district reorganization to take effect on July 1, 2021 pending confirmation by the Marin County Committee on School District Organization.

AYES: 3

NOES: 0

ABSENT: 0

James Grossi Digitally signed by James Grossi DN: C=US, E=jim@grossiconsult, O=Grossi Consulting, CN=James Grossi Date: 2020.09.21 10:33:18-07'00'

James Grossi, Jr., Board President
Lincoln Union School District

September 8, 2020

Date

ATTEST:

Janeen Corda Brady, Clerk
Lincoln Union School District

Appendix C:
Public Hearing Presentation
(February 9, 2021)

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Laguna Joint & Lincoln Union School Districts

PUBLIC HEARING ON PROPOSED REORGANIZATION

FEBRUARY 9, 2021

January 2021

Laguna Joint School District
2657 Chileno Valley Road
Petaluma, CA 94952
707/762-6057

Lincoln Union School District
1300 Hicks Valley Road
Petaluma, CA 94952
707/763-0045

To Laguna Joint and Lincoln Union School Districts Communities:

As related in the fall, after more than a century of providing quality education to many generations of children in the areas surrounding our three rural schools - Laguna, Lincoln and Union - we have evaluated the options which will allow our two districts to sustainably continue. Due to changing demographics and budget dictates from the state, the Boards of Trustees of our two Districts, with input from our communities, have concluded that merging the districts is in the best interests of our students, parents and landowners.

After receiving positive community input at special meetings to address restructuring, our two school boards began the process to merge the two school districts. The proposed plan allows both schools to remain open and continue to serve the needs of our students and communities. The proposed new district will also have the option to use Union School in the future. Our two districts do not presently have any Bonding, Parcel Taxes or other forms of taxation and this merger will not have any impact on that status.

Our two Boards are soliciting suggestions from our communities regarding

- Name for the new district,
- Makeup of the new board of trustees,
- Sustainability, and
- Any other issues you feel need to be addressed.

To facilitate this communication, we have scheduled a public hearing during our regular school board meetings on February 9, 2021 at 6:30 pm at Laguna School and 3:30 pm at Lincoln School.

Due to COVID-19 issues, both meetings will be conducted online.

Background

REORGANIZATION OF THE LINCOLN UNION AND LAGUNA JOINT SCHOOL DISTRICTS

February 11, 2020	March 17, 2020	April 9, 2020	April 21, 2020	July 14, 2020	Summer 2020	September 2020
Joint Board Meeting Discussion of Conditions at each district Action taken to appoint Dan Hess to reorganization committee by Laguna Board Resources Provided Fiscal Analysis of alternate operating models including Background conditions for each district and Budget & MYP Scenarios	Board Meetings Lincoln-Union Action taken to appoint Jim Grossi to the reorganization committee. 2nd Interim budget approved P2 ADA < six (6) Laguna Joint Action taken to approve second interim budget with quaified certification	Reorganization Committee Meeting Discussion of various ways in which reorganization can be effected, options available and timeline for action Resources Provided 1-Reorganization flowcharts prepared for Union's reorganization. 2-Reorganization Handbook 3-Reorganization in more than one county 4-Effects of school district reorganization	Board meetings 1- Report to full boards on reorganization processes 2. Board Action to set next joint board meeting Resources Provided 1-Petition process & flowchart 2-Lapsation process 3-Timeline and benchmarks 4-Staff support	Joint Board Meeting 1-Report to full boards on State budget 2- Report to full boards on reorganization processes 3 -Board action to give re-org committee and staff direction	Board letters inviting the community to attend a public hearing on a potential reorganization prepared and mailed to all households in both Districts	**Sept 1, 2020 PUBLIC HEARINGS** To take public input on proposed reorganization from members of each district's community Sept 8, 2020 Board Meetings Each Board to consider approval of a Resolution of Intent to Reorganize

Oct 2020	Nov 2020	December 2020	JANUARY 2021	FEBRUARY 2021	MARCH 2021

Reorganization Commitee Meetings

November 4, 2020

Reorganization Process

Board Membership

December 2, 2020

Board Membership

Board Policies

District Naming

January 6, 2021

Personnel - salary & seniority considerations

Real Property

Reorganization Commitee Meetings

February 3, 2021

Joint Powers Agreements

Outstanding Liabilities

March 3, 2021

Maintaining Viability

October 13, 2020
Joint Board meeting

To obtain information regarding elements of consideration in a reorganization of school districts

Board Meetings

Each Board to include District Naming as discussion item

Joint Board meeting
February 3, 2021

To discuss District Name and form the reorganization plan :
a) Board membership
b) Board policies
c) Staff/salary considerations
d) Land, building & equipment considerations
e) Joint Powers Agreements
f) Outstanding liabilities
g) Records
h) Sustainability plan

SECOND PUBLIC HEARINGS
Feb 9, 2021

To take public input on the reorganization plan from members of each district's community

PUBLIC HEARING
Laguna Joint

To take public input on increasing board from 3 to 5 members and requesting waiver of election

APRIL 2021	JUNE 2021	JULY 2021	AUGUST 2021
CCSDO Public Hearing on proposed lapsation reorganization Tentative: April 27, 2021 @ 6pm	CCSDO Approval or rejection on proposed lapsation reorganization Tentative Date: June 9, 2021 @ 6pm	State Board of Education Meeting July 14-15 2021 Waiver request	After SBE waiver approval: Two additional board members appointed by the Governing Board
Board Meetings Each Board to consider adoption of a Reorganization Plan by resolution	Laguna Board Meeting Board to consider adoption of conforming Board Policies	Districts are reorganized into a single district operating two schools serving a minimum combined total of at least six (6) ADA in grades 1-6	Laguna Board Meeting Board to consider action relative to: 1. Appointing members to fill two new seats 2. The name of the district
Laguna Joint Board Meeting Board to consider action relative to: The number of board members and submitting a waiver of the election requirement	**PETITION to Rename District Received**	**PUBLIC HEARING** Newspaper published 2x before hearing To take public input on the naming of the district	
Submit Waiver Request relative to increasing board size and waiving election. Due to the State Board of Education by April 20th			

Reorganization plan

REORGANIZATION OF THE LINCOLN UNION AND LAGUNA JOINT SCHOOL DISTRICTS

Reorganization plan process

The reorganization will be implemented through the lapsation of Lincoln Union school district into Laguna Joint school district

Public hearings were held in both Lincoln Union and Laguna Joint in September to gain public input on a potential reorganization subsequent to which both boards passed resolutions of the intent to reorganize into a single district.

Following the Public hearings being held today at both Lincoln Union and Laguna Joint school districts regular board meetings, the boards intend to take action by resolution at the regularly scheduled board meetings in March to detail the reorganization plan.

Both resolutions will be forwarded to the County Committee on School District Organization to evidence both districts support for the lapsation of Lincoln Union into Laguna Joint school district.

Reorganization plan process

The County Committee on School District Organization is charged by Education Code to hold a public hearing regarding the pending lapse of Lincoln Union which has been tentatively scheduled for April 27, 2021

The boards of both districts plan to attend the public hearing

At a meeting subsequent to the public hearing, to be held in June 2021, the County Committee will consider action to lapse Lincoln Union's territory into a contiguous district.

Draft Reorganization Plan - Laguna

REORGANIZATION PLAN – DRAFT RESOLUTION - LAGUNA

WHEREAS, the Lincoln Union School District (Lincoln Union) and the Laguna Joint School District (Laguna) have affirmed their respective intent to partner with each other in a reorganization to take effect on July 1, 2021; and

WHEREAS, the reorganization will be implemented by the lapsation of Lincoln Union into Laguna, whereby the Laguna board will become the governing board for the entire territory; and

WHEREAS, Laguna and Lincoln Union formed a reorganization subcommittee appointing Dan Hess from Laguna and Jim Grossi from Lincoln Union to represent their respective boards; and

WHEREAS, the reorganization subcommittee has met monthly to address aspects of the reorganization including the process itself, the membership of the board, board policies, the name of the district, personnel – salary and seniority considerations, real property, joint powers agreements and outstanding liabilities and has reported back to respective boards to facilitate the development of a reorganization plan; and

WHEREAS, Lincoln Union and Laguna notified their respective public of public hearings held in each district on February 9, 2021 to guide both governing boards in the development of the reorganization plan; and

THEREFORE, be it resolved , the Laguna Joint School District does hereby confirm its intent to hold a newspaper published public hearing in March 2021 for the purpose of soliciting public input on expanding the size of the board from three members to five members with a waiver of the Education Code requiring an election; and

THEREFORE, be it resolved, upon approval of the aforementioned waiver by the State Board of Education, the Laguna Joint School District does hereby confirm its intent to notice the public of the resulting vacancies on the board with the intent to appoint applicants to the Board no later than August 2021; and

Draft Reorganization Plan - Laguna

THEREFORE, be it resolved, the Laguna Joint School District does hereby affirm the longstanding collaboration between the Lincoln, Union and Laguna communities and welcomes the opportunity to consider a petition to rename the District to better reflect all three communities; and

THEREFORE, be it resolved, the Laguna Joint School District does hereby confirm its commitment to adopting board policies as necessary to facilitate the smooth transition to a single district operating two school sites; and

THEREFORE, be it resolved, the Laguna Joint School District has determined current salary schedules offer incoming staff from Lincoln Union the same or even a slightly higher salary and that Laguna's benefit offerings are identical to those at Lincoln Union; and

THEREFORE, be it resolved, the Laguna Joint School District will ensure that all actions necessary to complete the reorganization including the transfer of real property, will be undertaken in a timely manner with regular updates provided to the board; and

THEREFORE, be it resolved, the Laguna Joint School District hereby commits to performing all necessary actions to expeditiously add Lincoln Union real property and equipment to insurance coverage with the Marin Schools Insurance Authority, a joint powers authority; and

THEREFORE, be it resolved, the Laguna Joint School District confirms it does not currently hold any long term liabilities outside of the allocation of the District's proportionate share of the unfunded liability for retirement benefits; and

THEREFORE, be it resolved, the Laguna Joint School District has examined all issues relevant to receiving the Lincoln Union school district and hereby affirms its commitment to becoming the receiving district in a school district reorganization lapsing the Lincoln Union School District to take effect on July 1, 2021 pending confirmation by the Marin County Committee on School District Organization

Draft Reorganization Plan – Lincoln Union

REORGANIZATION PLAN – DRAFT RESOLUTION LINCOLN UNION

WHEREAS, the Lincoln Union School District (Lincoln Union) and the Laguna Joint School District (Laguna) have affirmed their respective intent to partner with each other in a reorganization to take effect on July 1, 2021; and

WHEREAS, the reorganization will be implemented by the lapsation of Lincoln Union into Laguna, whereby the Laguna board will become the governing board for the entire territory; and

WHEREAS, Laguna and Lincoln Union formed a reorganization subcommittee appointing Dan Hess from Laguna and Jim Grossi from Lincoln Union to represent their respective boards; and

WHEREAS, the reorganization subcommittee has met monthly to address aspects of the reorganization including the process itself, the membership of the board, board policies, the name of the district, personnel – salary and seniority considerations, real property, joint powers agreements and outstanding liabilities and has reported back to respective boards to facilitate the development of a reorganization plan; and

WHEREAS, Lincoln Union and Laguna notified their respective public of public hearings held in each district on February 9, 2021 to guide both governing boards in the development of the reorganization plan; and

THEREFORE, be it resolved, the Lincoln Union School District does hereby affirm its support of Laguna Joint School District's intent to take the actions necessary to expand the size of the Laguna Joint board from three members to five members with a waiver of the Education Code requiring an election; and

Draft Reorganization Plan – Lincoln Union

THEREFORE, be it resolved, the Lincoln Union School District in acknowledging the longstanding collaboration between the Lincoln, Union and Laguna communities does hereby affirm its support for changing Laguna Joint school district's name subsequent to the reorganization to better reflect all three communities; and

THEREFORE, be it resolved, the Lincoln Union School District has determined current salary schedules at Laguna Joint School District offer Lincoln Union staff members the same or even a slightly higher salary and that Laguna's benefit offerings are identical to those at Lincoln Union; and

THEREFORE, be it resolved, the Lincoln Union School District confirms it does not currently hold any long term liabilities outside of the allocation of the District's proportionate share of the unfunded liability for retirement benefits; and

THEREFORE, be it resolved, the Lincoln Union School District has examined all issues relevant to lapsing and hereby confirms it is in support of being received by the Laguna Joint school district in a school district reorganization lapsing the Lincoln Union School District to take effect on July 1, 2021 pending confirmation by the Marin County Committee on School District Organization.

District Naming

REORGANIZATION OF THE LINCOLN UNION AND LAGUNA JOINT SCHOOL DISTRICTS

School District Renaming

To rename the Laguna Joint Elementary School District after the reorganization, a petition would need to be presented to the Laguna Board following which the Laguna Board would need to hold a public hearing (published in a newspaper at least twice before the hearing). The Laguna Board would then take action subsequent to the hearing and notify the county elections officials in both Marin and Sonoma Counties of the name change.

The reorganization committee has identified a timeline for the renaming to occur as soon as practicable subsequent to the reorganization which would require receipt of a petition in June 2021 for public hearing in July 2021 and action in August 2021. This timeline is not dictated by education code as renaming can be initiated at any time with the generation of a petition. The following education code section governs the renaming process:

School District Renaming

Education Code Section 35000

(a) Whenever a petition is presented to the governing board of a school district, signed by at least 15 qualified electors of that school district, asking that the name of the district be changed and stating the new name requested, the governing board shall designate a day upon which it will act upon the petition, which shall not be less than 10 days nor more than 40 days after the receipt of the petition.

The governing board shall give or cause to be given notice to all parties interested by publication in a newspaper published within the school district, or, if there is none, in any newspaper published in the county, of the time set for the hearing of the petition. The notice shall be published at least twice before the day set for hearing. At the hearing the board shall by resolution either grant or deny the petition, and, if granted, shall notify the county superintendent of schools of the change of the name of the district. The board shall also certify the name change to the county elections official of each county in which any part of the school district is situated. The name change shall also be entered in the records of the governing board.

School District Renaming – Proposed timeline of actions

JANUARY 2021	FEBRUARY 2021	JUNE 2021	JULY 2021	AUGUST 2021
Board Meetings Each Board to include District Naming as discussion item	Joint Board meeting February 3, 2021 To discuss District Name and form the reorganization plan : a) Board membership b) Board policies c) Staff/salary considerations d) Land, building & equipment considerations e) Joint Powers Agreements f) Outstanding liabilities g) Records h) Sustainability plan	**PETITION to Rename District Received by Laguna Joint Elementary school district board**	**PUBLIC HEARING** Newspaper published 2x before hearing To take public input on the naming of the district	Laguna Joint Elementary Board Meeting Board to consider action relative to: 1. Appointing members to fill two new seats 2. The name of the district

Board membership

REORGANIZATION OF THE LINCOLN UNION AND LAGUNA JOINT SCHOOL DISTRICTS

Board membership

The boards have determined that to ensure full and ongoing representation from all three communities – Laguna, Lincoln, and Union, it would be desirable to have a larger board for Laguna Joint district subsequent to the lapsation action expanding territory to include the Lincoln-Union boundaries. Education code allows for expansion to five members by the boards own action (i.e. action by resolution), however, would normally then require the new seats be filled at the next regularly scheduled election. The California Department of Education have advised that the board (Laguna) would be able to request a waiver of certain elements of education code and utilize the code section directing the board to appoint members to the new seats.

Board membership

To accomplish this, the Laguna Joint board would need to hold a newspaper published public hearing in March 2021 followed by action taken at the April 2021 meeting to allow submission of the waiver request to CDE by the deadline of April 20th to be placed on the July 14-15, 2021 State Board of Education board meeting agenda. The Board would then be able to appoint members to the new seats at their next meeting. We would recommend setting a meeting for late July or August. The timeline has been updated to reflect these actions.

Board membership – proposed process to expand from three to five members

FEBRUARY 2021	MARCH 2021	APRIL 2021	JULY 2021	AUGUST 2021
Joint Board meeting February 2021 To discuss District Name and form the reorganization plan : a) Board membership b) Board policies c) Staff/salary considerations d) Land, building & equipment considerations e) Joint Powers Agreements f) Outstanding liabilities g) Records h) Sustainability plan Publish notice of public hearing to be held by Laguna in newspaper at least 10 days before the hearing date	**PUBLIC HEARING Laguna Joint Elementary** To take public input on increasing board from 3 to 5 members and requesting waiver of election	Laguna Joint Elementary Board Meeting Board to consider action by resolution to increase the number of board members to five and request a waiver of the election requirement from State Board of Education Submit Waiver Request relative to increasing board size and waiving election. Due to the State Board of Education by April 20, 2021	State Board of Education Meeting July 14-15 2021 Waiver request Publish notice advertising board vacancies for interested parties to submit application to be appointed at August 2021 meeting	Laguna Joint Elementary Board Meeting Board to consider action relative to: 1. Appointing members to fill two new seats 2. The name of the district

Sustainability

REORGANIZATION OF THE LINCOLN UNION AND LAGUNA JOINT SCHOOL DISTRICTS

Sustainability

The lapsation of Lincoln Union School District into Laguna Joint School District is intended to resolve the two main issues underlying the districts' near-term sustainability:

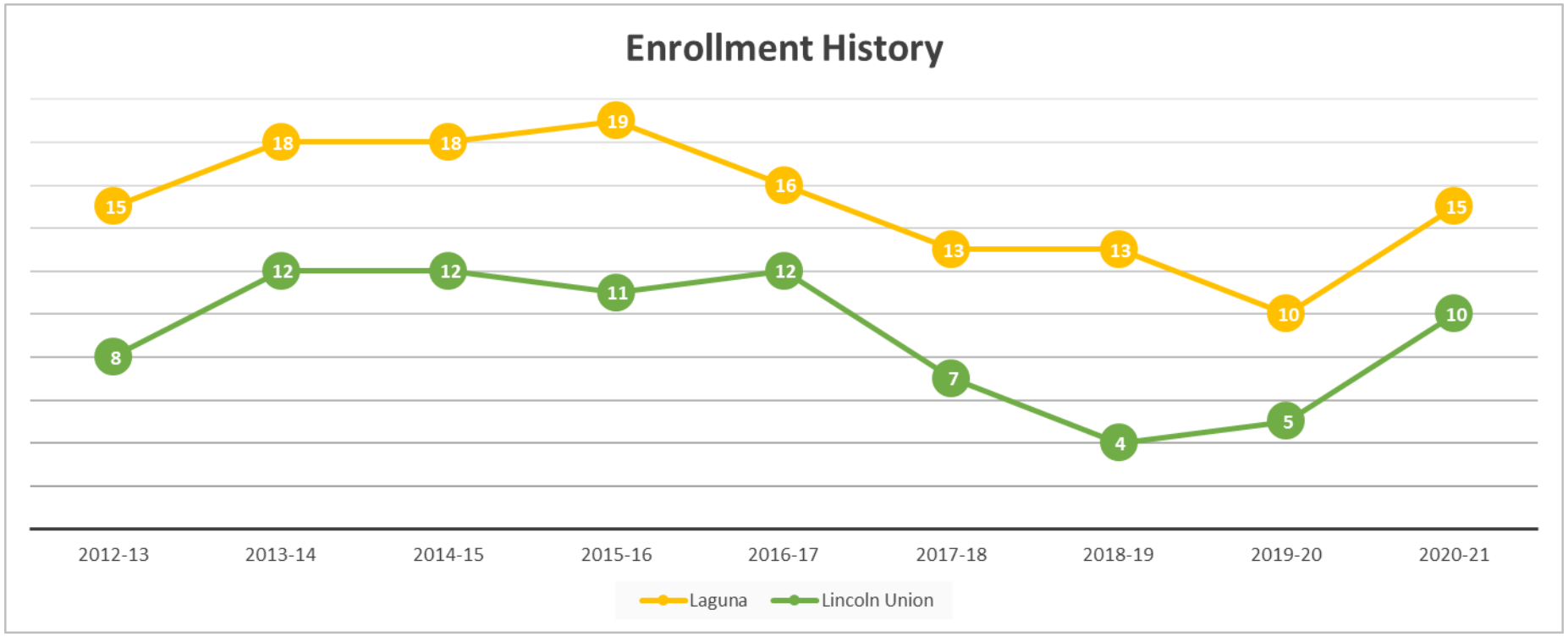
- Student Enrollment

  To avoid lapsation the District as a whole must maintain a minimum of six units of average daily attendance in grades one through six.

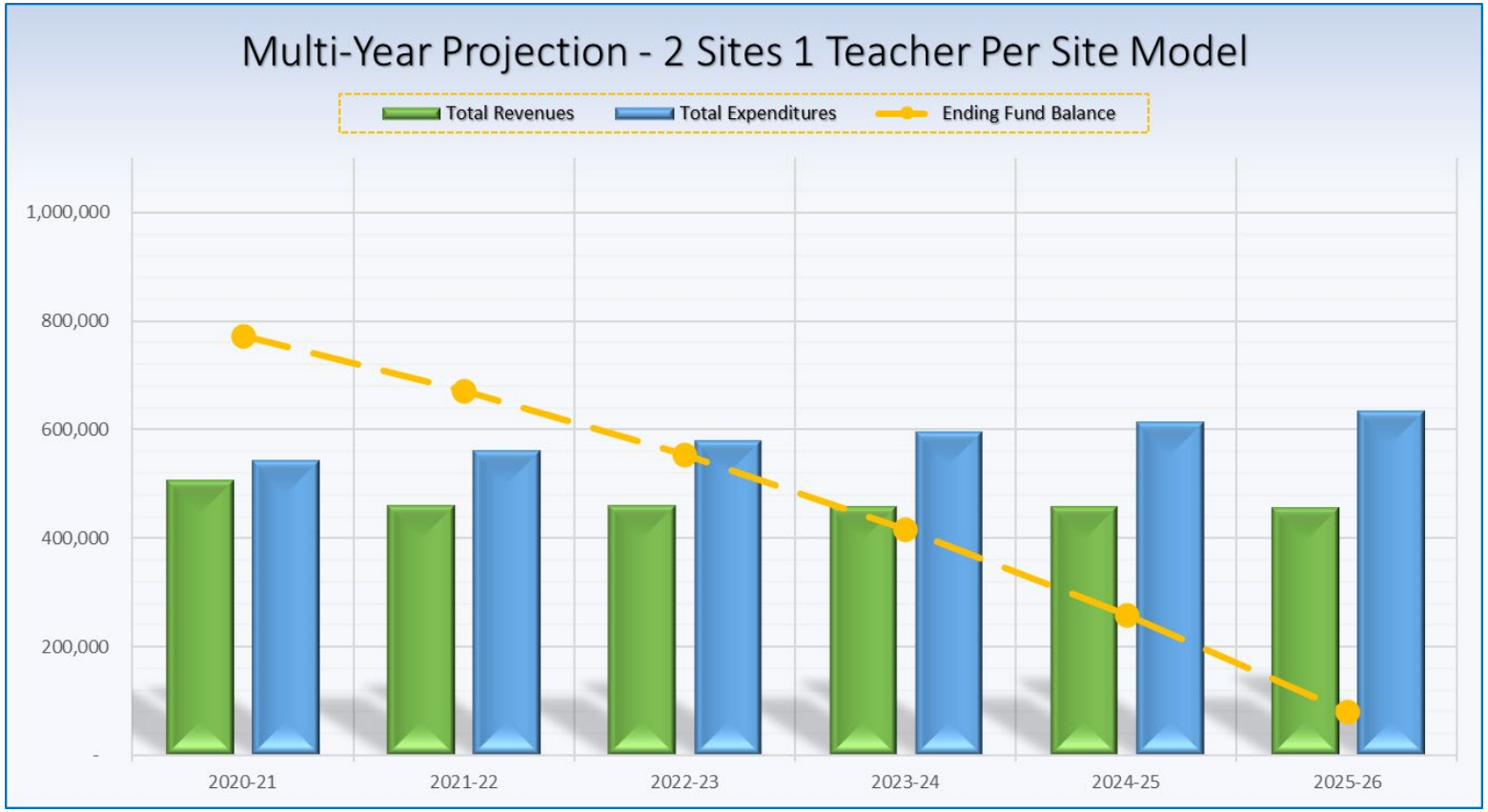
- Fiscal Solvency

  Combining the two Districts brings a certain economy to expenditures, primarily by reducing administrative overhead costs, however, does not eliminate deficit spending. The district will be able to operate two school sites for some time due to healthy fund balance reserves. Long term sustainability will need additional solutions, which could include operating a single site and, dependent on budget conditions, thereby replenish reserves.

Student Enrollment



Operating two schools after reorganization



QUESTIONS AND COMMENTS

Please type your question or comment into the chat box or use the tools to raise your hand to speak

Appendix D:
Joint Board Meeting
(February 11, 2021)

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Laguna Joint School District and Lincoln Union School District

Joint Board Meeting February 11, 2020

Fiscal Health Risk Analysis

Prepared by Kate Lane, Assistant Superintendent Marin County Office of Education

This report has been prepared to provide both the Laguna Joint and Lincoln Union school districts with an overview of the risks to sustained fiscal and operational health identified in the County Superintendents fiscal oversight role. As detailed below, both districts face existential threats, although for completely different reasons, and are in danger of losing the capacity to continue as going concerns. As a result, both districts will be tasked with determining a viable way forward in the 2020-21 fiscal year. Absent change, neither district has any certainty of continued operations beyond June 30, 2021.

Laguna Joint School District

The Laguna Joint School District's (Laguna) first interim budget update indicated the District will be unable to meet the minimum required reserve in the 2021-22 school year. As noted in the County Superintendent's correspondence to the District dated January 14, 2020, the first interim budget report reflected six (6) consecutive years of actual and planned deficit spending resulting in a steep decline in fund balance reserves. Absent any changes, we anticipate the District will self-certify the second interim budget as 'Qualified' to acknowledge the depletion of reserves in the multi-year projection. A 'Qualified' budget certification is an indication the District may not be able to meet all obligations in the current and both subsequent fiscal years.

The District's reserves were depleted by deficit spending that was largely driven by the cost associated with a non-public school placement that lasted for over six years. The district could have weathered this impact, however, the District has experienced an ongoing decline in student enrollment that began in 2016-17 and has not yet abated. Seven years ago, when the Local Control Funding Formula (LCFF) was introduced, 20 students were enrolled at the District, almost 100% of whom qualified as higher need students, thereby entitling the District to increased funding over historical necessary small school funding levels. By 2018-19 the District's enrollment had fallen to 13 students and, as result, LCFF revenues had fallen to the 2012-13 funding level that now forms the minimum held harmless funding under the LCFF. The District's revenues under this model are insufficient to meet current operating expenditures. The District's student enrollment declined even further to 10 students in 2019-20, leaving the District's LCFF revenues flat at 2012-13 funding levels.

The District has performed community outreach including taking steps to align with the Montessori community to attract new students, however, to date those efforts have not borne fruit. All indications are the District's enrollment could fall even further in 2020-21. While this will not impact revenues, the District will face a new existential threat of automatic lapsation under Education Code section 35780 should average daily attendance fall below six (6) in grades one (1) through six (6).

The District's single school facility located in rural west Marin county is in need of ongoing as well deferred maintenance. Traditional sources of state funding to assist small districts with facility needs were subsumed into the LCFF which for the district means these funds are used for general operating

purposes. As is true with all older facilities, the true cost of any required repairs is rarely fully determinable as additional problems can reveal themselves as you peel back to review the underlying structure. Due to limited resources, facility needs are being deferred, potentially causing more costly repairs in the future. Should the roof develop a leak, the resulting cost could cause the District to become insolvent.

As the District looks forward to adopting a budget for 2020-21, we anticipate the multi-year projection will indicate the District is only able to meet reserves in the 2020-21 year. Should this prove to be the case, the County Superintendent will be unable to approve the District's budget without a plan for the ongoing provision of public education for K-6 students residing within Laguna's territory.

Lincoln Union School District

The Lincoln Union School District (Lincoln Union) formed in 2017-18 following a territory transfer combining the former Union Joint and Lincoln school districts. The territory transfer was initiated because both districts' fiscal solvency was threatened by ongoing and increasing operating deficits.

While both districts had weathered the recession years emerging with healthy reserves, the elimination of eligibility for Necessary Small School funding under the Local Control Funding Formula (LCFF) led to flat revenues for both districts. At the same time, both districts faced steadily increasing costs driven by the pension system contribution rate increases and, in line with the rest of the state, an increase in both the incidence and severity of special education needs. The Fiscal Crisis and Management Advisory Team (FCMAT) has advised that the cost of inflation for California public school districts is approximately 4%-5% per year, and as a result, in the current environment most districts have to eliminate expenditures in order to maintain a balanced budget. Neither Union nor Lincoln had any further expenditure reductions that could be made, thus a more permanent solution to the provision of public education for students residing in the districts' territory was sought through the consolidation of the two districts.

In consolidating the two districts, the newly formed Lincoln-Union school district was able to operate a single school and thereby reduce operating expenditures sufficiently to balance the budget and even produce a budget surplus. The threat to fiscal solvency was thereby eliminated with this joint decision.

The new school district faced a new existential threat almost immediately after formation: student enrollment had been 24 students at the highest point in total between both districts in 2016-17 but enrollment dropped to just seven (7) students in the 2017-18 year at the newly formed district. Education Code section 35780 requires automatic lapsation of any district in which average daily attendance (ADA) falls below six (6) in grades one (1) through six (6). Enrollment dropped even further to just four (4) students in 2018-19 making it clear the District would report fewer than six (6) ADA.

The District duly filed a request for waiver of Education Code Section 35780 effective April 1, 2019 through June 30, 2020 allowing the District to continue operations with any amount of ADA. The State Board of Education approved the District's waiver request at their meeting on March 13, 2019. Any further extension of the waiver period would make the waiver permanent and as such is unlikely to be entertained by the State Board of Education.

Despite significant outreach efforts including community meetings, professionally produced materials direct mailed to local households, the development of a new website, investment in two certificated staff to serve the student population to ensure a robust curriculum as well as upgrades to the furniture, equipment and fixtures to make the school more attractive, these efforts have not yet borne any fruit. All indications are the District's enrollment will remain below the threshold required to prevent automatic lapsation as of June 30, 2021.

Given this existential threat the County Superintendent of Schools is unlikely to approve the District's adopted budget for 2020-21 without a plan for the ongoing provision of public education for K-6 students residing within Lincoln-Union's territory.

Conclusion

Both Laguna Joint and Lincoln-Union school districts face threats to their continued operation. Both districts will need to explore viable alternatives during the 2020-21 school year to ensure the provision of public education to students residing within their respective territories for the 2021-22 school year and beyond.

I will be in attendance at the joint board meeting scheduled for February 11, 2020 to respond to any questions the board members may have.

FISCAL ANALYSIS OF ALTERNATE OPERATING MODELS

TO: LAGUNA JOINT SCHOOL DISTRICT BOARD, &
LINCOLN UNION SCHOOL DISTRICT BOARD

FROM: KEITH RICCI, BUSINESS MANAGER
KATE LANE, ASSISTANT SUPERINTENDENT

SUBJECT: ANALYSIS OF THE FISCAL ASPECTS OF A CONSOLIDATION

DATE: FEBRUARY 10, 2020

CC: LUKE MCCANN, SUPERINTENDENT

The Superintendent requested we prepare materials to model the fiscal aspects of a hypothetical consolidation of the Laguna Joint school district and the Lincoln Union school district into a single district for the respective boards to review at their scheduled joint board meeting.

We began with calculating the blended Local Control Funding Formula (LCFF) that would result from a consolidation and found, as exhibited in the first chart that follows, that both districts are currently funded at their minimum 'held harmless' levels representing historical funding levels from 2012-13. The blending process retains all elements required to calculate the minimum funding level and as a result total LCFF revenues in a single consolidated district would be exactly equal to the sum of both districts current LCFF revenues.

We further analyzed the resulting LCFF revenue estimate in the second chart to determine the impact of decreased or increased student enrollment. We found that further decreases have no impact on total revenue and that increases likewise have no impact on total revenue: Adding 20 students generates an estimated $1,800 in additional revenue. Adding 40 students increases revenues by an estimated $120,000. There does not appear to be any scenario where the addition of students will generate sufficient revenue to cover the additional costs that would be incurred to serve them.

While decreases in student enrollment have no impact on LCFF revenues, both districts have experienced a decline in student enrollment which creates a risk of automatic lapsation. Our review of the education code indicates that average daily attendance (ADA) thresholds governing automatic lapsation are measured at the district rather than the school level. A consolidated district could therefore operate a school with fewer than six ADA as long as they reported at least six ADA in grades 1 through 6 for the district as a whole.

The third chart reports the estimated 2020-21 operating budget for each district separately and then shows the total combined revenue should the districts consolidate. Outside of a loss of federal REAP funding of approximately $20,000, a consolidated district would not suffer any loss of revenue.

Following the revenue section, the chart reflects the 2020-21 operating budget for each district side by side with the estimated cost for four different possible operating models: Maintaining either two school sites or a single school site with either 2 teachers at each site or 1 teacher and 1 aide at each site. The chart

concludes with the estimated budget surplus or deficit in each district's budget as currently stated and for each of the four operating models against the combined revenues.

The analysis indicates a combined district could operate two school sites with a teacher/aide staffing pattern incurring fairly modest deficits. The combined district would have the benefit of a healthy fund balance reserve that could sustain the deficit for a number of years before any additional action would be required to maintain fiscal solvency. Operating a single site with two teachers yields a budgetary surplus and would be one method that could be used to restore reserves when that becomes necessary.

Expenditures in each scenario are based off of historical data projected against current trends. Any extraordinary costs such as additional facilities repairs or additional special education costs have not been included.

Staff will be present at the joint board meeting to respond to any questions about the attached estimates.

Laguna Joint and Lincoln Union School Districts - Combined Revenue and Expenditure Scenario's

2020-21 Budget Year

Fund 01 & 17 Combined

	2020-21 Budget		Combined School District Scenario's			
	LAGUNA	LINCOLN	Combined Revenue			
Revenues						
LCFF						
Total LCFF:	156,429	288,091	443,883			
Federal						
Mental Health	2,096	-	2,096			
REAP	17,794	18,841	18,841			
Special Ed	2,171	-	2,171			
Title I A	1,233	-	1,233			
Title II	1,164	430	1,594			
Title III	1,158	-	1,158			
Title IV	10,000	-	10,000			
Total Federal:	35,616	19,271	37,093			
State						
Lottery	2,060	799	2,859			
Mandated Reporter	332	225	557			
Mental Health	5,242	-	5,242			
Total State:	7,634	1,024	8,658			
Local						
Donations/Foundation	-	250	250			
Special Ed	7,176	1,944	9,120			
Interest-Fd 17 & County Treasure	4,125	7,000	11,125			
Direct Service	1,096	744	1,840			
Other Local, Donations, Foundation	388	1,065	1,453			
Total Local:	12,785	11,003	23,788			
Total Revenue	**212,464**	**319,389**	**513,422**			
Expenditures						
			2 School Sites		1 School Site	
			2 Teachers Per Site	1 Teacher 1 Aid Per Site	2 Teachers	1 teacher 1 Aid
Salaries						
Certificated	78,812	134,845	269,691	157,624	134,845	78,812
Classified	38,350	4,646	9,292	76,700	4,646	38,350
Benefits	48,420	44,921	93,341	93,341	46,671	46,671
Total Salaries & Benefits:	165,582	184,412	372,324	327,665	186,162	163,833
Supplies						
Approved Textbooks/Materials	5,000	3,610	6,500	6,500	6,500	6,500
Materials Supplies	8,818	7,065	15,000	15,000	12,000	12,000
Noncapitalized Equipment	-	1,700	1,500	1,500	1,000	1,000
Total Supplies:	13,818	12,375	23,000	23,000	19,500	19,500
Services						
Communications, Postage, Telephone	2,608	3,200	5,808	5,808	2,904	2,904
Dues and Memberships	300	319	300	300	300	300
Insurance	1,850	1,421	3,271	3,271	1,636	1,636
Utilities	5,565	7,518	13,083	13,083	6,542	6,542
Audit Fees	7,600	7,543	7,600	7,600	7,600	7,600
Special Ed	20,769	8,249	29,018	29,018	29,018	29,018
MCOE Fees	25,690	25,745	25,000	25,000	25,000	25,000
Other Services - Facilities	7,429	4,337	12,000	12,000	5,800	5,800
All Other/Misc. Services	8,493	7,481	15,974	15,974	7,987	7,987
Rentals, Leases, Repairs, and Improvements	8,562	6,502	8,600	8,600	4,300	4,300
Travel and Conferences	11,608	994	12,602	12,602	11,608	11,608
Total Services:	100,474	73,309	133,256	133,256	102,694	102,694
Other						
Special Ed Excess Costs	43,790	31,194	74,984	74,984	74,984	74,984
Total Other:	43,790	31,194	74,984	74,984	74,984	74,984
Total Expenditures:	**323,664**	**301,290**	**603,563**	**558,905**	**383,339**	**361,010**
Budget Surplus/(Deficit)	***(111,200)***	***18,099***	***(90,141)***	***(45,483)***	***130,083***	***152,412***
Beginning Balance Fund 01 & 17 Combined	174,200	505,207	679,407	679,407	679,407	679,407
Ending Fund Balance	**63,000**	**523,307**	**589,266**	**633,925**	**809,490**	**831,819**

Note: Removed STRS on Behalf revenue and expenditures and transfers between fund 01 and 17, net difference is zero.

Laguna Joint & Lincoln Union Combined LCFF Calculation

2020-21 LCFF Revenue

Scenarios with Increased Enrollment/ADA

	Current Estimated Enrollment	+10 Enrollment	+20 Enrollment	+30 Enrollment	+40 Enrollment
Total Enrollment:	15	25	35	45	55
LCFF Revenue Sources					
Property Taxes:	181,559	181,559	181,559	181,559	181,559
Education Protection Account:	24,077	24,077	24,077	24,077	24,077
State Aid:	238,248	239,162	240,080	260,637	359,752
Total LCFF Revenue:	**443,883**	**444,797**	**445,715**	**466,272**	**565,388**
Increase From Current Estimated Enrollment:	*-*	*914*	*1,832*	*22,389*	*121,505*

Laguna Joint and Lincoln Union School Districts - LCFF Calculations

2020-21 LCFF Comparison

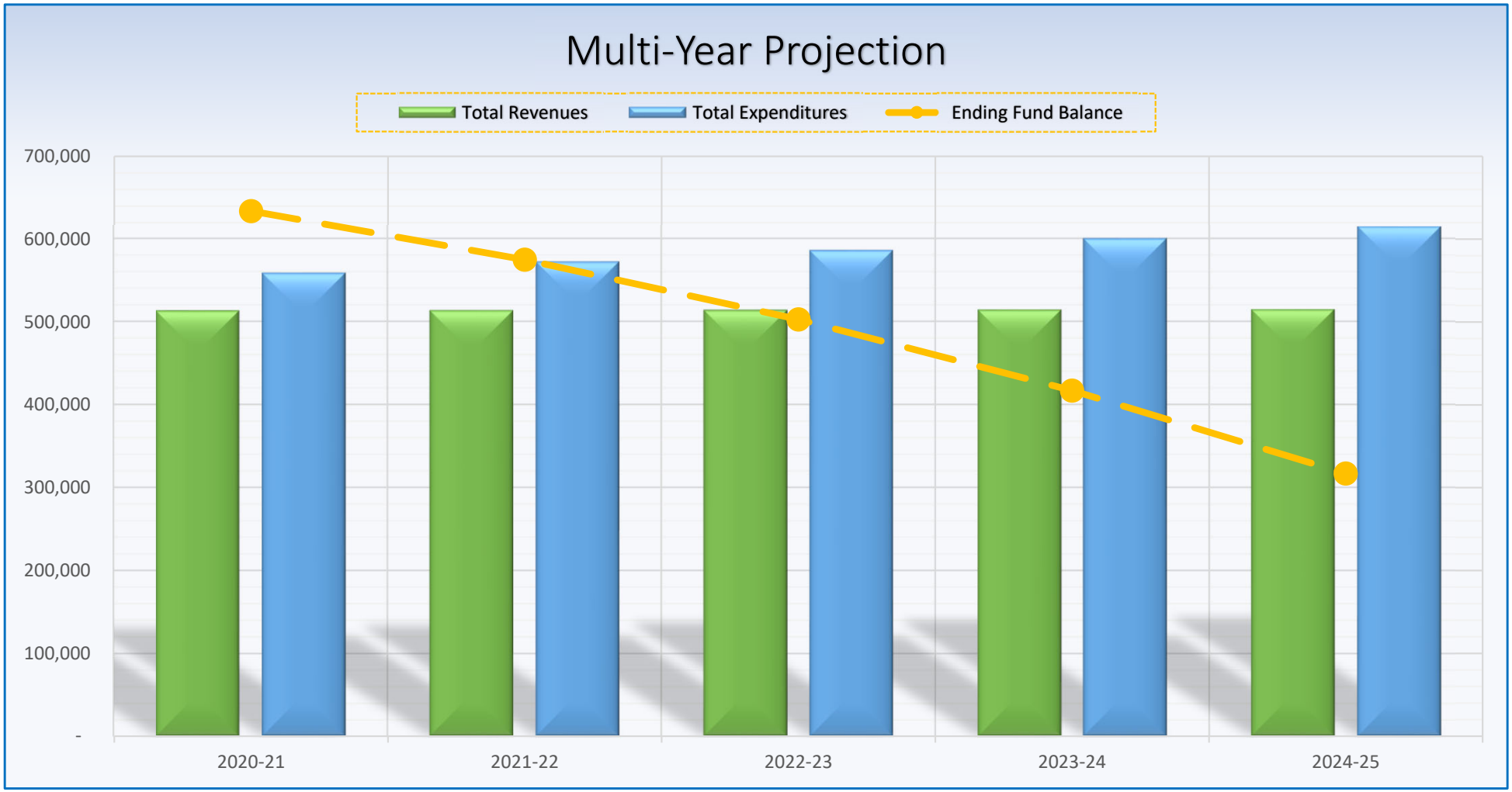
LCFF Entitlement & Funding	Current Calculations: Laguna 2020-21	Current Calculations: Lincoln 2020-21	Total 2 Districts 2020-21	Blended LCFF 1 District 2020-21	Difference: 2 Districts to 1 Diff
ENTITLEMENT					
Funding Target					
Base Grant - Per ADA Funding	78,289	38,548	116,837	116,837	-
Grade Span Adjustment - Adjustment For Higher Cost Grades	3,226	2,393	5,618	5,618	-
Add-ons - Targeted Instructional Improvement	1,524	3,108	4,632	4,632	-
Supplemental and Concentration Grant For English Learners, Foster Youth and Low Income	27,196	-	27,196	20,145	(7,051)
Total Target:	110,235	44,049	154,284	147,233	(7,051)
Economic Recovery	21,827	-	21,827	21,827	-
Total Entitlement:	**132,062**	**44,049**	**176,111**	**169,060**	**(7,051)**
LCFF FUNDING					
Gross State Aid					
Less Estimated Property Tax	(47,298)	(140,833)	(188,131)	(188,131)	-
Gross State Aid Before Held Harmless (Entitlement Minus Property Tax):	84,764	-	84,764	-	(84,764)
Held Harmless Amounts					
2012-13 Necessary Small Schools Allowance	116,569	229,967	346,536	346,536	-
2012-13 Adjusted Revenue Limit	753	542	1,295	1,295	-
2012-13 Categorical Programs	39,108	56,944	96,052	96,052	-
Total Held Harmless:	**156,430**	**287,453**	**443,883**	**443,883**	**-**
Minimum State Aid					
Less Estimated Property Tax	(47,298)	(140,833)	(188,131)	(188,131)	-
Minimum State Aid (Held Harmless Minus Property Tax)	109,132	146,620	255,752	255,752	-
LCFF Funding					
Estimated Property Tax	47,298	140,833	188,131	188,131	-
Gross State Aid Before Held Harmless	84,764	-	84,764	-	(84,764)
Additional State Aid to Meet Held Harmless	24,368	146,620	170,988	255,752	84,764
Total LCFF Funding:	**156,430**	**287,453**	**443,883**	**443,883**	**-**

Laguna Joint and Lincoln Union School Districts - Multi-Year Projection

Based on 2 School Sites with 1 Teacher and 1 Aid and No ADA Change

Fund 01 & 17 Combined

Description	2020-21	2021-22	2022-23	2023-24	2024-25
A. REVENUES AND OTHER FINANCING SOURCES					
LCFF/Revenue Limit Sources	443,883	443,883	443,883	443,883	443,883
Federal Revenues	37,093	37,093	37,093	37,093	37,093
Other State Revenues	8,658	8,674	8,690	8,706	8,722
Other Local Revenues	23,788	24,113	24,442	24,776	25,115
Total Revenues	513,422	513,763	514,108	514,458	514,813
B. EXPENDITURES AND OTHER FINANCING USES					
Certificated Salaries					
a. Base Salaries	157,624	157,624	160,776	163,992	167,272
b. Step & Column Adjustment	-	3,152	3,216	3,280	3,345
c. Cost-of-Living Adjustment	-	-	-	-	-
d. Other Adjustments	-	-	-	-	-
Total Certificated Salaries	157,624	160,776	163,992	167,272	170,617
Classified Salaries					
a. Base Salaries	76,700	76,700	78,234	79,799	81,395
b. Step & Column Adjustment	-	1,534	1,565	1,596	1,628
c. Cost-of-Living Adjustment	-	-	-	-	-
d. Other Adjustments	-	-	-	-	-
Total Classified Salaries	76,700	78,234	79,799	81,395	83,023
Employee Benefits	93,341	95,208	97,112	99,054	101,035
Books and Supplies	23,000	23,690	24,401	25,133	25,887
Services and Other Operating Expenditures	133,256	137,254	141,371	145,612	149,981
Capital Outlay	-	-	-		
Other Outgo (excluding Transfers of Indirect Costs)	74,984	77,234	79,551	81,937	84,395
Total Expenditures	558,905	572,396	586,225	600,403	614,938
NET INCREASE (DECREASE) IN FUND BALANCE	(45,483)	(58,633)	(72,117)	(85,944)	(100,125)
FUND BALANCE					
Net Beginning Fund Balance (Fund 01 & 17)	679,407	633,924	575,292	503,175	417,231
Total Ending Balance Fund 01 & 17 Combined	**633,924**	**575,292**	**503,175**	**417,231**	**317,106**


Multi-Year Projection
Total Revenues
Total Expenditures
Ending Fund Balance
700,000
600,000
500,000
400,000
300,000
200,000
100,000
-
2020-21
2021-22
2022-23
2023-24
2024-25

Appendix E:
Resolution of Intent to Reorganize
(April 13, 2021)

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LINCOLN UNION SCHOOL DISTRICT
RESOLUTION NO. 04132021-01

RESOLUTION REGARDING THE REORGANIZATION PLAN

WHEREAS, the Lincoln Union School District (Lincoln Union) and the Laguna Joint School District (Laguna) have affirmed their respective intent to partner with each other in a reorganization to take effect on July 1, 2021; and

WHEREAS, the reorganization will be implemented by the lapsation of Lincoln Union into Laguna, whereby the Laguna board will become the governing board for the entire territory; and

WHEREAS, Laguna and Lincoln Union formed a reorganization subcommittee appointing Dan Hess from Laguna and Jim Grossi from Lincoln Union to represent their respective boards; and

WHEREAS, the reorganization subcommittee has met monthly to address aspects of the reorganization including the process itself, the membership of the board, board policies, the name of the district, personnel – salary and seniority considerations, real property, joint powers agreements and outstanding liabilities and has reported back to respective boards to facilitate the development of a reorganization plan; and

WHEREAS, Lincoln Union and Laguna notified their respective public of public hearings held in each district on February 9, 2021 to guide both governing boards in the development of the reorganization plan; and

THEREFORE, be it resolved, the Lincoln Union School District does hereby affirm its support of Laguna Joint School District's intent to take the actions necessary to expand the size of the Laguna Joint board from three members to five members with a waiver of the Education Code requiring an election; and

THEREFORE, be it resolved, the Lincoln Union School District in acknowledging the longstanding collaboration between the Lincoln, Union and Laguna communities does hereby affirm its support for changing Laguna Joint school district's name subsequent to the reorganization to better reflect all three communities; and

THEREFORE, be it resolved, the Lincoln Union School District has determined current salary schedules at Laguna Joint School District offer Lincoln Union staff members the same or even a slightly higher salary and that Laguna's benefit offerings are identical to those at Lincoln Union; and

THEREFORE, be it resolved, the Lincoln Union School District confirms it does not currently hold any long term liabilities outside of the allocation of the District's proportionate share of the unfunded liability for retirement benefits; and

THEREFORE, be it resolved, the Lincoln Union School District has examined all issues relevant to lapsing and hereby confirms it is in support of being received by the Laguna Joint School District in a school district reorganization lapsing the Lincoln Union School District to take effect on July 1, 2021 pending confirmation by the Marin County Committee on School District Organization.

AYES: 3
NOES: 0
ABSENT: 0

Jim Grossi

Jim Grossi, Board President
Lincoln Union School District

Date: April 13, 2021

ATTEST:

Janeen Corda Brady

Janeen Corda Brady, Clerk
Lincoln Union School District

LAGUNA JOINT SCHOOL DISTRICT
RESOLUTION NO. 2021-13-4A

RESOLUTION REGARDING THE REORGANIZATION PLAN

WHEREAS, the Lincoln Union School District (Lincoln Union) and the Laguna Joint School District (Laguna) have affirmed their respective intent to partner with each other in a reorganization to take effect on July 1, 2021; and

WHEREAS, the reorganization will be implemented by the lapsation of Lincoln Union into Laguna, whereby the Laguna board will become the governing board for the entire territory; and

WHEREAS, Laguna and Lincoln Union formed a reorganization subcommittee appointing Dan Hess from Laguna and Jim Grossi from Lincoln Union to represent their respective boards; and

WHEREAS, the reorganization subcommittee has met monthly to address aspects of the reorganization including the process itself, the membership of the board, board policies, the name of the district, personnel – salary and seniority considerations, real property, joint powers agreements and outstanding liabilities and has reported back to respective boards to facilitate the development of a reorganization plan; and

WHEREAS, Lincoln Union and Laguna notified their respective public of public hearings held in each district on February 9, 2021 to guide both governing boards in the development of the reorganization plan; and

THEREFORE, be it resolved, the Laguna Joint School District does hereby confirm it held a newspaper published public hearing on March 9, 2021 for the purpose of soliciting public input on expanding the size of the board from three members to five members with a waiver of the Education Code requiring an election; and

THEREFORE, be it resolved, upon approval of the aforementioned waiver by the State Board of Education, the Laguna Joint School District does hereby confirm its intent to notice the public of the resulting vacancies on the board with the intent to appoint applicants to the Board no later than August 2021; and

THEREFORE, be it resolved, the Laguna Joint School District does hereby affirm the longstanding collaboration between the Lincoln, Union and Laguna communities and welcomes the opportunity to consider a petition to rename the District to better reflect all three communities; and

THEREFORE, be it resolved, the Laguna Joint School District does hereby confirm its commitment to adopting board policies as necessary to facilitate the smooth transition to a single district operating two school sites; and

THEREFORE, be it resolved, the Laguna Joint School District has determined current salary schedules offer incoming staff from Lincoln Union the same or even a slightly higher salary and that Laguna's benefit offerings are identical to those at Lincoln Union; and

THEREFORE, be it resolved, the Laguna Joint School District will ensure that all actions necessary to complete the reorganization including the transfer of real property, will be undertaken in a timely manner with regular updates provided to the board; and

THEREFORE, be it resolved, the Laguna Joint School District hereby commits to performing all necessary actions to expeditiously add Lincoln Union real property and equipment to insurance coverage with the Marin Schools Insurance Authority, a joint powers authority; and

THEREFORE, be it resolved, the Laguna Joint School District confirms it does not currently hold any long term liabilities outside of the allocation of the District's proportionate share of the unfunded liability for retirement benefits; and

THEREFORE, be it resolved, the Laguna Joint School District has examined all issues relevant to receiving the Lincoln Union School District and hereby affirms its commitment to becoming the receiving district in a school district reorganization lapsing the Lincoln Union School District to take effect on July 1, 2021 pending confirmation by the Marin County Committee on School District Organization

AYES: 3
NOES: 0
ABSENT: 0

Dan Hess

Dan Hess, Board President
Laguna Joint School District

Date: April 13, 2021

ATTEST:

Sharon Hess

Sharon Hess, Clerk
Laguna Joint School District

Appendix F:
Timeline and Benchmarks
(updated April 26, 2021)

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Laguna Joint / Lincoln Union Reorganization TimeLine and Benchmarks - *update 4-26-2021*

February 11, 2020	March 17, 2020	April 9, 2020	April 21, 2020	July 14, 2020
Joint Board Meeting Discussion of Conditions at each district Action taken to appoint Dan Hess to reorganization committee by Laguna Board Resources Provided Fiscal Analysis of alternate operating models including Background conditions for each district and Budget & MYP Scenarios	Board Meetings Lincoln-Union Action taken to appoint Jim Grossi to the reorganization committee. 2nd Interim budget approved P2 ADA < six (6) Laguna Joint Action taken to approve second interim budget with quaified certification	Reorganization Committee Meeting Discussion of various ways in which reorganization can be effected, options available and timeline for action Resources Provided 1-Reorganization flowcharts prepared for Union's reorganization. 2-Reorganization Handbook 3-Reorganization in more than one county 4-Effects of school district reorganization	Board meetings 1- Report to full boards on reorganization processes 2. Board Action to set next joint board meeting Resources Provided 1-Petition process & flowchart 2-Lapsation process 3-Timeline and benchmarks 4-Staff support	Joint Board Meeting 1-Report to full boards on State budget 2- Report to full boards on reorganization processes 3 -Board action to give re-org committee and staff direction

Laguna Joint / Lincoln Union Reorganization TimeLine and Benchmarks - *update 4-26-* 2021

Summer 2020	September 2020	Oct 2020	Nov 2020	December 2020	JANUARY 2021

Board letters inviting the community to attend a public hearing on a potential reorganization prepared and mailed to all households in both Districts

Sept 1, 2020 PUBLIC HEARINGS

To take public input on proposed reorganization from members of each district's community

Reorganization Commitee Meetings

November 4, 2020

Reorganization Process

Board Membership

December 2, 2020

Board Membership

Board Policies

District Naming

January 6, 2021

Personnel - salary & seniority considerations

Real Property

Sept 8, 2020
Board Meetings

Each Board to consider approval of a Resolution of Intent to Reorganize

October 13, 2020
Joint Board meeting

To obtain information regarding elements of consideration in a reorganization of school districts

Board Meetings
Each Board to include District Naming as discussion item

Laguna Joint / Lincoln Union Reorganization TimeLine and Benchmarks - update 4-26-2021

FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021

Reorganization Commitee Meetings

February 3, 2021

Joint Powers Agreements

Outstanding Liabilities

Records

March 3, 2021

Maintaining Viability

Joint Board meeting
February 3, 2021

To discuss District Name and form the reorganization plan :
a) Board membership
b) Board policies
c) Staff/salary considerations
d) Land, building & equipment considerations
e) Joint Powers Agreements
f) Outstanding liabilities
g) Records
h) Sustainability plan

SECOND PUBLIC HEARINGS
Feb 9, 2021

To take public input on the reorganization plan from members of each district's community

PUBLIC HEARING
Laguna Joint

To take public input on increasing board from three (3) to five (5) members and requesting waiver of election

Board Meetings
April 13, 2021

Each Board to consider adoption of a Reorganization

Laguna Board Meeting
April 13, 2021
Board to consider action relative to: The number of board members and submitting a waiver of the election requirement

April 16, 2021
Submited Waiver Request relative to increasing board size and waiving election. Due to the State Board of Education by April 20th

CCSDO
May 17, 2021
Public Hearing on proposed lapsation reorganization

CCSDO

May 26, 2021
Approval or rejection on proposed lapsation reorganization

Laguna Joint / Lincoln Union Reorganization TimeLine and Benchmarks - update 4-26-2021

JUNE 2021	JULY 2021	AUGUST 2021
Laguna Board Meeting June 8, 2021 Board to consider adoption of conforming Board Policies	Districts are reorganized into a single district operating two (2) schools serving a minimum combined total of at least six (6) ADA in grades 1-6 State Board of Education Meeting July 14-15 2021 Waiver request **PETITION to Rename District Received** Advertise Board vacancies	After SBE waiver approval: Two(2) additional board members appointed by the Governing Board Laguna Board Meeting Board to appoint members to fill the two vacant seats **PUBLIC HEARING** **District Name** Newspaper published 2x before hearing to take public input on the naming of the district and grant or deny the petition.

Appendix G:
Reorganization Subcommittee Meeting Notes

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Laguna Joint and Lincoln Union school districts

Report from Reorganization Committee meeting November 5, 2020

The reorganization committee met on November 5, 2020. Dan Hess was present to represent Laguna Joint District and Jim Grossi was present to represent Lincoln Union District. Luke McCann, Superintendent of both districts and Kate Lane, Assistant Superintendent Business Services for the Marin County Office of Education were also in attendance as staff to the committee. The agenda included discussion of the reorganization process and board membership in the reorganized district.

Reorganization process

The meeting began with a discussion of the recent presentation from School and College Legal Services. The presentation provided information regarding the formation of the school board under a territory transfer formation of a new elementary school district but did not discuss the formation of the school board under a lapsation reorganization.

Staff reached out to Larry Shirey at CDE for guidance regarding the pros and cons of the two approaches and were advised that in order to follow the guidance for the formation of a new school district a number of waiver requests would need to be submitted to the state board of education. Alternately, a lapsation provides an expedited reorganization process where the board of the receiving district remains in place to govern the expanded territory.

The reorganization committee members both confirmed the decision was made at the Joint Board meeting on July 14, 2020 to take advantage of the pending lapsation of the Lincoln Union school district rather than forming a new school district.

Board membership

The presentation from School and College Legal Services also included information on board membership by trustee area. The committee determined this would prove impracticable and far too complex to manage. Concern was nonetheless raised at the costs associated with challenges to area-wide elections.

Staff were directed to investigate obtaining professional guidance regarding trustee areas.

The reorganization committee members confirmed it was both districts' intent to expand board membership to seven members to provide representation for all three rural school districts.

Staff were advised by Larry Shirey at CDE that the path to a seven-member board would be complicated as education code only contemplates a seven-member board for a unified school district. The path forward to a five-member board is, however, relatively uncomplicated: Once the lapsation has occurred, the current board of Laguna Joint school district would be able to take action under the provisions of Education Code 5018 to expand board membership from three to five members.

The reorganization committee discussed the pros and cons of a seven-member versus a five-member board. Both members expressed the difficulty the rural districts have had in attracting candidates for board seats and noted Lincoln Union has never had a contested election in its entire history. The committee also discussed desires that have been expressed to leave the board once the reorganization process is complete and the districts have a more secure future.

The committee recommend the reorganization plan includes a commitment for the receiving district (Laguna Joint) to take action in July 2021 to expand board membership to five members, providing two open seats on Laguna's board outside of any board member resignations.

Staff were directed to investigate the options for filling the open seats without having to incur the expense of an election.

Staff were also directed to update the timeline with benchmarks of activities and to prepare the following topics for discussion on December 15th:

1. Follow up on process to expand board membership and fill open seats
2. Comparison of board policies and any recommended areas of conformance
3. District naming process

Future meetings

The reorganization committee settled on a regularly scheduled monthly meeting to take place on the first Wednesday of each month at 1pm. The next meeting will take place on December 2nd allowing the committee to report out to their respective boards at the December 15th Board Meetings.

The committee intends to address the following topics at subsequent meetings:

December 2020	Process to expand board membership and fill open seats
	Board Policies
	District naming process
January 2021	Personnel considerations: Salary schedules and Staff seniority
	Real Property considerations: Facility use plans
February 2021	Joint Powers Agreements
	Outstanding Liabilities
	Records
March 2021	Maintaining Viability – Sustainability Plan

Laguna Joint and Lincoln Union Elementary School Districts

Report from Reorganization Committee Meeting December 2, 2020

The reorganization committee met on December 2, 2020. Dan Hess was present to represent Laguna Joint District and Jim Grossi was present to represent Lincoln Union District. Luke McCann, Superintendent of both districts and Kate Lane, Assistant Superintendent Business Services for the Marin County Office of Education were also in attendance as staff to the committee. The agenda included discussion of expanding board membership in the reorganized district, district naming, and a review of board policies across both districts. The only other follow up item remaining from November was for staff to investigate obtaining professional guidance regarding trustee areas. This task is still in process.

Process to expand board membership and fill open seats

Staff reached out to Larry Shirey at CDE for guidance on the process to expand board membership from three to five members. This action would be taken by the Laguna Joint district subsequent to the lapsation action expanding territory to include the Lincoln-Union boundaries. Education code allows for expansion to five members by the boards own action (i.e. action by resolution), however, would normally then require the new seats be filled at the next regularly scheduled election. Mr. Shirey has advised that the board would be able to request a waiver of certain elements of education code and utilize the code section directing the board to appoint members to the new seats.

To accomplish this, the Laguna Joint board would need to hold a newspaper published public hearing in March 2021 followed by action taken at the April 2021 meeting to allow submission of the waiver request to CDE by the deadline of April 20th to be placed on the July 14-15, 2021 State Board of Education board meeting agenda. The Board would then be able to appoint members to the new seats at their next meeting. We would recommend setting a meeting for late July or August. The timeline has been updated to reflect these actions.

The waiver request would be asking State Board to grant a waiver of the following education code sections (strike-through indicates the language that would be waived):

5018 Any elementary school district having a governing board of three members may~~, and any elementary school district having a governing board of three members whose average daily attendance during the preceding fiscal year was 300 or more shall do either of the following:~~

~~(a)~~ By its own action determine that the number of members of the governing board shall be increased to five~~, in which case two additional members shall be elected at an upcoming established election date, as specified in Section 1000 of the Elections Code, determined by the board.~~

~~(b) Request the county superintendent of schools having jurisdiction to submit the question of whether the number of members of the governing board shall be increased to five to the voters of the elementary school district at an upcoming established election date, as specified in Section 1000 of the Elections Code, determined by the county superintendent of schools. At the same election, two additional members shall be elected to take office if the number of governing board members is increased.~~

~~Candidates for the two additional offices shall state in the declarations of candidacy filed for the election that the candidates are candidates for the two additional offices separately from the other offices to be filled in the election and shall clearly indicate to the voters that they may vote for two of the candidates to take office if the voters approve the proposed increase in the number of board members.~~

~~If the voters at the election do not approve the increase in membership of the governing board, the same question may be submitted to the voters at subsequent governing board member elections. Requests to the~~

~~county superintendent to submit the question to the voters of a district shall be filed with him or her by the governing board of the district no later than 100 days prior to the election.~~

~~If, pursuant to either subdivision (a) or subdivision (b), two additional governing board members are authorized and elected, the one receiving the higher number of votes shall hold office for a term commencing the first day of the month following the election until the first Friday in December in the second succeeding year following the election in which a regular governing board election is held, and the other one shall hold office for a term commencing the first day of the month following the election until the first Friday in December in the first succeeding year following the election in which a regular governing board election is held. Thereafter the governing board shall be composed of five members elected in the same manner and for the same term as governing boards having five members~~.

5022 If the number of members of the governing board is increased ~~from five to seven~~, the two additional members of the board of trustees shall be appointed by the governing board of the district, with the term of one of those two additional appointees being designated to expire on the first Friday in December of the next succeeding odd-numbered year and the term of the other appointee being designated to expire on the first Friday in December of the second succeeding odd-numbered year.

35012 (Waive all of subdivision [c]).

~~(c) Notwithstanding subdivision (a), and except as provided in this subdivision and Section 5018, the governing board of an elementary school district other than a union or joint union elementary school district shall consist of three members selected at large from the territory comprising the school district. Whenever, in any such elementary school district the average daily attendance during the preceding fiscal year is 300 or more, the procedures prescribed by Section 5018 shall be undertaken.~~

District naming process

To rename the District, a petition would need to be presented to the Board following which the Board would need to hold a public hearing (published in a newspaper at least twice before the hearing). The Board then takes action at the hearing and notifies the county elections officials in both Marin and Sonoma Counties of the name change.

The Committee discussed adding district naming as a board discussion item at the January meetings of both boards to allow for a full discussion of how best to involve the community at the Joint Board meeting to be held in February or March of 2021. The timeline has been updated to indicate receipt of the petition in June for public hearing in July and action in August although renaming could be performed at any time. The following education code section governs the renaming process:

Education Code Section 35000

(a) Whenever a petition is presented to the governing board of a school district, signed by at least 15 qualified electors of that school district, asking that the name of the district be changed and stating the new name requested, the governing board shall designate a day upon which it will act upon the petition, which shall not be less than 10 days nor more than 40 days after the receipt of the petition.

The governing board shall give or cause to be given notice to all parties interested by publication in a newspaper published within the school district, or, if there is none, in any newspaper published in the county, of the time set for the hearing of the petition. The notice shall be published at least twice before the day set for hearing. At the hearing the board shall by resolution either grant or deny the petition, and, if granted, shall notify the county superintendent of schools of the change of the name of the district. The board shall also

certify the name change to the county elections official of each county in which any part of the school district is situated. The name change shall also be entered in the records of the governing board.

Comparison of board policies and any recommended areas of conformance

We have prepared a comparison of board policies and it would appear that there are some policies in existence at Lincoln Union that have not yet been adopted by Laguna Joint that should be reviewed:

a. Education for Homeless Children/In Transition
b. Student Wellness
c. Grievance Procedure
d. Residency based on Parental Employment

Policy		Lincoln		Laguna
Interdistrict Transfers		x		x
Paid sick leave for limited term employees		There is a Document on the L Drive but nothing in Policy Binder		x
Uniform Complaint Procedures		x		x
Non-descrimination Anti-harassment		x		x
Fund Balance for General Fund		x		x
Facilities Inspections		x		x
Class Size reduction k-3		x		x
Student Promotion and Retention		x		x
Interdistrict attendance		x		x
Weapons and Dangerous Instruments		Not in Binder		x
Education for Homless Children/In Transition		x		Not in Binder
Student Wellness		x		Not in Binder
Grievance Procedure		x		Not in Binder
Residency based on Parental Employment		x		Not in Binder

Future Meetings

The next meeting of the reorganization committee will be on January 6, 2021 at 1pm. The following elements will be discussed: Personnel considerations: Salary schedules and Staff seniority; Real Property considerations: Facility use plans

Laguna Joint and Lincoln Union Elementary School Districts

Report from Reorganization Committee Meeting January 6, 2021

The reorganization committee met on January 6, 2021. Dan Hess was present to represent Laguna Joint District and Jim Grossi was present to represent Lincoln Union District. Luke McCann, Superintendent of both districts and Kate Lane, Assistant Superintendent Business Services for the Marin County Office of Education were also in attendance as staff to the committee. The agenda included discussion of the reorganization plan and associated public hearings, expanding board membership in the reorganized district, district naming, and a review of board policies across both districts. The only other follow up item remaining from November was for staff to investigate obtaining professional guidance regarding trustee areas. This task is still in process. New business on the agenda for this months meeting were two items: Personnel considerations and Real Property considerations.

I. Follow up from previous meeting:

1. REORGANIZATION PLAN – PUBLIC HEARING

PUBLIC hearing in both districts in February to take public input on the reorganization plan. Jim and Dan will prepare a joint letter to the communities to the public hearing.

We will also need to prepare a draft resolution for reorganization plan, set date, and place newspaper notice for the public hearing.

Joint meeting currently scheduled for February 9th…instead leave this as regular meetings and hold the public hearings at the regular meetings in each district.

Hold the Joint meeting on **Wednesday Feb 3rd at 5pm**

Topics – Reorganization plan, district naming, board membership

2. Board membership increase from three to five members

- Draft resolution for Laguna Joint to expand membership and request Education Code Waiver provided for review and discussion
- Timeline:
  a. Set public hearing date in March
  b. Place notice of public hearing in newspaper at least 10 days prior to meeting
  c. Consider action on resolution at April 2021 board meeting
  d. Submit waiver request to CDE no later than April 20, 2021
  e. State Board acts on waiver at July 2021 meeting
  f. Place notice in paper advertising pending board seats in July
  g. Appoint members to two new seats in August

3. District Naming Process

- Timeline:
  a. January 2021 board meetings add to agenda as discussion item – how best to involve the community in the naming process
  b. Add as item to Joint Board meeting to be held in February 2021
  c. Anticipate receipt of a petition to rename the District in June 2021
  d. Publish a notice of public hearing on the renaming in the local newspaper
  e. Hold a public hearing in July 2021 (at least 10 days after but no more than 40 days after receipt of the petition)
  f. Act on the renaming at the August 2021 board meeting

g. Notify county elections officials in Marin and Sonoma Counties of the name change

4. Board Policies

Laguna to consider taking action to adopt the following policies if appropriate:

a. Education for Homeless Children/In Transition
b. Student Wellness
c. Grievance Procedure
d. Residency based on Parental Employment

5. TRUSTEE BOUNDARIES

Staff have not yet completed research on getting a professional to review trustee boundaries to express an opinion on whether the district should maintain district-wide elections or create trustee areas.

II. **Current business**

6. Personnel considerations:

a. Salary schedules –review and discussion:
   - Certificated Teacher Principal – only difference is Laguna has more steps
   - Certificated Teacher – only difference is Laguna has more steps
   - Classified Support – Laguna's schedule is very slightly higher than Lincoln's for the aide position Laguna's salary schedules will be used in the reorganized district, thus no-one will suffer any reduction in pay. The aide at Lincoln will see a slight increase in pay.

b. Staff seniority - review and discussion:
   - Laguna Board Policy "Criteria to Determine Order of Termination"
   - Listing of all current staff with seniority date
     - Cynthia (Lincoln) certificated hired first
     - Maria (Laguna) instructional aide hired first
   - There are currently no former staff subject to the 39 month rehire criteria.

7. Real Property considerations

a. Current facilities status
b. Facility Use Plans

Neither district has any current facility use policies although Lincoln-Union has a facilities subcommittee. Discussed forming a committee specific to facilities to assess facility condition at all sites and form recommendations to form a facility use plan.

Also discussed the title to each property: Lincoln is on a long term lease. Determine title. Jim might have the documents in file. We should do a title search. Jim will perform initial research for Lincoln-Union. If Lincoln holds title, a title change will need to be recorded at the county recorders office upon completion of the reorganization.

Dan was not sure of the status for Laguna – again, will need research.

III. Future Meetings

The next meeting of the reorganization committee will be on **February 3, 2021 at 4pm**. The following elements will be discussed: Joint Powers Agreements, Outstanding Liabilities

Laguna Joint and Lincoln Union Elementary School Districts

Report from Reorganization Committee Meeting February 3, 2021

The reorganization committee met on February 3, 2021. Dan Hess was present to represent Laguna Joint District and Jim Grossi was present to represent Lincoln Union District. Luke McCann, Superintendent of both districts and Kate Lane, Assistant Superintendent Business Services for the Marin County Office of Education were also in attendance as staff to the committee. The agenda included discussion of the reorganization plan and associated public hearings, expanding board membership in the reorganized district, and district naming. We also followed up with outstanding questions on Real Property considerations. The only other follow up item remaining is for staff to investigate obtaining professional guidance regarding trustee areas. This task is still in process. The New business on the agenda for this months meeting are: Joint Powers Authorities, Outstanding Liabilities, and Records.

I. Follow up from previous meeting:

1. REORGANIZATION PLAN – PUBLIC HEARING

PUBLIC hearing in both districts at regular meetings on February 9, 2021 to take public input on the reorganization plan. A joint letter was sent out to the communities to notify them of the public hearing and a notice was placed in the newspaper for publication in the Press Democrat.

Staff prepared draft resolutions for the reorganization plan for review by the committee.

2. Board membership increase from three to five members

- Larry Shirey at CDE reviewed the Draft resolution for Laguna Joint to expand membership and request Education Code Waiver and had no suggested or recommended changes.
- Timeline:
  a. The public hearing will be held at Laguna's regular board meeting on March 10, 2021
  b. Place notice of public hearing in newspaper at least 10 days prior to meeting
  c. Consider action on resolution at April 13, 2021 board meeting
  d. Submit waiver request to CDE no later than April 20, 2021
  e. State Board acts on waiver at July 2021 meeting
  f. Place notice in paper advertising vacant board seats in July
  g. Appoint members to two new seats in August

3. District Naming Process

- Timeline:
  a. January 2021 board meetings included discussion item of how best to involve the community in the naming process
  b. Included as an item to Joint Board meeting to be held later today – February 3, 2021
  c. Anticipate receipt of a petition to rename the District in July 2021
  d. Publish notices of public hearing on the renaming in the local newspaper twice before the hearing
  e. Hold a public hearing in August 2021 (at least 10 days after but no more than 40 days after receipt of the petition) and take action to grant or deny the petition
  f. Notify county elections officials in Marin and Sonoma Counties of the name change.

Staff to provide sample petition. Boards to Include standing item on each board agenda from now forward to see if there is any consensus of opinion.

4. **Board Policies**

   Laguna to consider taking action to adopt the following policies if appropriate:

   a. Education for Homeless Children/In Transition
   b. Student Wellness
   c. Grievance Procedure
   d. Residency based on Parental Employment

5. **TRUSTEE BOUNDARIES**

   Staff have not yet completed research on getting a professional to review trustee boundaries to express an opinion on whether the district should maintain district-wide elections or create trustee areas.

6. **REAL PROPERTY**

   The County Auditor/Tax Collector advised that the transfer of tax rate area will be accomplished by their office upon direction from the Board of Equalization advising the consolidation of the territory. The action taken by the County Committee on School District Organization will be forwarded to the County Board of Supervisors. Their action to affirm the change is then reported to the Board of Equalization. The change to the tax area will be made effective in the subsequent year, however the County Auditor will be able to administratively accommodate the consolidation for the first year.

   We also have inquired of the County of Marin about the ownership status for land currently used by Lincoln-Union school district at the Lincoln School site, as well as the process for recording the title transfer upon completion of the reorganization.

   At the last meeting the committee discussed forming a committee specific to facilities to assess facility condition at all sites and form recommendations to form a facility use plan. This committee will need to move this forward for action by the boards to create and appoint members to a facilities committee. The reorganization committee recommends a sustainability committee with a facilities subcommittee should be formed by the board of the reorganized district.

7. **Personnel considerations:**

   a. Salary schedules were reviewed at the January reorganization committee meeting and it was determined no further action is required relative to the salary schedules. An additional review revealed that the certificated schedules at Laguna do not have as many 'steps' as Lincoln-Union's schedule and may, therefore, bear revisiting. Benefit offerings are identical at the districts.
   b. Staff seniority was also reviewed at the January meeting and has been forwarded to legal for review.

II. **Current business**

8. **Joint Powers Agreements**

   Both Laguna and Lincoln Union are members of the Marin Schools Insurance Authority for purposes of insurance coverage for general property and liability as well as workers compensation. All insurance policies held through MSIA membership will be updated to reflect the change effective July 1, 2021.

9. **Outstanding Liabilities**

   The only liabilities held by either Lincoln Union or Laguna are the calculated unfunded liability for retirement pensions. These liabilities are calculated as each district's proportionate share of the total as

measured by the districts proportionate share of pension contributions. With no change contemplated in total staff, the reorganized district should expect to see a liability approximately equal to the total of the two district's individual liabilities.

10. Records

- Business records for both Lincoln Union and Laguna are maintained by the Marin County Office of Education (MCOE) on the districts' behalf as part of the contract to provide administrative services. Many of the records are maintained digitally and will be easily ported over to maintain a full set of records.
- Records of Board meetings including board resolutions and board policies are maintained at MCOE in paper format. These records are maintained as permanent records and all board records from the Lincoln Union district will continue to be maintained.
- Student records are primarily housed at the single school sites currently operated by the two districts.

III. Future Meetings

The next meeting of the reorganization committee will be on **March 3, 2021 at 1pm**. The new business to be reviewed at this meeting is Sustainability. This is the last meeting currently scheduled for the committee. Determine the need to schedule additional meetings.

Report from Reorganization Committee Meeting March 5, 2021

The reorganization committee met on March 5, 2021. Dan Hess was present to represent Laguna Joint District and Jim Grossi was present to represent Lincoln Union District. Luke McCann, Superintendent of both districts and Kate Lane, Assistant Superintendent Business Services for the Marin County Office of Education were also in attendance as staff to the committee.

I. Follow up from previous meeting:

1. **REORGANIZATION PLAN**
   The Reorganization Plan resolution will be placed on both district's board agendas for the April meeting. The County Committee on School District Organization has set the public hearing on the lapsation of Lincoln Union School District on **May 17th at 6pm** and the subsequent meeting to take action on **May 26th at 6pm**

   Staff will ensure boards have the calendar invites to the meetings with zoom links. Board members should be prepared to address the County Committee about the Districts' support for the reorganization. The resolutions referred to above will be forwarded to the County Committee. Staff will prepare talking points for board members.

2. **Board membership increase from three to five members**
   a. The newspaper noticed public hearing will be held at Laguna's regular board meeting on March 9, 2021

3. **District Naming Process**
   Boards to Include standing item on each board agenda from now forward to see if there is any consensus of opinion. Email addresses were provided to the public to have another avenue for providing public comment. Staff to provide sample petition. Petition should not be generated prior to July 1, 2021 to ensure the entire territory is involved in the process.

4. **Board Policies**
   Laguna to consider taking action to adopt the following policies if appropriate:
   a. Education for Homeless Children/In Transition
   b. Student Wellness
   c. Grievance Procedure
   d. Residency based on Parental Employment

5. **TRUSTEE BOUNDARIES**
   Please see legal update from School and College Legal Services describing the requirements relative to trustee areas vs at large elections.

6. **REAL PROPERTY**
   We have an appointment with Shelley Scott, Marin County Assessor to discuss ownership status of the three sites, Union, Lincoln and Laguna and the process for recording title transfer upon completion of the reorganization.

7. **Personnel considerations:**
   a. Salary schedules – no action required relative to the reorganization

b. Staff seniority was also reviewed at the January meeting and has been forwarded to legal for review.

II. New Business

Sustainability

Keith Ricci, the business manager for Laguna, prepared the second interim budget multi-year projection based on the reorganization to take effect on July 1, 2021. The multi-year projection indicates the reorganized district will be operating at a deficit, spending down the reserves as reflected in the chart below.

All Funds	2020-21	2021-22	2022-23
Revenues	244,058	530,743	529,736
Expenditures	344,916	627,684	646,458
Operating change	(100,858)	(96,941)	(116,722)
Beginning Fund Balance	337,630	236,772	603,874
Transfer from Lincoln-Union		464,043	
Ending Fund Balance	236,772	603,874	487,152

There have already been some preliminary discussions going back to the joint board meeting in February 2020 about the various options to sustain the district for the long-term future. The various ideas that have been put forward to date include:

1. Leasing surplus school facilities
2. Developing an Endowment fund
3. Putting a parcel tax on the ballot
4. Seeking political solutions to the flat funding scenario and to special education funding
5. Reducing expenditures by operating a single site

1. Leasing surplus school facilities

The reorganized district will have three school sites while planning on utilizing two of those sites for in-person instruction. The district could make the unused site available for lease by another party.

Education Code sections 17455 – 17484 govern the sale or lease of real property. Pursuant to Education Code section 17462, proceeds from the sale or lease or property shall be used for capital outlay or for costs of maintenance of school property, however, if facilities are in good condition or lease proceeds exceed the cost of deferred maintenance, it may be possible to transfer lease proceeds to the general fund. A number of Marin County school districts lease surplus property and transfer excess lease proceeds to the general fund. We would therefore recommend developing a five year deferred maintenance plan that is updated annually.

Prior to selling or leasing any real property Education Code section 17457(e) requires the school district to hold hearings pursuant to Education Code section 17390. Education Code sections 17387-17391 lay out the requirements for a district advisory “7-11” committee.

School districts are also subject to The Civic Center Act codified in Education Code (sections 38130 through 38139) which states that every public school facility within the State of California be made available for use as a civic center for use by the public.

Commercial real estate ranges greatly in price per square foot and we would recommend first steps may be requesting legal consultation and contacting a realtor for information about the market.

Resources provided
The Civic Center Act – Education Code section 38130 – 38139
Advisory Committees – Education Code sections 17387-17391
Sale or Lease of Real Property – Education Code sections 17455 – 17484

2. **Developing an Endowment Fund**
An endowment fund is designed to ensure a sustainable flow of revenue by investing donations and releasing only interest earnings for program expenditure. An endowment fund would be best managed through the development of a non-profit public benefit corporation dedicated to supporting the district as such an entity would not be restricted by the investment instruments it could access. The public retirement systems are using an estimated long term investment return rate of 7%. Using that as a benchmark, an endowment of $1 million could potentially generate $70,000 of interest income annually.

First steps in this process would be to consult with legal, gauge likely interest and, if the proposal is viable, to prepare and file the paperwork to register a non-profit corporation with the Attorney General for the State of California. This would be followed by the filing of an tax exemption request to the Internal Revenue Service before completing the same with the State of California Franchise Tax Board. Upon development of the trust, the corporation would select a financial advisor to provide guidance to manage the investment portfolio.

3. **Putting a parcel tax on the ballot**
There are a total of 111 parcels in Laguna's boundaries with 5 of those parcels exempt from taxation (Walker Creek Ranch and Laguna itself).

There are a total of 116 parcels in Lincoln Union's boundaries with 11 of those parcels exempt from taxation (North Marin Co Water District, County of Marin, Marin County Open Space District and the Union School and Lincoln Schools).

In total this means there are 211 taxable parcels within the reorganized district's boundaries.
Parcel taxes have been authorized by voters in all Marin County school districts except for Laguna, Lincoln-Union and Sausalito Marin City. Parcel tax rates for 2020-21 range from $195.76 to $1,589.22. Most districts provide a senior exemption for homeowners residing in the property. A $200 parcel tax would generate approximately $40,000 annually.

Parcel taxes must be authorized by a two-thirds majority of the voters to pass, and are initiated by board action calling for an election. A school district may not use public funds to **advocate** for it. School districts generally employ the services of a professional firm to gauge community support for a parcel tax measure. Preparing a parcel tax measure also requires legal guidance.

Resources provided:
Equalized roll listing for both Lincoln-Union and Laguna districts
Marin County schools 2020-21 Parcel tax rate summary
CSBA Fact Sheet – Legal Guidelines: Use of public resources for ballot measures and candidates

4. Seeking political solutions

a. 2012-13 held harmless flat funding scenario

The new Local Control Funding Formula eliminated the necessary small school status of all three of the rural school districts providing a "held-harmless" funding floor equal to the funding received in 2012-13. At that time California was at the tail end of a recession that saw school funding reduced by 20%. The end result is flat revenues with ever declining purchasing power.

Jim Grossi has expressed interest in seeking a political solution to this issue.

b. Special Education funding

The federal government promised to pay 40% of special education costs when the Individuals with Disabilities Education Act (IDEA), but in fact the federal share of cost has steadily decreased over time such that they cover approximately 8% of costs. Likewise, state revenues have failed to keep pace with the cost of special education services. As a result, local resources provide 70% or more of these costs.

The Marin County School Districts Joint Legislative Action Committee (JLAC) comprised of superintendents and elected school board members from Marin county school districts continues to maintain a goal of securing adequate funding for special education.

Resource provided:
JLAC Annual Priorities 2021

5. Reducing expenditures by operating a single site

The district could balance the budget by reducing operations to a single site as reflected in the following budget estimates:

	2 School Sites	**1 School Site**	
	1 Teacher 1 Aid Per Site	2 Teachers	1 teacher 1 Aid
Total Revenue	530,743	530,743	530,743
Total Expenditures:	627,684	476,252	426,285
Budget Surplus/(Deficit)	(96,941)	54,491	104,458

III. Conclusion

The next meeting of the reorganization committee will be on April 7th at 1pm and will be conducted via zoom. There are no new topics relative to the reorganization, however, the committee will continue to follow up on all items that have been under consideration.

Report from Reorganization Committee Meeting April 7, 2021

The reorganization committee met on April 7, 2021. Dan Hess was present to represent Laguna Joint District and Jim Grossi was present to represent Lincoln Union District. Luke McCann, Superintendent of both districts and Kate Lane, Assistant Superintendent Business Services for the Marin County Office of Education were also in attendance as staff to the committee.

I. Follow up from previous meeting:

1. **REORGANIZATION PLAN**

   The Reorganization Plan resolution will be placed on both district's board agendas for the April meeting. The County Committee on School District Organization has set the public hearing on the lapsation of Lincoln Union School District on **May 17th at 6pm** and the subsequent meeting to take action on **May 26th at 6pm**

   Staff will ensure boards have the calendar invites to the meetings with zoom links. The resolutions referred to above will be forwarded to the County Committee. The reorganization resolution serves as a good basis for talking points for the Board to address the committee.

   We requested legal guidance regarding Brown Act requirements for both boards to attend the County Committee meeting. We are advised to schedule a special joint board meeting with the agenda item listed as:

   > The Board will attend a meeting of the Marin County Committee on School District Organization (CCSDO) to facilitate the consideration by the CCSDO of the proposed reorganization following the lapsation of the Lincoln-Union School District. While in attendance at the CCSDO the board may respond to any questions from members of the CCSDO or from members of another district board or from members of the public and may take any action appropriate to the CCSDO's consideration of the reorganization proposal. (citation: Government Code section 54954(b)(3))

2. **Board membership increase from three to five members**

   a. The newspaper noticed public hearing was held at Laguna's regular board meeting on March 9, 2021. The resolution and request for SBE waiver of education code is on Laguna's board meeting for April 13, 2021.

   We submitted the draft resolution to legal counsel for review and have made the following recommended changes:

   1. The third Whereas clause be revised to add the following words at the beginning of that clause: "over the last two years---"
   2. In addition we have added a new Whereas to read as follows: "the effect of this resolution and SBE waiver request will convert district elections from even year to odd year;".

3. **District Naming Process**

   Boards to Include standing item on each board agenda from now forward to see if there is any consensus of opinion. Email addresses were provided to the public to have another avenue for providing public comment. We requested legal review of the issue of "naming" the new district and were referred to Education Code sections 35000-35001. *"In my opinion, section 35000 is the governing provision in that a new district will be formed as a result of the reorganization."*

Education Code 35000.
(a) The first governing board of any new school district shall, at the first meeting of the governing board or as soon as practicable thereafter, name the school district.

(b) The name of an elementary school district shall be in the form of "____ District" (using the name of the district). The name of an elementary school district shall not include a number.

(c) The name of a unified school district shall be in the form of "____ Unified School District" (using the name of the district). A number shall not be used as a part of the designation of any unified school district.

Each board should priority rank the three names under consideration

4. **Board Policies**
   Laguna to consider taking action to adopt the following policies if appropriate:
   a. Education for Homeless Children/In Transition
   b. Student Wellness
   c. Grievance Procedure
   d. Residency based on Parental Employment

5. **TRUSTEE BOUNDARIES**
   We consulted with legal regarding the issue of trustee boundaries versus at-large elections, and were advised that "The issue of election by trustee area within a district versus district election at large is certainly a current topic of much interest and importance but I recommend that it be deferred until the imminent release of the decennial census."

6. **REAL PROPERTY**
   We met with Shelley Scott, Marin County Assessor to discuss ownership status of the three sites, Union, Lincoln and Laguna and the process for recording title transfer upon completion of the reorganization. The Assessor's office recommended working with a realtor to get 'property profiles' on each of the three properties and further recommended we talk to Jim Lannati. A property profile will provide title history. The Assessor's records don't show anything recorded since inception of the schools.

   To complete the transfers, the Assessor recommended we work with an attorney. Dwayne Satori is known for his work in this arena in West Marin.

7. **Personnel considerations:**
   a. Salary schedules – no action required relative to the reorganization
   b. Staff seniority was also reviewed at the January meeting and has been forwarded to legal for review. The result of that review is as follows:

      "I advised that as a result of the reorganization the "seniority list" of the remaining district must be based on the seniority of the certificated employees of the previous districts, it being understood that the time a certificated employee spends on a layoff rehire list does not impact that employee's seniority, provided that the employee is rehired from the layoff list before the expiration of that list."

8. Sustainability

Preliminary discussions going back to the joint board meeting in February 2020 about the various options to sustain the district for the long-term future have generated the following ideas:

1. Leasing surplus school facilities
2. Developing an Endowment fund
3. Putting a parcel tax on the ballot
4. Seeking political solutions to the flat funding scenario and to special education funding
5. Reducing expenditures by operating a single site

1. Leasing surplus school facilities

The first step toward this process might be to assess the status of the three facilities and develop a five year deferred maintenance plan that is updated annually. We would also recommend requesting legal consultation before proceeding.

2. Developing an Endowment Fund

First steps in developing an endowment fund would be to consult with legal, gauge likely interest and, if the proposal is viable, to prepare and file the paperwork to register a non-profit corporation with the Attorney General for the State of California. This would be followed by the filing of a tax exemption request to the Internal Revenue Service before completing the same with the State of California Franchise Tax Board. Upon development of the trust, the corporation would select a financial advisor to provide guidance to manage the investment portfolio.

3. Putting a parcel tax on the ballot

Parcel taxes must be authorized by a two-thirds majority of the voters to pass, and are initiated by board action calling for an election. A school district may not use public funds to **advocate** for it. School districts generally employ the services of a professional firm to gauge community support for a parcel tax measure. Preparing a parcel tax measure also requires legal guidance.

4. Seeking political solutions

- **i. 2012-13 held harmless flat funding scenario**
- **ii. Special Education funding**

5. Reducing expenditures by operating a single site

As a last resort the district could balance the budget by reducing operations to a single site

II. Conclusion

The next meeting of the reorganization committee will be on May 4th at 1pm and will be conducted via zoom. There are no new topics relative to the reorganization, however, the committee will continue to follow up on all items that have been under consideration.

LAFCO Notices

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LAFCO Notices
November 6, 2020 – May 17, 2021

Date Notice Received	File #	Topic	Date sent to MCOE Legal Counsel	Date executed form sent to LAFCO	Due Date
02/08/21	1353	Annexation of 1499 Lucas Valley Road, San Rafael (APN 65-010-89) to Marin Municipal Water District (LAFCo file #1353)	2/12/2021	2/12/2021	3/10/2021
04/07/21	1354	Annexation of 345 Highland Avenue, San Rafael (APN 016-011-20) to Marin Municipal Water District (LAFCo File #1354)	4/7/2021	4/8/2021	5/7/2021