Meeting Packet

Governing Board Meeting Agenda

Governing Board Meeting Agenda

CABRILLO UNIFIED SCHOOL DISTRICT

Half Moon Bay High School
Multipurpose Room
1 Lewis Foster Drive
Half Moon Bay, California, 94019
January 18, 2017
7:00 PM (Closed Session 6:00 PM)

1. CALL TO ORDER - 6:00 P.M.

2. ROLL CALL / QUORUM

___ Mr. Rob Pappalardo, President
___ Ms. Sophia Layne, Vice President
___ Ms. Kimberly Hines, Clerk to the Governing Board
___ Dr. Kirk Riemer, Ph.D., Member
___ Ms. Freya McCamant, , Member

3. COMMENTS FROM THE PUBLIC RELATED TO ITEMS ON THE CLOSED SESSION AGENDA

Anyone wishing to address the Board regarding any of the Closed Session matters may do so at this time.

4. RECESS TO CLOSED SESSION

a. Pupil Personnel/Student Matters (Education Code §35146).

The Board may hear expulsion cases and consider the requests from students for re-admittance following expulsion. Also, the Board may review student disciplinary reports, exemption requests, and other student related matters that are regarded to be confidential according to Education Code. The Education Code requires closed session in these cases to prevent disclosure of confidential student record information.

i. Pursuant subdivision (d) of Section 54956.9: Claim for Special Education and related services, discussion of Compromise and Release Agreement per Cabrillo Unified School District and Office of Administrative Hearings.

b. Public Employee Discipline/Dismissal/Release (Government Code §54954.5, §54957).

c. Conference with Legal Counsel – Anticipate Litigation (Government code §54956.9).

Conference regarding anticipated litigation pursuant to Subdivision (b) of Section §54956.9.

d. With respect to every item of business to be discussed in closed session pursuant to (Government Code §54957.6): Update School Facilities Construction.

e. Conference Regarding Labor Negotiations with District-Designated Representatives Dannis/Wolliver/Kelley, Jane Yuster (Government Code §54957.6).

   i. Cabrillo Unified Teachers' Association

   ii. California School Employees' Association, Chapter 485

5. RECONVENE OPEN SESSION – 7:00 P.M.

Report action from Closed Session: if applicable.

6. PLEDGE OF ALLEGIANCE

7. ADOPTION OF AGENDA AS PRESENTED / AMENDED

8. STUDENT / STAFF / COMMUNITY RECOGNITION

The Governing Board recognizes the following Half Moon Bay High School students and their Coaches for their outstanding Athletic Performance:

2017 Football Team

Connor Quosig
Weston Henry
Ronan Spigelman
Tommy Daly
Gavin Tomberlin
Dom Padua
Dylan Williams
Tristan Hofmann
Sean Fitzgerald
Jonathan Carrillo
Blake Schmieder
Carlos Luna
Chase Hofmann
Atticus Hart
Jake Quosig
Hayden Von Almen
Juan José Vásquez
Preston Dimas
Luis Antonio
Joe Lemos
Adrian Rangel Castro
Matt Wilmes
Jake Perkins
Jojo Weinberger
Zach Henry
Ricky Camacho
Gibran Cahuantzi
Gerardo Peñaloza
Arron Baird
Kellan Royce
Kolby Dare

Dillon Prosser
Robert Lester
Seth Tanisaki
Bracen Young
Cade Duncan
JT Lehane
Oz Monroy
Nohea Sharp
José Martínez
Coach: Keith Holden
Assistant Coach: Brian Von Almen
Assistant Coach: Don Dias
Assistant Coach: Ronnie Ekis
Assistant Coach: Willie Hillyard
Assistant Coach: Breen Hofmann
Head Athletic Trainer: Jessica Markbreiter

2017 Cross Country Runners
Nathan Cristol-Demon
Cole Wilkinson
Jared Mansukhani
Nick Moore
James McEachen
Arthur McKenzie
John Helmlinger
Coach: Paul Farnsworth
Assistant Coach Stephanie Roberts
Assistant Coach Anthony Cortes

El Granada Elementary School
The Governing Board recognizes Ms. Margi Galvan, Food Service Assistant. Ms. Galvan has been a important part of the El Granada community for 11 years. Ms. Galvan is an unsung hero to the staff and our students at El Granada Elementary School. In addition to attending to breakfast and lunch service, she has made book recommendations to our classroom libraries, works with students in our after school program in the Dolphin Club and has volunteered countless times to assist us in our Family Fun Nights and ELAC meetings to serve food safely to our students and families.

9. COMMENTS FROM THE PUBLIC RELATED TO ITEMS NOT ON THIS AGENDA

Public Participation at Board Meetings

The Board of Education encourages your participation in its deliberations. If you wish to address the Board on an agenda item, please fill out a speaker card located on the agenda table at the back of the room and present it to the Administrative Assistant seated to the immediate left of the Superintendent prior to the item being called. Any additional materials you choose to present will be copied and presented to all Board members following the meeting. The Board President will randomly call on persons submitting cards. The general order of discussion on any particular agenda item during the course of a meeting is: 1) Staff presentation on item, 2) Public comment, and 3) Board deliberation and action, if so warranted. If you wish to address the Board on a matter that is not on the agenda, you may speak during the "Comments from the Public" portion of the meeting that is held near the beginning of the meeting following the same general procedures noted above. Board members are legally prohibited from discussing non-agenda items and, therefore, cannot respond to items presented at this time. Open session is audio and/or video recorded.

Board agendas are often long and time is limited. For that reason, the Board reserves the right to limit the

time allocated to each speaker (three minutes) as well as the cumulative time allocated to multiple speakers who are addressing the same topic (twenty minutes). The presiding officer may rule out of order persons who unduly interrupt or otherwise interfere with the orderly conduct of business, or who use defamatory, abusive, or profane language. Irrelevant or redundant presentations may likewise be ruled out of order. In the unlikely event that the behavior of an individual is such that the Board is unable to continue to conduct its business in an orderly manner, the Board President may direct the offending individual(s) to vacate the meeting room. Finally, a citizen may place an item on the Board Agenda by submitting a written request and supporting information to the Superintendent's Office.

The Superintendent, in consultation with the Board President, will determine at which upcoming regular Board meeting the item will be scheduled. The person who requested the item will be allowed three minutes at the meeting to present the information to the Board. Following this presentation the Board may address the issue, put the issue on a future agenda for more discussion and action, refer the issue to the administration for follow-up, or take no action. In compliance with the Americans with Disabilities Act, those individuals requiring assistance and/or accommodations or *Spanish language translation in order to participate in this meeting are asked to contact the Superintendent's Office in advance at (650) 712-7112. (*Si usted necesita traducción al español para participar en esta reunión se pide que se ponga en contacto con la oficina del Superintendente antes de esta fecha al (650) 712-7112.)

10. REPRESENTATIVE REPORTS

a. CUTA Representatives

b. CSEA Representatives

11. REPORTS / INFORMATION / PRESENTATIONS

a. Receive Report on El Granada Elementary School

11.a Green Sheet EG Site Report.pdf (p. 8)

11.a.1 EG Board Presentation 1-2018.pdf (p. 9)

b. Received Report on Strategic Education Update Goal 3 and 4

11.b Green Sheet - LCAP Presentation Update Goals 3 & 4.pdf (p. 15)

11.b.1 2018 LCAP Goal 3 and 4 Update.pdf (p. 16)

12. DISCUSSION ITEMS

a. None

13. COMMUNICATIONS

a. Board Members

b. Student Board Member

c. Superintendent

14. CONSENT ITEMS

The Consent Agenda

Consent items are those items judged by staff to be routine in nature, consistent with policy, and reflective of established practice. As a time-saving measure, such items are typically grouped together on what is called the "Consent Agenda" for Board consideration of action. The Consent Agenda requires a motion and a second and must be approved by a roll call vote of the Governing Board. Any Board member may direct that one or more of these items be removed from the Consent Agenda for the purpose of discussion

and consideration of action.

a. Approve Field Trip for Half Moon Bay High School Advancement Via Individual Determination Program to Various Colleges in Southern California, February 15 - 18, 2018

14.a Green Sheet Field Trip for AVID to SoCal.pdf (p. 28)

b. Approve Field Trip for Cunha Intermediate School Girls Basketball Team to Lodi, California, January 27 - 28, 2018

14.b Green Sheet Field Trip Cunha Girls BB to Lodi.pdf (p. 30)

c. Ratify Field Trip for Half Moon Bay High School Varsity Football Team to Spring Valley, California, December 15 - 17, 2017

14.c Green Sheet Field Trip HS Football Team to State Championship Game.pdf (p. 31)

d. Ratify Field Trip for Half Moon Bay High School Varsity Cheerleading to Spring Valley, California, December 15 - 17, 2017

14.d Green Sheet Field Trip HS Cheer Team to Football State Championship Game.pdf (p. 32)

e. Approve Certificated Personnel Report

14.e Green Sheet Certificated Personnel Report.pdf (p. 33)

f. Approve Classified Personnel Report

14.f Green Sheet Classified Personnel Report.pdf (p. 34)

g. Accept Donations to Cabrillo Unified School District

14.g Green Sheet Donations to CUSD.pdf (p. 35)

h. Accept Enrollment Report for the Fourth Month of the 2017-2018 School Year

14.h Green Sheet Enrollment Report.pdf (p. 36)

14.h.1 Enrollment Report Period 4.pdf (p. 37)

i. Approve Quarterly Report on Williams Uniform Complaints (Education Code §35186)

14.i Green Sheet Williams Qrt. Report.pdf (p. 38)

14.i.1 Williams Qrt Report 12-31-17.pdf (p. 39)

j. Approve and Adopt Minutes of December 14, 2017, Regular Governing Board Meeting

14.j Green Sheet Board Mins.pdf (p. 40)

12-14-17 Minutes.pdf (p. 41)

15. ACTION ITEMS

a. Accept Budgetary Audit Report

15.a Green Sheet Audit Report 6-30-17.pdf (p. 49)

15.a.1 2016-17 CUSD Annual Financial Audit Report_C&ALLP (1)_Redacted.pdf (p. 50)

b. Accept Measure B Annual Report

15.b Green Sheet Measure B Annual Report.pdf (p. 140)

15.b.1 Measure B Parcel Tax Report 2016-17 Dec 2017 (1).pdf (p. 141)

16. FUTURE BOARD AGENDA ITEMS

a. Receive Half Moon Bay High School School Site Report

b. Discuss Construction Update Report

c. Discuss First Reading of Potential New Courses at Half Moon Bay High School

d. Approve Consolidated Application, Part II

e. Approve On-going Policies Monthly Maintenance Update/Revisions

f. Receive Visual Performing Arts Update (April)

17. FUTURE EVENTS/DATES/REQUESTS

a. January 23 - Hatch Elementary PTO Meeting, 6:00 PM, Library

b. January 23 - El Granada Elementary PTO Meeting, 6:30 PM, Library

c. January 26 - Sibling Open Enrollment Lottery, 8:00 AM, District Office

d. February 6 - Big Lift Meeting, 3:00 PM, District Office

e. February 6 - Chamber Education Committee Meeting, 4:00 PM, District Office

f. Febraury 8 - Regular Govering Board Meeting, 7:00 PM, District Office

18. RETURN TO CLOSED SESSION (IF NECESSARY)

19. ADJOURNMENT OF THE MEETING

Meeting Curfew

Board Bylaw 9323 stipulates that the meeting of the Board shall conclude no later than 10:00 p.m. The Board, at its discretion, may extend the meeting for a defined time to finish the business at hand.

CABRILLO UNIFIED SCHOOL DISTRICT
BOARD AGENDA ITEM

BOARD MEETING DATE: January 18, 2018

☐ **ACTION**
☐ **CONSENT**
☐ **DISCUSSION**
☒ **INFORMATION**

BOARD AGENDA NUMBER: 11.a

BOARD AGENDA ITEM: Receive Report on El Granada Elementary School

DEPARTMENT: Curriculum and Instruction

CONTACT PERSON: Joy Dardenelle, Assistant Superintendent, Curriculum and Instruction

BACKGROUND INFORMATION:

This report dated, January 18, 2018, reflects the current educational environment of El Granada Elementary School.

REPORT/PROPOSAL:

The following report reflects program highlights at El Granada Elementary School.

FINANCIAL IMPACT:

There is no negative financial impact to the General Fund.

RECOMMENDATION:

Receive report on El Granada Elementary School.

Cabrillo Unified School District

El Granada Elementary School Presentation to the Cabrillo Unified School District Governing Board

Martha Ladd, Principal

El Granada Elementary School

January 18, 2018

Cabrillo Unified School District

El Granada By The Numbers

- 411 students
- 25 Teachers
- 21 Staff
- 2 Educational Programs
  - Transitional Kinder – 5th Grade Neighborhood Elementary School
  - Special Education Special Day Class Program Pre-Kinder – 5th Grade)
- 1 Great School Community

Cabrillo Unified School District

Our Goals

- Every student reading at grade level by end of 3rd grade.
- Every English learning student reclassified by the end of 5th grade.
- Every student engaged, curious and filled with wonder about the world around them.
- Every student able to explore and develop their unique talents.

El Granada Elementary School

Cabrillo Unified School District

Our Core Programs

- Balanced Literacy Program
  - Reading and Writing Workshop
  - Word Study
- Comprehensive Math Curriculum
  - Focus on Math fluency as well as skill mastery
- Hands-on and Lab Science Engaging Social Studies Curriculum
- Designated ELD

El Granada Elementary School

Cabrillo Unified School District

Our Special Education Programs

- Individualized programs to meet each student's academic, social and emotional needs
- Inclusion throughout the entire spectrum of our general education curriculum
- Participation in all enrichment programs including field trips
- Participation in Special Olympic Program.
- Friendship clubs
- Community service projects

El Granada Elementary School

Cabrillo Unified School District

Our Enrichment Programs

- Physical Education
- Music
- Art
- Library
- Field Trips
- Cupcake Club
- Dolphin Club

El Granada Elementary School

Cabrillo Unified School District

Additional Student Supports

- Reading Intervention
- Lexia Core 5
- Lunch Time Intervention
- School Link Services
- School Wide Positive Behavior Intervention and Support Initiative

El Granada Elementary School

Cabrillo Unified School District

Cabrillo Unified School District

Our People

- Premium on Professional Development
  - District
  - Site Based
  - Literacy Based
  - Individual
  - Teaching Techniques and Strategies
- Formal and informal ongoing assessment
- Data Conferences

El Granada Elementary School

Cabrillo Unified School District

Cabrillo Unified School District

Our Partners

- English Learner Advisory Committee (ELAC)
- Parent Teacher Organization (PTO)
- The HEAL Project
- Cabrillo Education Foundation (CEF)

El Granada Elementary School

Cabrillo Unified School District

Special Events

- Arts & Science Day
- Talent Show
- Loteria Night
- Math and Literacy family events
- Family Fun Events
- Sweetheart Dance
- Fund Run

El Granada Elementary School

Cabrillo Unified School District

Our Impact

- 92% of our students have not received a referral this year an increase of 12% over last year.
- 57% of our English Learner students in 5th grade are reading at grade level, an increase of 15% from last school year.
- 61% of all 3rd grade students on track to meet or exceed reading benchmark, an increase of 10% from last school year.

El Granada Elementary School

Cabrillo Unified School District

Thank you to our Half Moon Bay community for all your support and encouragement.

Thank you to our District and School partners for helping us to reach our goals and serve our families and students.

Thank you to our families and students, it is an honor to learn and grow each day with you.

Questions?

El Granada Elementary School

CABRILLO UNIFIED SCHOOL DISTRICT
BOARD AGENDA ITEM

BOARD MEETING DATE: January 18, 2018

☐ **ACTION**
☐ **CONSENT**
☐ **DISCUSSION**
☒ **INFORMATION**

BOARD AGENDA NUMBER: 11.b

BOARD AGENDA ITEM: Receive Report on Local Control Accountability Plan Goals 3 and 4 Update

DEPARTMENT: Curriculum & Instruction

CONTACT PERSON: Joy Dardenelle, Assistant Superintendent, Curriculum & Instruction

BACKGROUND INFORMATION:

The Local Control Accountability Plan (LCAP), also known as our Strategic Education Plan, is a three-year plan that describes the goals, actions, services, and expenditures to support positive student outcomes that address state and local priorities.

REPORT/PROPOSAL:

This is a report on key measurable outcomes from Goal 3, "Implement a stakeholder communication plan to support parental involvement and regular updates," and Goal 4, "Create a positive school climate where students feel safe and supported."

FINANCIAL IMPACT:

Financial impact is included in the General Fund.

RECOMMENDATION:

Receive report on Local Control Accountability Plan Goal 3 and 4 update.

Cabrillo Unified School District

Strategic Education Plan
Goal 3 and 4 Update

Joy Dardenelle, Assistant Superintendent,
Curriculum and Instruction
January 18, 2018

Cabrillo Unified School District

Strategic Education Plan
Local Control Accountability Plan

As part of the **Local Control Funding Formula** school districts are required to develop, adopt, and annually update a three-year **Local Control Accountability Plan (LCAP).**

Cabrillo Unified School District

Strategic Education Plan 2016-2017

Goal 3: Parent Engagement

Goal 4: Safe and Supported Schools

Cabrillo Unified School District

Strategic Education Plan Goal 3

Implement a stakeholder communication plan to support parental involvement and regular updates.

Cabrillo Unified School District

Strategic Education Plan
Goal 3 Strategies

- Bilingual Community Liaisons
- Digital Communication
- Family Engagement Institute
- Parent Education Events
- Wellness Fair
- Director of Categorical Programs Support for Training and Outreach
- Panorama Survey

Cabrillo Unified School District

Strategic Education Plan
Goal 3, Climate Survey Target

Increase district wide parent climate survey response by 5%.

Cabrillo Unified School District

Strategic Education Plan
Goal 3, Climate Survey Target

Panorama Parent Survey Data Participation Rate

Fall 2015- 18%
Fall 2016- 25%

Cabrillo Unified School District

Strategic Education Plan
Goal 4

Create a positive school climate where students feel safe and supported.

Cabrillo Unified School District

Strategic Education Plan Goal 4 Strategies

- Positive Behavior Interventions and Supports
- District-wide Attendance and Truancy Notification Procedures
- Transportation for At-Risk Students
- Wellness Services for Students
- School Linked Services
- Academic Counseling Services

Cabrillo Unified School District

Strategic Education Plan Goal 4, Attendance Target

Increase attendance rates by 0.2%.

Attendance Rate: Total # days of student attendance divided by # days students enrolled.

Cabrillo Unified School District

Strategic Education Plan
Goal 4, Attendance Target

Attendance Rates

2015-2016: 96.2%

2016-2017: 96.1%

Cabrillo Unified School District

Strategic Education Plan
Goal 4, Chronic Absence Target

Decrease Chronic Absence Rate by 0.2%.

Chronic Absence: Missing at least 10 percent of school days in a school year for any reason, excused or unexcused. In CUSD, this is 18 or more school days in one school year.

Cabrillo Unified School District

Strategic Education Plan
Goal 4, Chronic Absence Target

Chronic Absence Rate 2016-2017

Cabrillo Unified:	9.1%
San Mateo County:	10.2%
State:	10.8%

Cabrillo Unified School District

Strategic Education Plan
Goal 4, Truancy Rate Target

Decrease truancy rate by 5%.

In California, a student is truant if he/she is absent or tardy by more than 30 minutes of instruction without a valid excuse three times during the school year.

Cabrillo Unified School District

Strategic Education Plan
Goal 4, Truancy Rate Target

Truancy Rate

2015-2016:	22.4%
2016-2017:	23.9%

Cabrillo Unified School District

Strategic Education Plan
Goal 4, Suspension Rate Target

Monitor and maintain suspension rates to be at <3%.

Cabrillo Unified School District

Strategic Education Plan
Goal 4, Suspension Rate Target

Suspension Rate

2015-2016: 3.6%

2016-2017: 2.6%

Cabrillo Unified School District

Strategic Education Plan
Goal 4, Expulsion Rate Target

Monitor and maintain expulsion rate to be at <0.1%.

Cabrillo Unified School District

Strategic Education Plan
Goal 4, Expulsion Rate Target

Expulsion Rate	
2015-2016:	0.00%
2016-2017:	0.06%

Cabrillo Unified School District

Strategic Education Plan
Goal 4, Dropout Rate Targets

Monitor and decrease high school dropout rate by 0.3%.

Monitor and maintain middle school dropout rate at <0.1%.

Cabrillo Unified School District

Strategic Education Plan
Goal 4, Dropout Rate Target

Dropout Rate

2015-2016:

Grades 9-12: 3.6%

Grades 6-8: <0.1%

2016-2017:

To Be Announced

Cabrillo Unified School District

Strategic Education Plan
Goal 4, Graduation Rate Target

Increase high school graduation rate by 0.5%.

Cabrillo Unified School District

Strategic Education Plan
Goal 4, Graduation Rate Target

Graduation Rate

2015-2016:

HMBHS: 97.2%

CUSD: 89.8%

2016-2017:

To Be Announced

Cabrillo Unified School District

Strategic Education Plan
Goal 3 and 4 Final Thoughts

Overall, we have established a strong foundation in parent engagement and safe and supported schools.

While we have surpassed county and state averages, we are committed to continuous improvement as we further analyze data and outreach for community input in our Strategic Education Plan process.

CABRILLO UNIFIED SCHOOL DISTRICT
BOARD AGENDA ITEM

BOARD MEETING DATE: January 18, 2018

☐ **ACTION**
☒ **CONSENT**
☐ **DISCUSSION**
☐ **INFORMATION**

BOARD AGENDA NUMBER: 14.a

BOARD AGENDA ITEM: Approve Field Trip for Half Moon Bay High School Advancement Via Individual Determination Program to Various Colleges in Southern California, February 15 - 18, 2018

DEPARTMENT: Pupil Services

CONTACT PERSON: John Corry, Assistant Superintendent, Personnel and Pupil Services

BACKGROUND INFORMATION:

Board Policy 6153 allows the Governing Board to permit students to participate in field trips.

REPORT/PROPOSAL:

Pilar Svendsen and Marsenne Kendall, teachers/advisors, Half Moon Bay High School Advancement Via Individual Determination Program (AVID) Program, are requesting that the Governing Board approve a field trip to visit various colleges in Southern California, February 15 - 18, 2018. There will be approximately 24 students, and they will be chaperoned by three certificated staff members. The students and teachers will travel from Half Moon Bay to Southern California by SPAB (Student Pupil Activity Bus) certified charter bus, Pronto Transportation, (650) 989-2600. The travel party will be staying at the Howard Johnson Inn Hotel, 222 W Houston Ave., Fullerton, California 92832, (714) 992-1700.

The itinerary includes the following colleges:

Day 1	**Colleges:** California State University, Fullerton in Fullerton, California University of California, Riverside in Riverside, California California State University, Long Beach in Long Beach, California
Day 2	**Colleges:** Loyola Marymount University in Los Angeles, California University of California, Los Angeles in Los Angeles, California

Day 3	**Colleges:** California State University, Northridge in Northridge, California California State University, Fresno in Fresno, California University of California, Merced in Merced, California

FINANCIAL IMPACT:

Financial impact included in the budget.

RECOMMENDATION:

Approve field trip for Half Moon Bay High School Advancement Via Individual Determination Program to various colleges in Southern California, February 15 - 18, 2018.

CABRILLO UNIFIED SCHOOL DISTRICT
BOARD AGENDA ITEM

BOARD MEETING DATE: January 18, 2018

☐ **ACTION**
☒ **CONSENT**
☐ **DISCUSSION**
☐ **INFORMATION**

BOARD AGENDA NUMBER: 14.b

BOARD AGENDA ITEM: Approve Field Trip for Cunha Intermediate School Girls Basketball Team to Lodi, California, January 27 - 28, 2018

DEPARTMENT: Pupil Services

CONTACT PERSON: John Corry, Assistant Superintendent, Personnel and Pupil Services

BACKGROUND INFORMATION:

Board Policy 6153 allows the Governing Board to permit students to participate in field trips.

REPORT/PROPOSAL:

Rick Campbell, Cunha Intermediate teacher and coach of the Girls Basketball Team, is requesting that the Governing Board approve a field trip to Lodi, California on January 27 - 28, 2018 to participate in the Girls Basketball Tournament. There will be approximately 12 students, and they will be chaperoned by one certificated staff member and 8 additional adults. The students, teacher/coach and chaperones will travel from Half Moon Bay to Lodi, California, by private transportation. The travel party will be staying at the Best Western Station House Inn, 6411 W Banner Rd., Lodi, CA 95242, (209) 925-4159.

FINANCIAL IMPACT:

There is no financial impact on the district for this trip. The trip is paid for by the fundraising efforts of Cunha parents.

RECOMMENDATION:

Approve field trip for Cunha Intermediate School Girls Basketball Team to Lodi, California, January 27 - 28, 2018.

CABRILLO UNIFIED SCHOOL DISTRICT
BOARD AGENDA ITEM

BOARD MEETING DATE: January 18, 2018

☐ **ACTION**
☒ **CONSENT**
☐ **DISCUSSION**
☐ **INFORMATION**

BOARD AGENDA NUMBER: 14.c

BOARD AGENDA ITEM: Ratify Field Trip for Half Moon Bay High School Varsity Football Team to Spring Valley, California, December 15 - 17, 2017

DEPARTMENT: Pupil Services

CONTACT PERSON: John Corry, Assistant Superintendent, Personnel and Pupil Services

BACKGROUND INFORMATION:

Board Policy 6153 allows the Governing Board to permit students to participate in field trips.

REPORT/PROPOSAL:

Justin Ferdinand, Half Moon Bay High School Athletic Director, is requesting that the Governing Board approve a field trip to Spring Valley, California, December 15 - 17, 2017 to participate in the State Championship Football Game. There will be approximately 40 students, 6 certificated staff members and 4 additional adults The students, teacher/coach and chaperones will travel from Half Moon Bay to Spring Valley by SPAB (Student Pupil Activity Bus) certified charter bus, Peninsula Tours, (888) 333-1256. The travel party will be staying at the Hampton Inn San Diego, 1531 Pacific Hwy., San Diego, California 92101, (619) 233-8408.

FINANCIAL IMPACT:

The California Interscholastic Federation (CIF) issued a check in the amount of $15,850.

RECOMMENDATION:

Ratify field trip for Half Moon Bay High School Varsity Football Team to Spring Valley, California, December 15 - 17, 2017.

CABRILLO UNIFIED SCHOOL DISTRICT
BOARD AGENDA ITEM

BOARD MEETING DATE: January 18, 2018

☐ **ACTION**
☒ **CONSENT**
☐ **DISCUSSION**
☐ **INFORMATION**

BOARD AGENDA NUMBER: 14.d

BOARD AGENDA ITEM: Ratify Field Trip for Half Moon Bay High School Varsity Cheerleading to Spring Valley, California, December 15 - 17, 2017

DEPARTMENT: Pupil Services

CONTACT PERSON: John Corry, Assistant Superintendent, Personnel and Pupil Services

BACKGROUND INFORMATION:

Board Policy 6153 allows the Governing Board to permit students to participate in field trips.

REPORT/PROPOSAL:

Sara DeSantis, Half Moon Bay High School Cheerleading Coach, is requesting that the Governing Board approve a field trip to Spring Valley, California, December 15 - 17, 2017 to participate in the State Championship Football Game. There will be approximately 13 students, 2 certificated staff members and 4 additional adults. The students, teacher/coach and chaperones will travel from Half Moon Bay to Spring Valley by SPAB (Student Pupil Activity Bus) certified charter bus, Peninsula Tours, (888) 333-1256. The travel party will be staying at the Hampton Inn San Diego, 1531 Pacific Hwy., San Diego, California 92101, (619) 233-8408.

FINANCIAL IMPACT:

The California Interscholastic Federation (CIF) issued a check in the amount of $15,850.

RECOMMENDATION:

Ratify field trip for Half Moon Bay High School Varsity Cheerleading to Spring Valley, California, December 15 - 17, 2017.

CABRILLO UNIFIED SCHOOL DISTRICT
BOARD AGENDA ITEM

BOARD MEETING DATE: January 18, 2018

☐ **ACTION**
☒ **CONSENT**
☐ **DISCUSSION**
☐ **INFORMATION**

BOARD AGENDA NUMBER: 14.e

BOARD AGENDA ITEM: Approve Certificated Personnel Report

DEPARTMENT: Personnel

CONTACT PERSON: John Corry, Assistant Superintendent, Personnel and Pupil Services

BACKGROUND INFORMATION:

The following personnel items are submitted for your ratification/approval.

1. OFFER OF TEMPORARY EMPLOYMENT FOR 2017-2018

Jeffrey Clinton, Resource Specialist, Cunha Intermediate School, effective January 8, 2018.

2. OFFER OF EMPLOYMENT OF SUBSTITUTE TEACHERS

Employee
Bigelow, Laurel
Kasnestis, Peter
Knight, Victoria

3. RESIGNATION

Donald Prestosz, Intervention Teacher, Pilarcitos High School, effective December 22, 2017.

FINANCIAL IMPACT:

Financial impact is included in the budget.

RECOMMENDATION:

Approve the Certificated Personnel report.

CABRILLO UNIFIED SCHOOL DISTRICT
BOARD AGENDA ITEM

BOARD MEETING DATE: January 18, 2018

☐ **ACTION**
☒ **CONSENT**
☐ **DISCUSSION**
☐ **INFORMATION**

BOARD AGENDA NUMBER: 14.f

BOARD AGENDA ITEM: Approve Classified Personnel Report

DEPARTMENT: Personnel

CONTACT PERSON: John Corry, Assistant Superintendent, Personnel and Pupil Services

BACKGROUND INFORMATION:

The following personnel items are submitted for your ratification/approval.

1. OFFER OF EMPLOYMENT FOR 2017-2018

Katy Reuss, Paraprofessional, Special Education II, Cunha Intermediate School, effective December 8, 2017.

2. PROMOTION

Cendi Castro, Clerical Assistant III, Special Education, formerly Clerical Assistant II, Hatch Elementary School, December 13, 2017.

3. OFFER OF SHORT TERM EMPLOYMENT FOR 2017-2018

Lisa Shick, Yard Duty Supervisor, El Granada Elementary School, effective December 8, 2017.

FINANCIAL IMPACT:

Financial impact is included in the budget.

RECOMMENDATION:

Approve the Classified Personnel report.

CABRILLO UNIFIED SCHOOL DISTRICT
BOARD AGENDA ITEM

BOARD MEETING DATE: January 18, 2018

☐ **ACTION**
☒ **CONSENT**
☐ **DISCUSSION**
☐ **INFORMATION**

BOARD AGENDA NUMBER: 14.g

BOARD AGENDA ITEM: Approve Donations to Cabrillo Unified School District

DEPARTMENT: Business Department

CONTACT PERSON: Crystal Leach, Chief Business Official

BACKGROUND INFORMATION:

The Governing Board routinely reviews the monthly donation reports.

REPORT/PROPOSAL:

Pursuant to the Governing Board Policy 3290, the Governing Board is to accept donations on behalf of the district or any school in the district.

HALF MOON BAY HIGH SCHOOL $1,850

Spring Musical

Jeff R. Warren & Betsy M. Warren
R.J. Ebersole
Lisa L. Hansen
Liam Durkee & Jose Luis Ugalde
Diane McKnight & James McKnight
Allan Brody & Rosa Brody
Jon K. Pugh
Leann L. Kennedy
Karl A. & Terri Eckert
John H. Booher & Kimberly Dempsey Booher

FINANCIAL IMPACT:

There is no financial impact to the General Fund.

RECOMMENDATION:

Approve donations to Cabrillo Unified School District.

CABRILLO UNIFIED SCHOOL DISTRICT
BOARD AGENDA ITEM

BOARD MEETING DATE: January 18, 2018

☐ **ACTION**
☒ **CONSENT**
☐ **DISCUSSION**
☐ **INFORMATION**

BOARD AGENDA NUMBER: 14.h

BOARD AGENDA ITEM: Accept Enrollment Report for the Fourth Month of the 2017-2018 School Year

DEPARTMENT: Business Department

CONTACT PERSON: Crystal Leach, Chief Business Official

BACKGROUND INFORMATION:

The Governing Board routinely reviews the monthly enrollment reports.

REPORT/PROPOSAL:

The enrollment report for the fourth month of the 2017-2018 school year is being presented to the Governing Board for information.

FINANCIAL IMPACT:

There is no financial impact to the General Fund.

RECOMMENDATION:

Accept enrollment report for the fourth month of the 2017-2018 school year.

CABRILLO UNIFIED SCHOOL DISTRICT
2017-2018 SCHOOL YEAR
ENROLLMENT REPORT

School Month No. 4 **Date:** 12/15/2017

Grade	El Granada	Farallone View	Hatch	Kings Mountain	Cunha	Half Moon Bay High	Pilarcitos	Home & Independent Study	TOTALS
TK	19	16	17	0	-	-	-	0	52
K	70	56	76	13	-	-	-	0	215
1	49	51	94	10	-	-	-	0	204
2	54	46	101	11	-	-	-	0	212
3	63	48	98	11	-	-	-	0	220
4	71	48	112	13	-	-	-	0	244
5	56	53	90	13	-	-	-	0	212
6	-	-	-	-	260	-	-	0	260
7	-	-	-	-	260	-	-	0	260
8	-	-	-	-	256	-	-	2	258
9	-	-	-	-	-	256	0	2	258
10	-	-	-	-	-	251	1	4	256
11	-	-	-	-	-	217	8	7	232
12	-	-	-	-	-	238	18	11	267
Total Regular Enrollment	382	318	588	71	776	962	27	26	3150
SDC Student Enrollment	21	0	0	0	19	15	0	0	55
TOTAL ENROLLMENT	**403**	**318**	**588**	**71**	**795**	**977**	**27**	**26**	**3205**
Total Enrollment as of 12/16/16	430	324	620	69	791	970	32	24	3260
Difference between 12/16/2016 Total Enrollment and 12/15/2017 Total Enrollment	**-27**	**-6**	**-32**	**2**	**4**	**7**	**-5**	**2**	**-55**
Total Enrollment as of 11/10/17	404	320	587	71	794	981	29	20	3206
Difference between 11/10/17 Total Enrollment and 12/15/17 Total Enrollment	**-1**	**-2**	**1**	**0**	**1**	**-4**	**-2**	**6**	**-1**

CABRILLO UNIFIED SCHOOL DISTRICT
BOARD AGENDA ITEM

BOARD MEETING DATE: January 18, 2018

☐ **ACTION**
☒ **CONSENT**
☐ **DISCUSSION**
☐ **INFORMATION**

BOARD AGENDA NUMBER: 14.i

BOARD AGENDA ITEM: Approve Quarterly Report on Williams Uniform Complaints (Education Code §35186)

DEPARTMENT: Superintendent/Governing Board

CONTACT PERSON: Jane Yuster, Superintendent

BACKGROUND:

In May 2000, the American Civil Liberties Union (ACLU) and other public interest groups filed a lawsuit against the State of California alleging the state had failed to provide poor and underprivileged students with equal educational opportunities by providing these students with inadequate facilities, insufficient educational materials, and with teachers who were not fully credentialed. This requirement only refers to the types of complaints listed above.

On August 13, 2004, Governor Schwarzenegger and the State of California settled the lawsuit. As part of the lawsuit, the State of California agreed to enact legislation and provide funding to address the issues in the lawsuit. On September 29, 2004, Governor Schwarzenegger signed five bills to implement the settlement as urgency measures. Assembly Bill 2727 and Education Code §35186 require school districts to submit quarterly reports on Williams Uniform Complaints to their Governing Boards.

REPORT/PROPOSAL:

There have been no Williams Uniform Complaints (Education Code §35186) received by the Cabrillo Unified School District during the previous quarter.

FINANCIAL IMPACT:

There is no financial impact to the General Fund.

RECOMMENDATION:

Approve quarterly report on Williams Uniform Complaints (Education Code §35186).

SAN MATEO COUNTY OFFICE OF EDUCATION

Quarterly Report on *Williams* Uniform Complaints
[Education Code § 35186]

District: Cabrillo Unified School District

Person completing this form: Jane Yuster Title: Superintendent

Quarterly Report:
(*check one*)

- ☐ **1st Quarter –** *7/1/2017 through 9/30/2017* **– DUE October 31, 2017**
- XX **2nd Quarter –** *10/1/2017 through 12/31/2017* **– DUE January 31, 2018**
- ☐ **3rd Quarter –** *1/1/2018 through 3/31/2018* **– DUE April 30, 2018**
- ☐ **4th Quarter –** *4/1/2018 through 6/30/2018* **– DUE July 31, 2018**

Date for information to be reported publicly at governing board meeting: January 18, 2018

Please check the box that applies:

XX No complaints were filed with any school in the district during the quarter indicated above.

☐ Complaints were filed with schools in the district during the quarter indicated above. The following chart summarizes the nature and resolution of these complaints. Copies of the complaint and the District's written response will be sent to SMCOE.

Please mark the table below with N/A if there are no complaints

General Subject Area	Total # of Complaints	# Resolved	# Unresolved
Textbooks and Instructional Materials	0	0	0
Teacher Vacancy or Misassignment	0	0	0
Facilities Conditions	0	0	0
TOTAL	0	0	0

Jane Yuster
Print Name of District Superintendent

_____ _____
Signature of District Superintendent Date

Remember to sign and date the report after it is presented at your district's board meeting.

Please submit via email or fax to
Christian Morales-Aponte
cmaponte@smcoe.org
Phone: (650) 802-5307
Fax: (650) 802-5363

CABRILLO UNIFIED SCHOOL DISTRICT
BOARD AGENDA ITEM

BOARD MEETING DATE: January 18, 2018

☐ **ACTION**
☒ **CONSENT**
☐ **DISCUSSION**
☐ **INFORMATION**

BOARD AGENDA NUMBER: 14.j

BOARD AGENDA ITEM: Approve and Adopt Minutes of December 14, 2017, Regular Governing Board Meeting

DEPARTMENT: Superintendent/Governing Board

CONTACT PERSON: Jane Yuster, Superintendent

BACKGROUND INFORMATION:

The Governing Board routinely reviews and approves minutes from all regular meetings and special sessions.

REPORT/PROPOSAL:

The unadopted minutes from the December 14, 2017, regular Governing Board meeting are included in this Board packet for consideration.

FINANCIAL IMPACT:

There is no financial impact to the General Fund.

RECOMMENDATION:

Approve and adopt minutes of December 14, 2017, regular Governing Board meeting.

Governing Board Meeting Minutes (Adopted)
CABRILLO UNIFIED SCHOOL DISTRICT
District Office Board Room
498 Kelly Avenue,
Half Moon Bay, CA 94109
December 14, 2017
7:00 PM (Closed Session 6:00 PM)

Board Members Present:	Ms. Freya McCamant, President Mr. Rob Pappalardo, Vice President Ms. Sophia Layne, Clerk to the Governing Board Ms. Kimberly Hines, Member Dr. Kirk Riemer, Ph.D., Member
Administrators at the Table:	Ms. Jane Yuster, Superintendent Ms. Joy Dardenelle, Assistant Superintendent Ms. Crystal Leach, Chief Business Official
Student Representative Present:	Mr. Cesar Sarabia, Student Board Representative

1. **CALL TO ORDER - 6:00 P.M.**

   Meeting called to order by President McCamant at 6:05 p.m.

2. **ROLL CALL / QUORUM**

   ____ Ms. Freya McCamant, President
   ____ Mr. Rob Pappalardo, Vice President
   ____ Ms. Sophia Layne, Clerk to the Governing Board
   ____ Ms. Kimberly Hines, Member
   ____ Dr. Kirk Riemer, Ph.D., Member

3. **COMMENTS FROM THE PUBLIC RELATED TO ITEMS ON THE CLOSED SESSION AGENDA**

   None

4. **RECESS TO CLOSED SESSION – 6:05 P.M.**

5. **RECONVENE OPEN SESSION – 7:07 P.M.**

   The Governing Board met in closed session from 6:05 p.m. to 7:05 p.m. No action taken.

6. **PLEDGE OF ALLEGIANCE**

The pledge of allegiance was led by Ms. Martha Ladd, Principal, El Granada Elementary School.

7. **ADOPTION OF AGENDA AS PRESENTED / AMENDED**

Motion to adopt agenda as presented was made by Member Kimberly Hines and seconded by Member Rob Pappalardo.

(M-33) Passed 5-0 with Student Representative voting aye

8. **GOVERNING BOARD REORGANIZATION**

a. Hold Elections to Determine Governing Board Officers and Designate Governing Board Representatives/Appointees for 2017:

1. President-Rob Pappalardo

Motion to nominate Mr. Rob Pappalardo as President to the Governing Board for the 2018 school year was made by Member Kirk Riemer and seconded by Member Kimberly Hines.

(M-34) Passed 5-0 with Student Board Representative voting aye.

Roll Call:
Mr. Rob Pappalardo-aye
Ms. Sophia Layne-aye
Ms. Kimberly Hines-aye
Dr. Kirk Riemer-aye
Ms. Freya McCamant-aye

2. Vice-President-Sophia Layne

Motion to nominate Ms. Sophia Layne as Vice-President to the Governing Board for the 2018 school year was made by Member Kimberly Hines and seconded by Member Kirk Riemer.

(M-35) Passed 5-0 with Student Board Representative voting aye.

Roll Call:
Mr. Rob Pappalardo-aye
Ms. Sophia Layne-aye
Ms. Kimberly Hines-aye
Dr. Kirk Riemer-aye
Ms. Freya McCamant-aye

3. Clerk to the Governing Board-Kimberly Hines

Motion to nominate Ms. Kimberly Hines as Clerk to the Governing Board for the 2018 school year was made by Member Sophia Layne and seconded by Member Freya McCamant. (M-36) Passed 5-0 with Student Board Representative voting aye.

Roll Call:
Ms. Freya McCamant-aye
Mr. Rob Pappalardo-aye
Ms. Sophia Layne-aye

Ms. Kimberly Hines-aye
Dr. Kirk Riemer-aye

4. Appointed Secretary to the Governing Board-Jane Yuster
   President Rob Pappalardo appointed Superintendent, Jane Yuster to act as Secretary of the Governing Board.

Motion to approve appointment of Superintendent, Ms. Jane Yuster as Secretary to the Governing Board was made by Member Sophia Layne and seconded by Kirk Riemer.

(M-37) Passed 5-0 with Student Board Representative voting aye

5. Authorize Signatories for the Governing Board-President, Vice President, Clerk to the Governing Board, and Secretary to the Governing Board, Superintendent

Motion to approve the authorized Signatories for the Governing Board: President Rob Pappalardo, Vice President: Sophia Layne, Clerk to the Governing Board: Kimberly Hines and Secretary to the Governing Board: Superintendent Jane Yuster for the 2018 school year was made by Kirk Riemer and seconded by Member Rob Pappalardo.

(M-38) Passed 5-0 with Student Board Representative voting aye

The following action was taken by the Governing Board for the 2018 reorganization by an en masse vote:

6. Board Spokesperson – Ms. Rob Pappalardo, Governing Board President
7. Representative(s) to the County Board of Education – Ms. Sophia Layne
8. Representative to the San Mateo County Committee on School District Organization – Ms. Freya McCamant
9. Representative to the San Mateo County School Boards Association – Ms. Kimberly Hines
10. Representative(s) to the City Council of Half Moon Bay – Mr. Kirk Riemer
11. Representative(s) to the Mid Coast Council – Ms. Kimberly Hines
12. Representative to the Cabrillo Education Foundation - Mr. Rob Pappalardo
13. Representative to the Chamber of Commerce Education Committee – Ms. Freya McCamant

Representative(s) to School Sites as follows:

A. Alvin S. Hatch Elementary – Ms. Sophia Layne
B. El Granada Elementary – Ms. Kimberly Hines
C. Farallone View Elementary – Ms. Freya McCamant
D. Kings Mountain Elementary – Mr. Rob Pappalardo
E. Manuel F. Cunha Intermediate – Ms. Sophia Layne
F. Half Moon Bay High – Mr. Rob Pappalardo / Ms. Kimberly Hines
G. Pilarcitos High School – Mr. Kirk Riemer / Ms. Kimberly Hines

Motion to approve the appointed Board Representatives as presented made by Member Kirk Riemer and seconded by Member Kimberly Hines.

(M-39) Passed 5 - 0 with Student Representative voting aye

b. Approve and Adopt the 2018 Governing Board Meeting Calendar as Required by Board Bylaws 9100

Motion to approve the Governing Board Meeting Calendar for 2018 as presented was made by Member Rob Pappalardo and seconded by Member Sophia Layne.

(M-40) Passed 5 - 0 with Student Representative voting aye

c. Complete Annual Review of Board Bylaw 9250 as it Pertains to Compensation; Individuals May Elect to Receive for Service as Members to the Governing Board for 2017

By mutual agreement the Governing Board agreed to make no changes in policy and all Members agreed to not accept compensation or health insurance for service, as allowed in Governing Board Bylaw 9250.

Motion to not accept compensation or health insurance for service, as allowed in Governing Board Bylaw 9250 made by Member Kirk Riemer and seconded by Member Kimberly Hines.

(M-41) Passed 5 - 0 with Student Representative voting aye

9. **STUDENT / STAFF / COMMUNITY RECOGNITION**

None

10. **COMMENTS FROM THE PUBLIC RELATED TO ITEMS NOT ON THIS AGENDA**

None

11. **REPRESENTATIVE REPORTS**

CUTA Representative Kathleen Wall wished everyone a Happy Holiday.

12. **REPORTS / INFORMATION / PRESENTATIONS**

a. Receive Annual Measure S Bond Program Report

Ms. Crystal Leach, Chief Business Officer presented this report on behalf of Mr. Phil Hophan, Chairperson for the Measure S COC, who was absent.

b. Receive Report on Local Control Accountability Plan Goal 1 and 2

Ms. Joy Dardenelle, Assistant Superintendent, Curriculum and Instruction, presented Goals 1 and 2 of the Local Control Accountability Plan.

c. Receive First Interim Budget Report for 2017-2018

Ms. Crystal Leach, Chief Business Officer, presented the first interim budget report for the 2017-2018 school year.

13. **DISCUSSION ITEMS**

None

14. **COMMUNICATIONS**

Board Members:

Member Kirk Riemer thanked Past President Freya McCamant for a great year.

Member Sophia Layne said she attended some of the ELAC meetings to get to know everyone involved and how to support those groups. She said she attended the Coalition for Safe Schools and Communities Breakfast at the County office. Ms. Layne said she attended the CEF Donors dinner. Ms. Layne said "Go Cougars" as they head off to the state championship game.

Member Kimberly Hines said she visited El Granada and Half Moon Bay High School. She said she visited a number of classrooms and found it exciting to see students working in their classes.

Member Freya McCamant said she was happy to have been President this past year. She said she enjoyed it. Ms. McCamant thanked the Principals and staff for all the hard work they do, and allowing her to visit the school sites and speak to staff. Ms. McCamant thanked the community for the Measure S Bond. This Bond provides the one to one technology our students need to help with their education. Ms. McCamant said "Go Cougars", wishing the team luck and they continue to reach for another level in history.

Member Rob Pappalardo said he attended the Health and Wellness Committee Meeting at the High School and commented on a conversation he had with a staff member regarding the new block schedule. The staff member told him there has been an adjustment, although they have seen a tangible difference that benefit students and teachers in the classroom. Mr. Pappalardo said he has enjoyed watching the Cougars play this season, with the games being such a community event.

Student Board Member:

Hatch Elementary School
Hatch has held three parent training technology nights. Right after the parents attend Zumba. The Hatch Jog-a-thon was a huge success. The PTO parents collected $33,000 for our students. The Coffee with the Principal was very well attended, an event where parents had the opportunity to ask questions, express their concerns, network, and get support from other parents.

El Granada Elementary

The El Granada Elementary PTO has been very active. We had our Fund Run in November and all our students has a great time running laps and raising money for the school. Our book fair is in full swing and on 12/15 we will be having a free Family Movie Night. Also on 12/15 the fifth graders will be presenting a Heritage Fair. All students do presentations about their ancestry as part of the Social Studies program.

Our Special Day classes have been participating in the Special Olympics for Bowling, thanks to their APE teacher Ms. Angelle. And our primary teachers participated in a staff development on literacy from Teachers College of Columbia University.

Farallone View Elementary

Farallone View gladly participated in the Night of Lights parade with a float. We had about 25 children ride it and a number of families walked through the parade handing out candy canes. At about half way down the road, we unfortunately ran out of candy but made sure we wished everyone happy holidays. The next morning, we hosted the Holiday Bazar. We had vendors that offered crafts, artwork, sweets, pozole, and tamales. We thank Ms. Yuster, Ms. McCamant, Ms. Dardenelle, and Ms. Preciado for joining us. Farallone View had a group of folklórico dancers, students wearing long and multicolored dresses who performed two lively dances from Mexico. To add more fun, the Susan Hayward school of dance sent a large group of ballerinas who gracefully danced through classical music pieces.

Cunha Intermediate School

To honor our students that reached the honor roll GPA we took them to the Exploratorium which was a success! The 7th and 8th grade basketball season still continues. The Lip Sync performances are coming up, 6th graders will perform on the 21st, the 7th graders on the 20th, and the 8th graders on the 19th. Cunha also had a fundraiser of candy cane grams. Our school dance happened on December 8th and was well attended. Tomorrow December 15th we are having pajama day for the students to show school spirit. The canned food drive will be ending tomorrow. The next dress up date will be December 22nd, which will be ugly sweater day! Lastly, yearbook sale prices will increase on January 1st.

Half Moon Bay High School

Half Moon Bay High school was able to accomplish a lot in a short period of time. Coming back from our Thanksgiving break seniors had to turn in college application to all CSU and UC Schools. To help students relax we had Pajama Day which was a great success. To add to Pajama Day, we also had our yearly Peninsula Wrestling Tournament which went great. Congrats to the Girls Wrestling team for wining first place! Last week we had our 8th grade shadow day which was our last one of the year. This shadow day was truly fantastic because it was on the same day as our outstanding Cougar luncheon. For 8th graders to be able to visit our high school and experience so much in one day is always amazing. More on sports news, the Half Moon Bay Football team is going to State! They will be traveling to San Diego and will compete against Steele Canyon for the State Championship! Today on this date there was a pep rally to wish them good luck. The pep rally had amazing performances by our Half Moon Bay High School Band and Cheer team. We will end the week with an Ugly sweater day and finals will begin the week before winter break.

The Student Board Representative noted a correction regarding a comment he made in the Dec. 6 HMB Review. He said “I want students to be more focused on finals then afraid.” –Cesar Sarabia.

Superintendent:

Superintendent Jane Yuster said she enjoyed the holiday traditional event at Farallone View. It was fantastic! Ms. Yuster said these events remind her of how involved our community is. There were hundreds of people present at this event, showing how integrated our communities are with their schools. Something that should not be taken for granted.

Superintendent Yuster also congratulated the Cougars Football team, 3 time CCS champions with an undefeated season this year. Ms. Yuster wished all staff and faculty well as everyone heads off for winter break and looks forward to seeing everyone in the new year.

15. **CONSENT ITEMS**

a. Approve Annual Field Trip for 8th Grade Social Studies Class to Washington DC, February 18-22, 2018

b. Approve Field Trip for Half Moon Bay High School Future Farmers of America to Seaside, California, January 21-22, 2018

c. Approve Submission of Algebra I Waiver for SPED Students at Half Moon Bay High School

d. Approve Certificated Personnel Report

e. Approve Classified Personnel Report

f. Approve Behavior Technician Job Description

g. Accept Donations to Cabrillo Unified School District

h. Accept Enrollment Report for the Second Month of the 2017-2018 School Year

i. Approve and Adopt Minutes of November 9, 2017 Regular Governing Board Meeting

Motion to approve consent agenda items as presented made by Member Kirk Riemer and seconded by Member Kimberly Hines.

(M-42) Passed 5-0 with Student Representative voting aye

16. **ACTION ITEMS**

a. Approve New Course Proposal for Half Moon Bay High School for the 2018-2019 School Year

Motion to approve the proposed new course proposal at Half Moon Bay High School for the 2018-2019 school year was made by Member Sophia Layne and seconded by Member Kimberly Hines.

(M-43) Passed 5-0 with Student Representative voting aye

b. Approve Annual Measure S Bond Program Report

Motion to approve the annual Measure S Bond Program Report was made by Member Freya McCamant and Member Kirk Riemer.

(M-44) Passed 5-0 with Student Representative voting aye

c. Approve First Interim Budget for 2017-2018

Motion to approve a positive certification for the First Interim Budget for 2017-2018 was made by Member Kimberly Hines and seconded by Member Sophia Layne.

(M-45) Passed 5-0 with Student Representative voting aye

d. Approve a Contract with CAW Architects, Inc. to Design Phase IV of Hatch Elementary School

Motion to approve a contract with CAW Architects, Inc. to design phase IV of Hatch Elementary School was made by Member Sophia Layne and seconded by Member Freya McCamant.

(M-46) Passed 5-0 with Student Representative voting aye

e. Approve Cabrillo Unified School District Governing Board Policy Updates and Adopt the Proposed Revisions as Recommended by the California School Boards Association

Motion to approve BP 0100, 0400, 1113, 2140, 4112.61, 5116.6, and BB 9121, 9220 was made by Member Kimberly Hines and seconded by Member Kirk Riemer.

(M-47) Passed 5-0 with Student Representative voting aye

17. **ADJOURNMENT OF THE MEETING**

Motion to adjourn made by Member Kimberly Hines and seconded by Member Sophia Layne.

(M-48) Passed 5-0 with Student Representative voting aye

Meeting was adjourned at 8:46 p.m.

Minutes prepared by Patricia Serrano, Administrative Assistant to the Superintendent

Minutes presented by Jane Yuster, Secretary to the Governing Board

Certified by:

_____ _____

Kimberly Hines Date
Clerk to the Governing Board

CABRILLO UNIFIED SCHOOL DISTRICT
BOARD AGENDA ITEM

BOARD MEETING DATE: January 18, 2018

☒ **ACTION**
☐ **CONSENT**
☐ **DISCUSSION**
☐ **INFORMATION**

BOARD AGENDA NUMBER: 15.a

BOARD AGENDA ITEM: Accept Audit Report for Year Ending June 30, 2017

DEPARTMENT: Business Department

CONTACT PERSON: Crystal Leach, Chief Business Official

BACKGROUND INFORMATION:

Education Code Section 41020 requires that each district provide an audit of the accounts and funds of the district in each fiscal year and to accept the audit report no later than January 31st. For fiscal year ending June 30, 2017, the firm of Chavan & Associates, LLP conducted an audit of the district's funds, accounts, and operations.

REPORT/PROPOSAL:

The independent audit was conducted in accordance with Government Auditing Standards. No material findings were discovered. Audit results revealed: No Exceptions in Audit Opinion; No Material Weaknesses; No Disagreements with Management; and No Significant Passed on Adjustments.

FINANCIAL IMPACT:

There is no financial impact to the General Fund.

RECOMMENDATION:

Accept audit report for year ending June 30, 2017.

CABRILLO UNIFIED SCHOOL DISTRICT
COUNTY OF SAN MATEO
HALF MOON BAY, CALIFORNIA

AUDIT REPORT

JUNE 30, 2017

CHAVAN & ASSOCIATES, LLP
CERTIFIED PUBLIC ACCOUNTANTS
1475 SARATOGA AVE., SUITE 180
SAN JOSE, CA 95129

CABRILLO UNIFIED SCHOOL DISTRICT
SAN MATEO COUNTY

TABLE OF CONTENTS

TITLE	PAGE
FINANCIAL SECTION:	
Independent Auditor's Report	1
Management's Discussion and Analysis	5
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements:	
Governmental Funds Balance Sheet	17
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	18
Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances	19
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	20
Statement of Fiduciary Net Position	21
Statement of Changes in Fiduciary Net Position	22
Notes to the Basic Financial Statements	25
REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget to Actual (GAAP) - General Fund	55
Schedule of Pension Plan Contributions	56
Schedule of Proportionate Share of Net Pension Liabilities	57
SUPPLEMENTARY INFORMATION:	
Combining Statements - Nonmajor Funds:	
Nonmajor Governmental Funds - Combining Balance Sheet	61
Nonmajor Governmental Funds - Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	62
State and Federal Award Compliance Section:	
Organization	65
Schedule of Average Daily Attendance	66
Schedule of Instructional Time Offered	67
Schedule of Financial Trends and Analysis	68
Schedule of Expenditures of Federal Awards	69
Reconciliation of Annual Financial Budget Report (SACS) with Audited Financial Statements	70
Notes to State and Federal Award Compliance Section	71

CABRILLO UNIFIED SCHOOL DISTRICT
SAN MATEO COUNTY

TABLE OF CONTENTS

OTHER INDEPENDENT AUDITOR'S REPORTS:

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 75

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by Title 2 CFR Part 200 (Uniform Guidance) 77

Independent Auditor's Report on Compliance with Requirements that Could Have a Direct and Material Effect on State Programs 79

FINDINGS AND RECOMMENDATIONS:

Schedule of Findings and Questioned Costs 83

Status of Prior Year Findings and Recommendations 85

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Trustees
Cabrillo Unified School District
Half Moon Bay, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cabrillo Unified School District (the "District"), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Regulations, Cost Principles, and Audit Requirements for Federal Awards,* and the other information listed in the supplementary section of the table of contents, as required by the *2016-17 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, and the other information listed in the supplementary section of the table of contents are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, and the

other information listed in the supplementary section of the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2017 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



December 5, 2017
San Jose, California

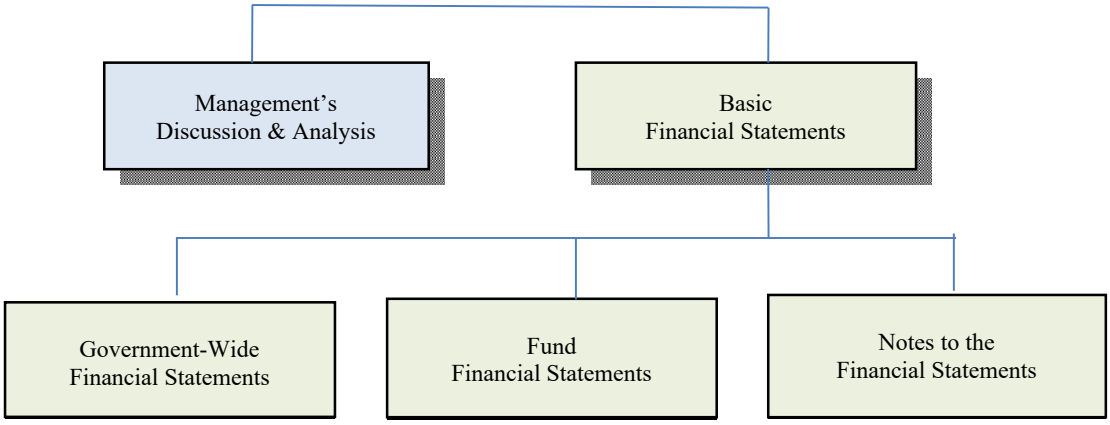
Management's Discussion and Analysis

INTRODUCTION

The Management's Discussion and Analysis (MD&A) is a required section of the District's annual financial report, as shown in the overview below. The purpose of the MD&A is to presents discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2017. This report will (1) focus on significant financial issues, (2) provide an overview of the District's financial activity, (3) identify changes in the District's financial position, (4) identify any individual fund issues or concerns, and (5) provide descriptions of significant asset and debt activity.

This information, presented in conjunction with the annual Basic Financial Statements, is intended to provide a comprehensive understanding of the District's operations and financial standing.

Required Components of the Annual Financial Report



FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year ended June 30, 2017 were as follows:

- Total net position increased by $2,859,763 or 12.4% from June 30, 2016 to June 30, 2017.
- General revenues accounted for $38,487,740 which is 73.3% of all revenues. Program specific revenues in the form of operating grants and contributions, and charges for services accounted for $14,021,874 or 26.7% of total revenues of $52,509,614.
- The District had $49,649,851 in expenses, which was directly supported by program specific revenues as noted in the second bullet.
- Total fund balances of governmental funds (i.e. General Fund, Building Fund, and Bond Fund) decreased by $5,098,570, or 15.7% from June 30, 2016 to June 30, 2017.
- Among major funds, the General Fund had $35,770,564 in revenues and $34,509,531 in expenditures. The General Fund's fund balance increased by $1,117,598 from June 30, 2016 to June 30, 2017.

USING THE ANNUAL REPORT

This annual report consists of a series of basic financial statements and notes to those statements. These statements are organized so the reader can understand the District as an entire operating entity. The statements provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities comprise the government-wide financial statements and provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other non-major funds presented in total in one column. In the case of the District, the General Fund is by far the most significant fund. The basic financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- Government-wide financial statements, which comprise the first two statements, provide both short-term and long-term information about the District's overall financial position.

- Individual parts of the District, which are reported as fund financial statements, focus on reporting the District's operations in more detail. These fund financial statements comprise the remaining statements.

- Notes to the financials, which are included in the financial statements, provide more detailed data and explain some of the information in the statements. The required supplementary information section provides further explanations and provides additional support for the financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS - STATEMENT OF NET POSITION AND THE STATEMENT OF ACTIVITIES

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during the fiscal year 2016 - 2017?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting practices used by most private-sector companies. This basis of accounting takes into account all of the current year revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in net position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the District's property tax base, current

property tax laws in California restricting revenue growth, facility conditions, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the District reports governmental activities. Governmental activities are the activities where most of the District's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities. The District does not have any business type activities.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The analysis of the District's major funds begins on page 17. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. These fund financial statements focus on each of the District's most significant funds. The District's major governmental funds are the General Fund, Building Fund, and Bond Interest and Redemption Fund.

Governmental Funds

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Fiduciary funds

The district is the trustee, or fiduciary, for an expendable trust fund. All of the district's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. We exclude these activities from the district's fund and government-wide financial statements because the district cannot use these assets to finance its operations.

THE DISTRICT AS A WHOLE

Recall that the Statement of Net Position provides the perspective of the District as a whole. Total assets of governmental activities increased by $25,393,501 and net capital assets increased by $19,492,627. Unrestricted net position of the District, which does not have constraints from grantors, legal requirements, or legislation, decreased by $2,923,567.

Table 1 provides a summary of the District's net position as of June 30, 2017 as compared to June 30, 2016:

Table 1 - Summary of Net Position

	2017	2016	Increase (Decrease)	Percent
Assets				
Current Assets	$ 41,744,552	$ 35,843,678	$ 5,900,874	16.5%
Capital Assets	79,448,370	59,955,743	19,492,627	32.5%
Total Assets	$ 121,192,922	$ 95,799,421	$ 25,393,501	26.5%
Deferred Outflows of Resources	$ 9,968,968	$ 4,717,293	$ 5,251,675	111.3%
Liabilities				
Current and Other Liabilities	6,010,818	5,125,495	885,323	17.3%
Long-Term Liabilities	92,578,286	68,865,377	23,712,909	34.4%
Total Liabilities	$ 98,589,104	$ 73,990,872	$ 24,598,232	33.2%
Deferred Inflows of Resources	$ 6,676,960	$ 3,489,779	$ 3,187,181	91.3%
Net Position				
Net Investment in Capital Assets	39,512,177	33,058,181	6,453,996	19.5%
Restricted	8,620,753	9,291,419	(670,666)	-7.2%
Unrestricted	(22,237,104)	(19,313,537)	(2,923,567)	-15.1%
Total Net Position	$ 25,895,826	$ 23,036,063	$ 2,859,763	12.4%

Table 2 shows the changes in net position from fiscal year 2015-16 to 2016-17:

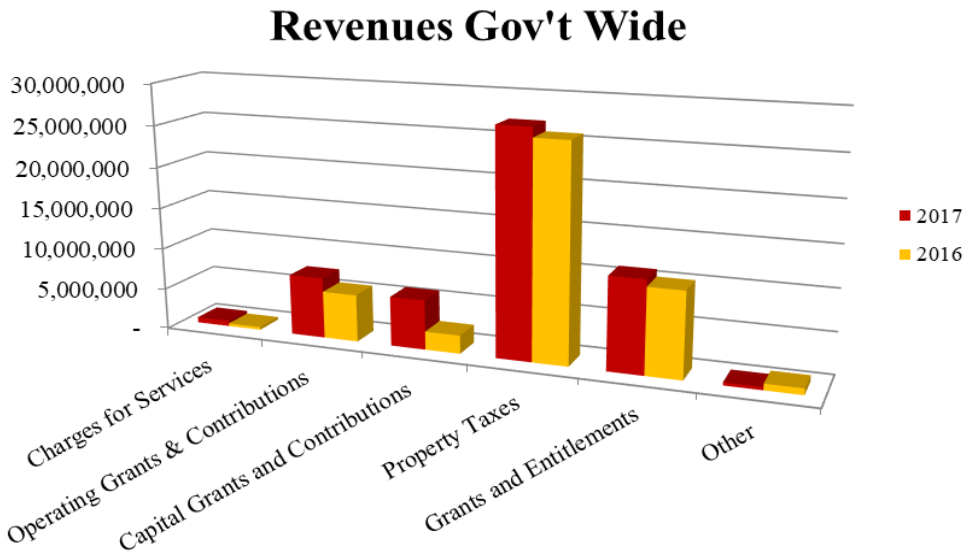
Table 2 - Change in Net Position

	2017	2016	Increase (Decrease)	Percent
Revenues				
Program Revenues:				
Charges for Services	$ 665,177	$ 333,319	$ 331,858	99.6%
Operating Grants and Contributions	7,362,467	5,719,605	1,642,862	28.7%
Capital Grants and Contributions	5,994,230	2,210,388	3,783,842	100.0%
General Revenues:				
Property Taxes	27,030,169	25,844,670	1,185,499	4.6%
Grants and Entitlements - Unrestricted	11,121,272	10,276,747	844,525	8.2%
Other	336,299	772,261	(435,962)	-56.5%
Total Revenues	52,509,614	45,156,990	7,352,624	16.3%
Program Expenses				
Instruction	24,940,292	20,479,134	4,461,158	21.8%
Instruction-Related Services	6,309,134	5,724,500	584,634	10.2%
Pupil Services	4,211,715	3,507,664	704,051	20.1%
General Administration	2,604,344	2,297,811	306,533	13.3%
Plant Services	5,492,059	5,517,440	(25,381)	-0.5%
Ancillary Services	482,745	427,264	55,481	13.0%
Community Services	111,935	137,727	(25,792)	-18.7%
Payments to Other Agencies	352,359	218,679	133,680	61.1%
Interest and Fiscal Charges	5,145,268	4,143,976	1,001,292	24.2%
Total Expenses	49,649,851	42,454,195	7,195,656	16.9%
Change in Net Position	$ 2,859,763	$ 2,702,795	$ 156,968	5.8%

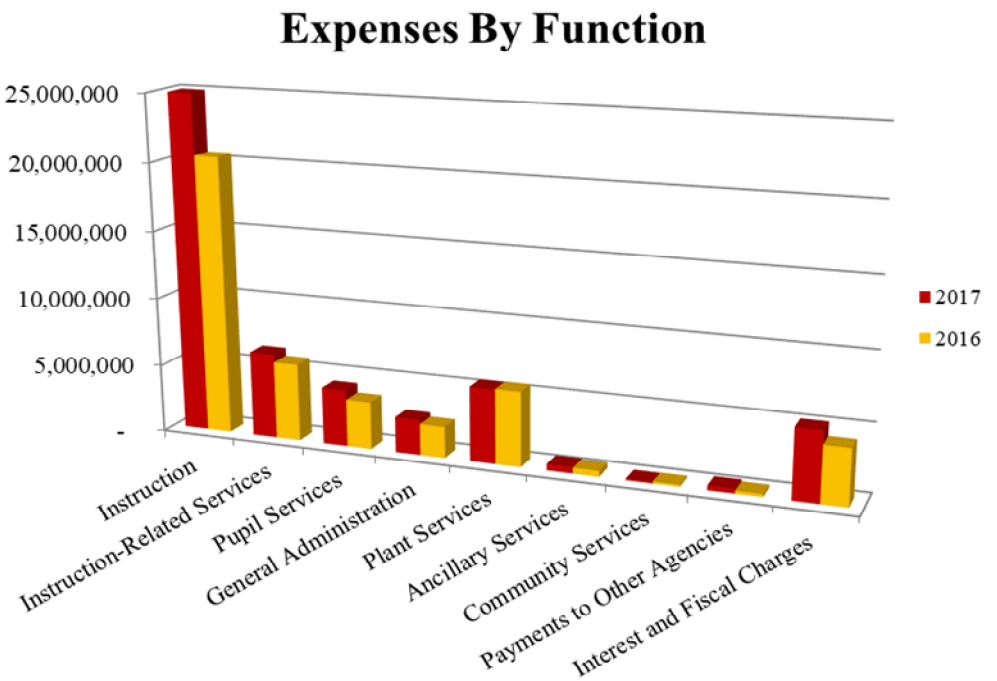
Property taxes comprised 51% of District revenues and direct instruction costs comprised 50% of District expenses for fiscal year 2016-17. These percentages are consistent with 2015-16.

Total revenues increased by 16% and total expenses increased by 17% for fiscal year 2016-17.

The following is a summary of government-wide revenues for the fiscal years ended June 30, 2016 and 2017:



The following is a summary of expenses by function for the fiscal years ended June 30, 2016 and 2017:



GOVERNMENTAL ACTIVITIES

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the net cost of services as compared to the prior fiscal year. That is, it identifies the cost of these services supported by general revenues for the government-wide statements (not the General Fund).

Table 3 - Net Cost of Services

Function	2017	2016	Increase (Decrease)	Percent
Instruction	$ 16,318,203	$ 16,010,452	$ 307,751	1.9%
Instruction-Related Services	5,475,800	4,620,936	854,864	18.5%
Pupil Services	2,745,314	2,487,222	258,092	10.4%
General Administration	2,516,965	1,978,728	538,237	27.2%
Plant Services	5,152,510	5,452,348	(299,838)	-5.5%
Ancillary Services	301,032	405,427	(104,395)	-25.7%
Community Services	78,689	(1,000)	79,689	100.0%
Payments to Other Agencies	(2,105,804)	(907,206)	(1,198,598)	-132.1%
Interest and Fiscal Charges	5,145,268	4,143,976	1,001,292	24.2%
Total Net Cost of Services	$ 35,627,977	$ 34,190,883	$ 1,437,094	4.2%

Direct Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and pupil.

Pupil Services and Instruction-Related Services include the activities involved with assisting staff with the content and process of teaching to pupils.

General Administration includes the costs for the Board of Trustees, administration, fiscal and business services and other expenses associated with administrative and financial supervision of the District.

Plant Services include the operation and maintenance of plant activities, which involve keeping the school grounds, buildings, and equipment in an effective working condition.

Ancillary Services include school-sponsored activities during or after the school day that are not essential to the delivery of instructional services.

Community Services include activities concerned with providing services to community participants other than students.

Interest and Fiscal Charges involve the transactions associated with the payment of interest and other related charges to debt of the District.

The dependence upon tax and local revenues is apparent, 87% of the District's activities are supported through taxes, grants and entitlements, and other general revenues. The community, as a whole, is the primary support for the District.

THE DISTRICT'S FUNDS

The District's governmental funds report a combined fund balance of $37,601,555, which is an increase of $5,098,570 from last year's total.

Table 4 provides an analysis of the District's fund balances and the total change in fund balances from the prior year.

Table 4 - Change in Fund Balances

Funds	2017	2016	Increase (Decrease)
General Fund	$ 6,151,853	$ 5,034,255	$ 1,117,598
Adult Education Fund	97,125	72,127	24,998
Child Development Fund	83,196	83,212	(16)
Cafeteria Fund	12,974	11,852	1,122
Deferred Maintenance Fund	221	219	2
Building Fund	23,480,092	18,993,989	4,486,103
Capital Facilities Fund	717,522	1,497,291	(779,769)
Bond Interest & Redemption Fund	7,058,572	6,810,040	248,532
Total Governmental Fund Balances	$ 37,601,555	$ 32,502,985	$ 5,098,570

GENERAL FUND BUDGETING HIGHLIGHTS

The District's budget is prepared according to California law and in the modified accrual basis of accounting.

During the course of the 2016-17 fiscal year, the District revised its General Fund budget twice, at 1st Interim and 2nd interim, which resulted in an increase in budgeted expenditures of $1,550,921 from the original to final budget.

For the General Fund, the final budget basis revenue and other financing sources estimate was $35,965,632. The original budgeted estimate was $33,954,233.

CAPITAL ASSETS

At the end of the fiscal year 2017, the District had $102,959,976 invested in land, buildings, furniture and equipment, and vehicles located at the District's school sites, prior to depreciation.

Table 5 shows June 30, 2017 balances as compared to June 30, 2016.

Table 5 - Summary of Capital Assets Net of Depreciation

Capital Asset	2017 Net Capital Asset	2016 Net Capital Asset	Percentage Change
Land	$ 1,456,448	$ 1,456,448	0.0%
Site Improvements	4,508,566	4,075,137	10.6%
Buildings and Improvements	53,297,667	41,241,252	29.2%
Furniture and Equipment	374,397	367,247	1.9%
Work-in-Progress	19,811,292	12,815,659	54.6%
Totals	$ 79,448,370	$ 59,955,743	32.5%

Overall capital assets increased by 32.5% from fiscal year 2016 to fiscal year 2017.

LONG TERM DEBT

Table 6 summarizes the percent changes in Long-term Debt over the past two years.

Table 6 - Long-term Debt

Type of Debt	2017	2016	Percentage Change
General obligation bonds	$ 60,409,389	$ 43,350,984	39.3%
Unamortized bond premiums - net	3,006,896	2,540,567	18.4%
Net Pension Liability	28,834,914	22,618,841	27.5%
Compensated absences	327,087	354,985	-7.9%
Total Debt	$ 92,578,286	$ 68,865,377	34.4%

FACTORS BEARING ON THE DISTRICT'S FUTURE

Due to changes in State funding, the District will potentially increase revenue based on the target LCFF. However, the new funding model includes only statutory funding requirements for cost of living adjustments and fluctuates according to State revenue. With an eight year planned implementation of the LCFF, the State revenue is likely to fluctuate significantly from current projections and could cause an operating deficit for the District. The District has adequate reserves to fund short-term fluctuations, but must maintain significantly higher reserves in order to address potential long-term downturns in State revenue.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, parents, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions regarding this report or need additional financial information, contact Crystal Leach, Chief Business Official, Cabrillo Unified School District, 498 Kelly Avenue, Half Moon Bay, CA 94019, (650) 712-7123.

Basic Financial Statements

CABRILLO UNIFIED SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2017

	Governmental Activities
Assets	
Current assets:	
Cash in county treasury	$ 37,842,872
Cash in revolving fund	25,000
Cash with fiscal agent	85,518
Accounts receivable	3,767,366
Inventories	23,796
Total current assets	41,744,552
Capital assets - net	79,448,370
Total Assets	$ 121,192,922
Deferred Outflows of Resources	
Pension adjustments	$ 9,968,968
Liabilities	
Accounts payable	$ 3,672,492
Unearned revenue	470,505
Accrued interest	1,867,821
Total current liabilities	6,010,818
Long-term liabilities:	
Due within one year	2,628,757
Due after one year	89,949,529
Total long-term liabilities	92,578,286
Total Liabilities	$ 98,589,104
Deferred Inflows of Resources	
Pension adjustments	$ 6,676,960
Net Position	
Net investment in capital assets	$ 39,512,177
Restricted for:	
Capital projects	717,522
Debt service	7,058,572
Educational programs	762,576
Child development	82,083
Total restricted net position	8,620,753
Unrestricted	(22,237,104)
Total Net Position	$ 25,895,826

The notes to the financial statements are an integral part of this statement.

CABRILLO UNIFIED SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental activities					
Instruction	$ 24,940,292	$ 22,270	$ 2,605,589	$ 5,994,230	$ (16,318,203)
Instruction-related services:					
Supervision of instruction	2,079,961	4,902	508,556	-	(1,566,503)
Instruction library, media and technology	982,128	3,054	57,591	-	(921,483)
School site administration	3,247,045	2,625	256,606	-	(2,987,814)
Pupil services:					
Home-to-school transportation	624,433	7,322	138,056	-	(479,055)
Food services	1,071,327	146,889	669,492	-	(254,946)
All other pupil services	2,515,955	9,756	494,886	-	(2,011,313)
General administration:					
Data processing	126,949	1,029	19,399	-	(106,521)
All other general administration	2,477,395	-	66,951	-	(2,410,444)
Plant services	5,492,059	339,549	-	-	(5,152,510)
Ancillary services	482,745	1,633	180,080	-	(301,032)
Community services	111,935	2,455	30,791	-	(78,689)
Payments to other agencies	352,359	123,693	2,334,470	-	2,105,804
Interest on long-term debt	5,145,268	-	-	-	(5,145,268)
Total governmental activities	$ 49,649,851	$ 665,177	$ 7,362,467	$ 5,994,230	(35,627,977)
General revenues and special item:					
Taxes and subventions:					
Taxes levied for general purposes					18,361,729
Taxes levied for debt service					7,016,826
Taxes levied for other specific purpose					1,651,614
Federal and state aid non restricted to specific purposes					11,121,272
Interest and investment earnings					94,418
Miscellaneous					269,491
Special item - loss on disposal of capital assets					(27,610)
Total general revenues and special item					38,487,740
Change in net position					2,859,763
Net position beginning					23,036,063
Net position ending					$ 25,895,826

The notes to the financial statements are an integral part of this statement.

CABRILLO UNIFIED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2017

	General Fund	Building Fund	Bond Interest and Redemption Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and investments	$ 4,433,415	$ 24,244,268	$ 7,042,413	$ 2,122,776	$ 37,842,872
Cash in revolving fund	25,000	-	-	-	25,000
Cash with fiscal agent	81,140	4,378	-	-	85,518
Accounts receivable	3,373,026	168,672	16,159	209,509	3,767,366
Due from other funds	156,788	1,300,026	-	12	1,456,826
Prepaid items and stores inventories	10,822	-	-	12,974	23,796
Total Assets	$ 8,080,191	$ 25,717,344	$ 7,058,572	$ 2,345,271	$ 43,201,378
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	$ 1,457,795	$ 2,208,802	$ -	$ 5,895	$ 3,672,492
Due to other funds	38	28,450	-	1,428,338	1,456,826
Unearned revenue	470,505	-	-	-	470,505
Total Liabilities	1,928,338	2,237,252	-	1,434,233	5,599,823
Fund balances:					
Nonspendable:					
Revolving fund	25,000	-	-	-	25,000
Stores inventories	10,822	-	-	12,974	23,796
Restricted for:					
Educational programs	762,576	-	-	-	762,576
Debt service	-	-	7,058,572	-	7,058,572
Child development	-	-	-	82,083	82,083
Capital projects	-	23,480,092	-	717,522	24,197,614
Assigned for:					
Adult education	-	-	-	15,661	15,661
Site repairs	-	-	-	221	221
Child development	-	-	-	1,113	1,113
Unassigned:					
Economic uncertainties	1,109,605	-	-	-	1,109,605
Unappropriated	4,243,850	-	-	81,464	4,325,314
Total Fund Balances	6,151,853	23,480,092	7,058,572	911,038	37,601,555
Total Liabilities and Fund Balances	$ 8,080,191	$ 25,717,344	$ 7,058,572	$ 2,345,271	$ 43,201,378

The notes to the financial statements are an integral part of this statement.

CABRILLO UNIFIED SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2017

Total fund balances - governmental funds		$ 37,601,555
Amounts reported in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.		
Capital assets at cost	$ 102,959,976	
Accumulated depreciation	(23,511,606)	79,448,370
Interest payable on long-term debt does not require the use of current financial resources and, therefore, is not reported in the governmental funds.		(1,867,821)
Contributions made to pension plans will not be included in the calculation to the District's net pension liability of the plan year included in this report and have been deferred and reported as deferred outflows of resources.		9,968,968
The difference between projected and actual earnings from pension plan assets is not included in the plan's actuarial study until the next fiscal year and are reported as deferred inflows of resources in the statement of net position.		(6,676,960)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:		
General obligation bonds	$ 60,409,389	
Unamortized bond premium	3,006,896	
Net pension liabilities	28,834,914	
Compensated absences (vacation)	327,087	(92,578,286)
Total net position - governmental activities		$ 25,895,826

The notes to the financial statements are an integral part of this statement.

CABRILLO UNIFIED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	General Fund	Building Fund	Bond Interest and Redemption Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
LCFF sources	$ 27,552,856	$ -	$ -	$ -	$ 27,552,856
Federal revenue	1,305,951	-	-	623,756	1,929,707
Other state	3,592,107	-	32,021	307,673	3,931,801
Other local	3,319,650	7,961,204	6,445,484	824,751	18,551,089
Total revenues	35,770,564	7,961,204	6,477,505	1,756,180	51,965,453
Expenditures:					
Current					
Instruction	20,683,632	-	-	56,360	20,739,992
Instruction-related services:					
Supervision of instruction	1,812,227	-	-	47,991	1,860,218
Instruction library, media and technology	853,118	-	-	-	853,118
School site administration	2,710,939	-	-	184,144	2,895,083
Pupil services:					
Home-to-school transportation	493,525	-	-	-	493,525
Food services	-	-	-	958,144	958,144
All other pupil services	2,250,051	-	-	100	2,250,151
General administration:					
Data processing	113,537	-	-	-	113,537
All other general administration	2,183,561	-	-	16,032	2,199,593
Plant services	2,532,097	232,910	-	16,570	2,781,577
Facilities acquisition and construction	3,291	22,505,420	-	1,300,451	23,809,162
Ancillary Services	482,745	-	-	-	482,745
Community services	38,449	-	-	73,486	111,935
Payments to other agencies	352,359	-	-	-	352,359
Debt service:					
Principal	-	-	2,941,595	-	2,941,595
Interest and fees	-	336,771	4,259,149	-	4,595,920
Total expenditures	34,509,531	23,075,101	7,200,744	2,653,278	67,438,654
Excess (deficiency) of revenues over (under) expenditures	1,261,033	(15,113,897)	(723,239)	(897,098)	(15,473,201)
Other financing sources (uses):					
Transfers in	-	-	400,000	143,435	543,435
Transfers out	(143,435)	(400,000)	-	-	(543,435)
Proceeds from long-term debt	-	20,000,000	-	-	20,000,000
Premium from bond issuance	-	-	571,771	-	571,771
Total other financing sources (uses)	(143,435)	19,600,000	971,771	143,435	20,571,771
Net changes in fund balances	1,117,598	4,486,103	248,532	(753,663)	5,098,570
Fund balances beginning	5,034,255	18,993,989	6,810,040	1,664,701	32,502,985
Fund balances ending	$ 6,151,853	$ 23,480,092	$ 7,058,572	$ 911,038	$ 37,601,555

The notes to the financial statements are an integral part of this statement.

CABRILLO UNIFIED SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Total net change in fund balances - governmental funds		$ 5,098,570
Capital outlays are reported in the governmental funds as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense.		
Capital asset additions from capital outlay	$ 21,435,155	
Loss on disposal of capital assets	(27,610)	
Depreciation expense	(1,914,918)	19,492,627
The governmental funds report bond proceeds as an other financing source, while repayment of bond principal is reported as an expenditure. Interest is recognized as an expenditure in the governmental funds when it is due. The net effect of these differences in the treatment of general obligation bonds and related items are as follows:		
Proceeds from bond issuance	$ (20,000,000)	
Bond premiums	(571,771)	
Repayment of bond principal	2,941,595	(17,630,176)
In governmental funds, if debt is issued at a premium or at a discount, the premium or discount is recognized as an other financing source or other financing use in the period it is incurred. In the government-wide statements, the premium or discount is amortized as interest over the life of the debt. The difference between premiums or discounts recognized in the current period and amortized over future periods is:		105,442
In governmental fundsm actual contributions to pension plans are reported as expenditures in the year incurred. However, in the government-wide statement of activities, only the curent year pension expense as noted in the plans' valuation reports is reported as an expense, as adjusted for deferred inflows and outflows of resources.		(4,151,579)
In the Statement of Activities, compensated absences are measured by the amount earned during the year. In the governmental funds, however, expenditures for those items are measured by the amount of financial resources used (essentially the amounts paid). This year vacation used exceeded the amounts earned, resulting in a current year change in compensated absences in the amount of:		27,898
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.		(83,019)
Changes in net position of governmental activities		$ 2,859,763

The notes to the financial statements are an integral part of this statement.

CABRILLO UNIFIED SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2017

	School Scholarship Fund	Associated Student Body Agency Fund	Total
Assets:			
Cash on hand and in banks	$ 128,661	$ 108,329	$ 236,990
Total Assets	$ 128,661	$ 108,329	$ 236,990
Liabilities:			
Due to student groups	$ -	$ 108,329	$ 108,329
Total Liabilities	$ -	$ 108,329	$ 108,329
Net Position:			
Restricted	$ 128,661	$ -	$ 128,661
Total Net Position	$ 128,661	$ -	$ 128,661

The notes to the financial statements are an integral part of this statement.

CABRILLO UNIFIED SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	School Scholarship Fund
Additions	
Other Local	$ 172,469
Deductions	
Scholarships	171,964
Changes in net position	505
Net position beginning	128,156
Net position ending	$ 128,661

The notes to the financial statements are an integral part of this statement.

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Notes to the Basic Financial Statements

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Principles

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

B. Reporting Entity

The District is the level of government primarily accountable for activities related to public education. The governing authority consists of five elected officials who, together, constitute the Board of Trustees. The District's combined financial statements include the accounts of all its operations. The District evaluated whether any other entity should be included in these financial statements using the criteria established by GASB.

Component Units:

The District evaluated whether any other entity should be included in these financial statements. The basic, but not the only, criterion for including a governmental department, agency, institution, commission, public authority, or other governmental organization in a governmental unit's reporting entity for financial reports is the ability of the governmental unit's elected officials to exercise oversight responsibility over such agencies. Oversight responsibility implies that one governmental unit is dependent on another and that the dependent unit should be reported as part of the other. Oversight responsibility is derived from the governmental unit's power and includes, but is not limited to:

- Financial interdependency
- Selection of governing authority
- Designation of management
- Ability to significantly influence operations
- Accountability for fiscal matters

Accordingly, for the year ended June 30, 2017, the District does not have any component units and is not a component unit of any other reporting entity.

C. Basis of Presentation

Government-wide Financial Statements:

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the District. Eliminations have been made to minimize the effect of interfund of activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund and fiduciary fund financial statements but differs from the manner in which governmental fund financial statements are prepared.

Governmental fund financial statements, therefore, includes a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds.

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

Fund Financial Statements:

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

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

Fiduciary funds are reported using the economic resources measurement focus.

D. Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions:

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, "available" means collectible within the current period or within 60 days after year-end.

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

Deferred Outflows/Deferred Inflows:

A deferred outflow of resources is defined as a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditure) until then. A deferred inflow of resources is defined as an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time.

When applicable, unamortized portions of the gain and loss on refunding debt are reported as deferred inflows and deferred outflows of resources, respectively. Deferred outflows and inflows of resources are reported for the changes related to pensions from the implementation of GASB Statement No. 68.

In addition, when an asset is recorded in governmental fund financial statements but the revenue is not available, a deferred inflow of resources is reported until such time as the revenue becomes available.

Unearned Revenue:

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

Expenses/Expenditures:

On the accrual basis of accounting, expenses are recognized at the time a liability is incurred. On the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However, under the modified accrual basis of accounting, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred

inflows of resources, fund equity or retained earnings, revenues, and expenditures or expenses, as appropriate. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The District's accounts are organized into major, nonmajor, and fiduciary funds as follows:

Major Governmental Funds:

The *General Fund* is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund and includes transactions accounted for in the Special Reserve Fund for Other Than Capital Outlay and Special Reserve Fund for Postemployment Benefits.

The *Building Fund* is used to account for proceeds from the sale of real property and account for the acquisition of major governmental capital facilities and buildings from the sale of bond proceeds.

The *Bond Interest and Redemption Fund* is used to account for the interest and redemption of principal of general obligation bonds.

Non-major Governmental Funds:

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed for purposes other than debt service or capital projects. The restricted or committed resources need to comprise a substantial portion of the inflows reported in the special revenue fund. The District maintains four nonmajor special revenue funds:

- The *Adult Education Fund* is used to account for resources committed to adult education programs maintained by the District.

- The *Child Development Fund* is used to account for resources committed child development programs maintained by the District.

- The *Cafeteria Fund* is used to account for revenues received and expenditures made to operate the District's food service programs.

- The *Deferred Maintenance Fund* is used for the purpose of major repair or replacement of District property.

Capital Projects Funds are used to account for resources restricted, committed or assigned for capital outlays. The District maintains one nonmajor capital projects fund:

- The *Capital Facilities Fund* is used to account for resources received from developer impact fees assessed under provisions of the California Environmental Quality Act ("CEQA").

Fiduciary Funds:

- *Private-Purpose Trust Funds* are used to account for assets held by the District as trustee. The District maintains one trust fund, the Scholarship fund, which is used to provide financial assistance to students of the District.

- *Agency Funds* are used to account for assets of others for which the District acts as an agent. The District maintains an agency fund for the student body accounts. The student body funds are used to account for the raising and expending of money to promote the general welfare, morale, and educational experience of the student body.

In order to comply with the requirements of GASB 54, the District has combined transactions in the Special Reserve fund for Other than Capital Outlay (Special Reserve Fund) with the General Fund because it does not meet the definition of a special revenue fund as defined by GASB 54.

F. Budgets and Budgetary Accounting

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

These budgets are revised by the District's governing board during the year to give consideration to unanticipated income and expenditures. The original and final revised budgets for the General Fund are presented as Required Supplementary Information.

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

G. Encumbrances

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

H. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) and California State Teachers' Retirement System plans (Plans) and addition to/deduction from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS and STRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined time frames. For this period, the following time frames were used:

Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Measurement Period	July 1, 2015 to June 30, 2016

I. Assets, Liabilities, and Equity

a) Cash and Investments

Cash balances held in banks and in revolving funds are insured to $250,000 by the Federal Deposit Insurance Corporation.

In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the County Treasury. The county pools these funds with those of other districts in the county and invests the cash. These pooled funds are carried at cost, which approximates market value. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

All District-directed investments are governed by Government Code Section 53601 and Treasury investment guidelines. The guidelines limit specific investments to government securities, domestic chartered financial securities, domestic corporate issues, and California municipal securities. The District's securities portfolio is held by the County Treasurer. Interest earned on investments is recorded as revenue of the fund from which the investment was made.

b) Fair Value Measurements

Investments are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. This statement changed the definition of fair value and is effective for periods beginning after June 15, 2015.

The following is a summary of the definition of fair value:

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. In determining this amount, three valuation techniques are available:

- Market approach - This approach uses prices generated for identical or similar assets or liabilities. The most common example is an investment in a public security traded in an active exchange such as the NYSE.

- Cost approach - This technique determines the amount required to replace the current asset. This approach may be ideal for valuing donations of capital assets or historical treasures.

- Income approach - This approach converts future amounts (such as cash flows) into a current discounted amount.

Each of these valuation techniques requires inputs to calculate a fair value. Observable inputs have been maximized in fair value measures, and unobservable inputs have been minimized.

c) Inventories and Prepaid Expenditures

Inventories

Inventories are recorded using the purchases method, in that inventory acquisitions are initially recorded as expenditures. Reported inventories are equally offset by a fund balance reserve, which indicates that these amounts are not "available for appropriation and expenditure" even though they are a component of net current assets. The District's central warehouse inventory is valued at cost and consists of expendable supplies held for consumption.

Prepaid expenditures

The District has the option of reporting expenditures in governmental funds for prepaid items either when purchased or during the benefiting period. The District has chosen to report the expenditure during the benefiting period, thus recording a prepaid expenditure in the Statement of Net Position.

d) Capital Assets

Capital assets are those purchased or acquired with an original cost of $15,000 or more and are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the asset's lives are not capitalized, but are expensed as incurred. Depreciation on all capital assets is computed using a straight-line basis over the following estimated useful lives:

Assets	Years
Improvement of sites	20
Buildings	50
Portable buildings	20
Building improvements	20
Furniture and fixtures	20
Playground equipment	20
Food services equipment	15
Transportation equipment	15
Telephone system	10
Vehicles	8
Computer and office equipment	5

e) Unearned Revenue

Cash received for federal and state special projects and programs is recognized as revenue to the extent that qualified expenditures have been incurred and timing requirements have been met. Unearned revenue is recorded to the extent that cash received on specific projects and programs exceeds qualified expenditures. Unearned revenue in the funds is recorded for grant and entitlement receivables that are not available within ninety days of year end and for cash receipts from grants and entitlements for which the District has not met the eligibility requirements for recognizing revenue.

f) Compensated Absences

All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

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

g) Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of applicable bond premium or discount. Issuance costs are expensed in the period incurred.

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

h) Fund Balance Reserves and Designations

The District maintains a minimum unassigned fund balance of not less than 3 percent of budgeted general fund expenditures and other financing uses as a reserve for economic uncertainties. The District believes a reserve of this level is prudent to maintain a high bond rating and to protect the District from the effects of fluctuations in property tax revenues to which basic aide districts are vulnerable. Because amounts in the nonspendable, restricted, committed, and assigned categories are subject to varying constraints on their use, the reserve for economic uncertainties consists of balances that are otherwise unassigned.

In accordance with Government Accounting Standards Board 54*, Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies governmental fund balances as follows:

- *Nonspendable* fund balance includes amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.

- *Restricted* fund balance includes amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

- *Committed* fund balances includes amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end. Committed fund balances are imposed by the District's board of education.

- *Assigned* fund balance includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Superintendent and the Chief Business Official.

- *Unassigned* fund balance includes positive amounts within the general fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

The District uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the District would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

i) Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. In addition, deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also are included in the net investment in capital assets component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, laws or regulations of other governments. The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Capital Projects restrictions will be used for the acquisition and construction of capital facilities.

Debt Service restrictions reflect the cash balances in the debt service funds that are restricted for debt service payments by debt covenants.

Educational Program restrictions reflect the amounts to be expended for federal and state funded educational programs.

Child Development restrictions reflect the amounts to be expended for federal, state, or local revenues to operate child development programs.

j) Local Control Funding Formula and Property Taxes

The Local Control Funding Formula (LCFF) creates base, supplemental, and concentration grants in place of most previously existing K–12 funding streams, including revenue limits and most state categorical programs. The revenue limit was a combination of local property taxes, state apportionments, and other local sources.

Until full implementation, local educational agencies (LEAs) will receive roughly the same amount of funding they received in 2012–13 plus an additional amount each year to bridge the

gap between current funding levels and LCFF target levels. The budget projects the time frame for full implementation of the LCFF to be eight years.

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

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

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

k) Risk management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The District has joined together with other school districts in the County to form the San Mateo County Schools Insurance Group ("SMCSIG") public entity risk pool. The District pays an annual premium for its property and casualty, workers' compensation, and liability insurance coverage. The Joint Powers Agreements provide that SMCSIG will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of self-insured levels.

There were no significant reductions in insurance coverage from coverage in the prior year and no insurance settlement exceeding insurance coverage.

l) Accounting Estimates

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

m) Subsequent Events

Management has reviewed subsequent events and transactions that occurred after the date of the financial statements through the date the financial statements were issued. The financial statements include all events or transactions, including estimates, required to be recognized in accordance with generally accepted accounting principles. Management has determined that there are no non-recognized subsequent events that require additional disclosure other than the following:

On August 31, 2017, the District issued $4,610,000 in General Obligation Refunding Bonds. The General Obligation Refunding Bonds refunded $4,700,000 of Series A Bonds.

J. Implemented New Accounting Pronouncements

GASB Statement No. 77, *Tax Abatement Disclosures* - Effective date: the requirements of this Statement are effective for reporting periods beginning after December 15, 2015 (earlier application was encouraged and was applied at the District). This Statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements:

- Brief descriptive information, such as the tax being abated, the District under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients
- The gross dollar amount of taxes abated during the period
- Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement.

The implementation of this statement did not have a significant impact on the District's financial statements and did not result in any prior period restatements or adjustments.

GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans* - The objective of this Statement is to address a practice issue regarding the scope and applicability of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions.

Prior to the issuance of this GASB 78, the requirements of GASB 68 applied to the financial statements of all state and local governmental employers whose employees are provided with pensions through pension plans that are administered through trusts that meet the criteria in paragraph 4 of that statement.

GASB 78 amends the scope and applicability of GASB 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and

liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above.

The implementation of this statement did not have a significant impact on the District's financial statements and did not result in any prior period restatements or adjustments

K. Upcoming Accounting and Reporting Changes

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans.

The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

In addition, this Statement details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specified criteria and for employers whose employees are provided with defined contribution OPEB. This Statement also addresses certain circumstances in which a nonemployer entity provides financial support for OPEB of employees of another entity.

In this Statement, distinctions are made regarding the particular requirements depending upon whether the OPEB plans through which the benefits are provided are administered through trusts that meet the following criteria:

- Contributions from employers and nonemployer contributing entities to the OPEB plan and earnings on those contributions are irrevocable.
- OPEB plan assets are dedicated to providing OPEB to plan members in accordance with the benefit terms.
- OPEB plan assets are legally protected from the creditors of employers, nonemployer contributing entities, the OPEB plan administrator, and the plan members.

The District is in the process of determining the impact this statement will have on the financial statements.

GASB Statement No. 81, Irrevocable Split-Interest Agreements - The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

Split-interest agreements are a type of giving agreement used by donors to provide resources to two or more beneficiaries, including governments. Split-interest agreements can be created through trusts—or other legally enforceable agreements with characteristics that are equivalent to split-interest agreements—in which a donor transfers resources to an intermediary to hold and administer for the benefit of a government and at least one other beneficiary. Examples of these types of agreements include charitable lead trusts, charitable remainder trusts, and life-interests in real estate.

This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period.

The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively. Earlier application is encouraged.

The District doesn't believe this statement will have a significant impact on the District's financial statements.

GASB Statement No. 82, *Pension Issues - an amendment of GASB Statements No. 67, No. 68, and No. 73* - The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of GASB 82 for selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Earlier application is encouraged. The District doesn't believe this statement will have a significant impact on the District's financial statements.

GASB Statement No. 83, *Certain Asset Retirement Obligations* - This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2018. Earlier application is encouraged. The District doesn't believe this statement will have a significant impact on the District's financial statements.

GASB Statement No. 84, *Fiduciary Activities* - The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2018. Earlier application is encouraged. The District doesn't believe this statement will have a significant impact on the District's financial statements.

GASB Statement No. 86, *Certain Debt Extinguishment Issues* - The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2017. Earlier application is encouraged. The District doesn't believe this statement will have a significant impact on the District's financial statements.

GASB Statement No. 87, *Leases* - The primary objective of this Statement is to increase the usefulness of governments' financial statement by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2019. Earlier application is encouraged. The District is currently evaluating the impact on the financial statements and ensuring the required data will be available for disclosure.

NOTE 2 - CASH AND INVESTMENTS

A summary of cash and investments as of June 30, 2017 is as follows:

Description	Carrying Amount	Fair Value	Investment Rating
Government-Wide Statements:			
Cash in county treasury investment pool	$ 37,842,872	$ 37,800,866	AA
Cash in revolving fund	25,000	25,000	Not Rated
Cash with fiscal agent	85,518	85,428	AA
Total Government-Wide Cash and Investments	37,953,390	37,911,294	
Fiduciary Funds:			
Cash in banks	236,990	236,990	Not Rated
Total Cash and Investments	$ 38,190,380	$ 38,148,284	

Cash in Banks and in Revolving Funds

Cash balances in banks and revolving funds are insured up to $250,000 per bank by the Federal Deposit Insurance Corporation ("FDIC"). These accounts are held within various financial institutions. As of June 30, 2017, the bank balance of the District's accounts with banks was $370,849. Cash in the District's bank accounts exceeded FDIC insurance by $52,521 as of June 30, 2017. However, this balance was fully collateralized per Government Code.

Cash in County Treasury

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

Fair Value Measurements

GASB 72 established a hierarchy of inputs to the valuation techniques above. This hierarchy has three levels:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable.
- Level 3 inputs are unobservable inputs, such as a property valuation or an appraisal.

The District has the following recurring fair value measurements as of June 30, 2017:

- The cash in the County investment pool of $37,800,866 are valued using Level 2 inputs.

Policies and Practices

The District is authorized under California Government Code Section 53635 to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are described below:

1. Interest Rate Risk

   Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to the changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Treasury. The District maintains cash with the San Mateo County Investment Pool. The pool has a fair value of approximately $1.478 billion and an amortized book value of $1.480 billion.

2. Credit Risk

   Credit risk is the risk of loss due to the failure of the security issuer. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The investment with the San Mateo County Investment Pool is governed by the County's general investment policy. The investment with the San Mateo County Investment Pool is rated at least A1 by Moody's Investor Service.

3. Custodial Credit Risk – Deposits

   Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits.

4. Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond the amount stipulated by the California Government code. District investments that are greater than 5 percent of total investments are in either an external investment pool or mutual funds and are therefore exempt.

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following as of June 30, 2017:

Description	General Fund	Building Fund	Bond Interest & Redemption Fund	Nonmajor Funds	Total
Federal Government	$ 581,630	$ -	$ -	$ 116,263	$ 697,893
State Government	481,819	-	-	66,788	548,607
Local Government	530,825	95,959	-	21,351	648,135
Other Unrestricted	1,778,752	72,713	16,159	5,107	1,872,731
Total Accounts Receivable	$3,373,026	$168,672	$ 16,159	$ 209,509	$ 3,767,366

NOTE 4 - CAPITAL ASSETS AND DEPRECIATION

Capital asset activities for the year ended June 30, 2017 were as follows:

Capital Assets	Balance July 01, 2016	Additions	Adjustments & Deletions	Balance June 30, 2017
Land - not depreciable	$ 1,456,448	$ -	$ -	$ 1,456,448
Work-in-progress - not depreciable	12,815,659	20,485,339	(13,489,706)	19,811,292
Site improvements	5,268,264	727,818	(5,830)	5,990,252
Buildings and improvements	60,673,715	13,643,829	(44,689)	74,272,855
Furniture and equipment	1,361,254	67,875	-	1,429,129
Total capital assets	81,575,340	34,924,861	(13,540,225)	102,959,976
Less accumulated depreciation for:				
Site improvements	1,193,127	289,324	(765)	1,481,686
Buildings and improvements	19,432,463	1,564,869	(22,144)	20,975,188
Furniture and equipment	994,007	60,725	-	1,054,732
Total accumulated depreciation	21,619,597	1,914,918	(22,909)	23,511,606
Total capital assets - net depreciation	$ 59,955,743	$ 33,009,943	$(13,517,316)	$ 79,448,370

Depreciation expense was charged to governmental activities as follows:

Instruction	$ 1,778,237
Instruction library, media and technology	28,233
School site administration	9,973
Home-to-school transportation	72,609
All other general administration	17,971
Plant services	7,895
Total depreciation expense	$ 1,914,918

NOTE 5 - INTERFUND TRANSACTIONS

Interfund transactions are reported as either loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables (Due From/To), as appropriate, and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers among governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Interfund Receivables/Payables (Due From/Due To)

Interfund receivables and payables consisted of the following as of June 30, 2017:

	Due From (Receivable-in)			
Due To (Payable-in)	General Fund	Building Fund	Nonmajor Funds	Total Due To
General Fund	$ -	$ 26	$ 12	$ 38
Building Fund	28,450	-	-	28,450
Nonmajor Funds	128,338	1,300,000	-	1,428,338
Total Due From	$ 156,788	$ 1,300,026	$ 12	$ 1,456,826

Interfund Transfers

Interfund transfers consist of operating transfers from funds receiving revenue to funds through which the resources are to be expended. The District transferred $143,435 from the General Fund to the Cafeteria Fund and $400,000 from the Building Fund to the Bond Interest and Redemption Fund during the fiscal year ended June 30, 2017.

NOTE 6 - LONG-TERM DEBT

Schedule of Changes in Long-term Debt

The following is the schedule of changes in long-term debt for the fiscal year ended June 30, 2017:

Long Term Debt	Balance July 01, 2016	Additions	Deductions	Balance June 30, 2017	Due Within One Year
General Obligation Bonds	$ 43,350,984	$ 20,000,000	$ 2,941,595	$ 60,409,389	$ 2,503,599
Unamortized Bond Premium	2,540,567	571,771	105,442	3,006,896	125,158
Net Pension Liabilities	22,618,841	10,816,633	4,600,560	28,834,914	-
Compensated Absences	354,985	138,745	166,643	327,087	-
Total Long-Term Debt	$ 68,865,377	$ 31,527,149	$ 7,814,240	$ 92,578,286	$ 2,628,757

Payments on the general obligation bonds are made from the Bond Interest and Redemption Fund using local revenues.

General Obligation Bonds Payable

On August 1, 1996, the District issued $34,996,263 in General Obligation Bonds (the "Bonds"). The County Treasurer levies annual ad valorem taxes for required debt service payments. Bond proceeds have been and will be used for improvements and construction at the District's school sites.

On October 25, 2012, the District issued $19,715,860 in General Obligation Bonds. This included principal of $18,000,000, with a premium of $1,715,860. The bonds mature on August 1, 2037. Total debt service for the bonds is $27,843,608. Bond proceeds will be used for improvements and construction at the District's school sites.

On January 14, 2015, the District issued $21,067,416 in General Obligation Bonds. This included principal of $20,000,000, with a premium of $1,067,416. The bonds mature on August 1, 2044. Total debt service for the bonds is $35,591,991. Bond proceeds will be used for improvements and construction at the District's school sites.

On January 18, 2017, the District issued $20,571,771 in General Obligation Bonds. This included principal of $20,000,000 with a premium of $571,771. The bonds mature on August 1, 2046. Total debt service for the bonds is $39,133,222. Bond proceeds will be used for improvements and construction at the District's school sites.

Bond	Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 01, 2016	Issued	Redeemed	Bonds Outstanding June 30, 2017
1996	8/1/96	8/1/21	3.75-6.0%	$34,996,263	$ 7,795,984	$ -	$ 1,316,595	$ 6,479,389
2012A	10/25/12	8/1/37	2.0-5.0%	18,000,000	15,555,000	-	410,000	15,145,000
2012B	1/14/2015	8/1/44	2.0-5.0%	20,000,000	20,000,000	-	1,215,000	18,785,000
2012C	1/18/2017	8/1/46	3.38-5%	20,000,000	-	20,000,000	-	20,000,000
Total General Obligation Bonds				$72,996,263	$43,350,984	$20,000,000	$ 2,941,595	$ 60,409,389

As of June 30, 2017, the annual debt service requirements of the general obligation bonds were as follows:

Fiscal Year	Principal	Interest	Total
2018	$ 2,503,599	$ 5,233,851	$ 7,737,450
2019	1,819,487	5,465,064	7,284,551
2020	1,859,765	5,728,735	7,588,500
2021	1,900,148	5,995,427	7,895,575
2022	1,961,390	6,282,059	8,243,449
2023-2027	4,600,000	9,393,725	13,993,725
2028-2032	6,820,000	8,077,156	14,897,156
2033-2037	10,120,000	6,597,120	16,717,120
2038-2042	9,665,000	3,732,734	13,397,734
2043-2047	19,160,000	2,352,965	21,512,965
Total	$ 60,409,389	$ 58,858,836	$ 119,268,225

NOTE 7 - JOINT POWERS AGREEMENTS

The District participates in a joint powers agreement ("JPA") with the San Mateo County Schools Insurance Group ("SMCSIG"). A board consisting of a representative from each member district governs the JPA. The governing board controls the operation of the JPA independent of any influence by the District beyond the District's representation on the governing board. The JPA is independently accountable for its fiscal matters. Budgets are not subject to any approval other than that of the governing board. Member districts share surpluses and deficits proportionately to their participation. The relationship between the District and the JPA is such that the JPA not a component unit of the District for financial reporting purposes.

The following is a summary of coverage provided by SMCSIG JPA and its most recent financial statement information:

	SMCSIG June 30, 2017
Total Assets & Deferred Outflows	$ 24,662,939
Total Liabilities & Deferred Inflows	11,623,166
Total Equity	13,039,773
Total Revenues	43,968,233
Total Expenditures	42,333,857

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Litigation

Various claims involving the District are currently outstanding. However, management believes, based on consultation with legal counsel, that the ultimate resolution of these matters will not have a material adverse effect on the District's financial position or results of operations.

Federal and State Allowances, Award, and Grants

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

NOTE 9 - EMPLOYEE RETIREMENT SYSTEMS

A. California Public Employees Retirement System (CalPERS/PERS) Pension Plan

General Information about the PERS Pension Plan

Plan Description - All qualified permanent and probationary employees are eligible to participate in the District's CalPERS Employee Pension Plan (the Plan), a cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for the Plan are applied as specified by the Public Employees' Retirement Law. The Plans' provisions and benefits in effect at June 30, 2017, are summarized as follows:

	CalPERS	
	Tier 1	Tier 2
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 Years	5 Years
Benefit payments	Monthly for Life	Monthly for Life
Retirement age	50	62
Monthly benefits as a % of eligible compensation	2.0%	2.0%
Required employee contribution rates	7%	6.25%
Required employer contribution rates	13.888%	6.25%

Contributions - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and

shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2017, the contributions recognized as part of pension expense for the Plan were as follows:

	CalPERS
Contributions - employer	$ 906,279
Contributions - employee	388,117
Total	$ 1,294,396

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to PERS

As of June 30, 2017, the District reported net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
CalPERS	$ 8,139,553

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2016, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the Plan as of measurement dates, June 30, 2015 and 2016 was as follows:

	CalPERS
Proportion - June 30, 2015	0.0397%
Proportion - June 30, 2016	0.0412%
Change in Proportions	0.0015%

For the year ended June 30, 2017, the District recognized pension expense of $1,914,079 for the Plan. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	CalPERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 761,072	$ -
Changes in assumptions	-	(270,578)
Differences between expected and actual experiences	387,346	-
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	(473,746)
Net differences between projected and actual earnings on plan investments	2,286,834	(889,388)
Total	$ 3,435,252	$ (1,633,712)

The District reported $761,072 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ending:	Deferred Outflows/(inflows) of Resources
2018	$ 69,485
2019	70,479
2020	535,783
2021	364,721
Total	$ 1,040,468

Actuarial Assumptions - The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	(1)
Investment Rate of Return	7.5% (2)
Mortality	(3)

(1) Varies by age and service
(2) Net of pension plan investment expenses, including inflation
(3) Derived using CalPERS' membership data for all funds

Discount Rate - The discount rate used to measure the total pension liability was 7.65 percent for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term

(first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (a)	Real Return Years 11+ (b)
Global Equity	51.00%	5.25%	5.71%
Global Fixed Income	20.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	10.00%	6.83%	6.95%
Real Estate	10.00%	4.50%	5.13%
Infrastructure and Forestland	2.00%	4.50%	5.09%
Liquidity	1.00%	-0.55%	-1.05%
Total	100.00%		

(a) An expected inflation of 2.5% used for this period.
(b) An expected inflation of 3.0% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease	6.65%
Net Pension Liability	$ 12,211,263
Current Discount Rate	7.65%
Net Pension Liability	$ 8,139,553
1% Increase	8.65%
Net Pension Liability	$ 4,749,053

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

B. California State Teachers' Retirement System (STRS) Pension Plan

General Information about the STRS Pension Plan

Plan Description - The District contributes to the State Teachers' Retirement System (STRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by STRS. The plan provides retirement, disability, and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. STRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information.

Benefits Provided - STRS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. The cost of living adjustments for the Plan are applied as specified by the retirement Law. The Plan's provisions and benefits in effect at June 30, 2017, are summarized as follows:

	CalSTRS	
	Tier 1	Tier 2
Benefit formula	2% @ 60	2% @ 62
Benefit vesting schedule	5 Years	5 Years
Benefit payments	Monthly for Life	Monthly for Life
Retirement age	55	55
Monthly benefits as a % of eligible compensation	2.000%	2.000%
Required employee contribution rates	10.250%	9.205%
Required employer contribution rates	12.580%	12.580%

Contributions - As part of the annual valuation process, the Normal Cost rate is determined as the basis for setting the base member contribution rate for the following fiscal year. Generally, the base member contribution rate is one-half of the Normal Cost rate within certain parameters. Required member, employer and state contribution rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. Contribution rates are expressed as a level percentage of payroll using the entry age normal actuarial cost method.

For the year ended June 30, 2017, the contributions recognized as part of pension expense for the Plan were as follows:

	CalSTRS
Contributions - employer	$ 2,453,472
Contributions - employee	857,530
Total	$ 3,311,002

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to STRS

As of June 30, 2017, the District reported net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
CalSTRS	$ 20,695,361

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2015, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the Plan as of measurement dates, June 30, 2015 and 2016 was as follows:

	CalSTRS
Proportion - June 30, 2015	0.0249%
Proportion - June 30, 2016	0.0256%
Change in Proportions	0.0007%

For the year ended June 30, 2017, the District recognized pension expense of $4,803,138 for the Plan. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	CalSTRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 1,804,566	$ -
Changes in assumptions	-	-
Differences between expected and actual experiences	-	(572,295)
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	777,842	(2,384,461)
Net differences between projected and actual earnings on plan investments	3,951,308	(2,086,492)
Total	$ 6,533,716	$ (5,043,248)

The District reported $1,804,566 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ending:	Deferred Outflows/(inflows) of Resources
2018	$ (331,495)
2019	(331,495)
2020	711,751
2021	327,211
2022	(372,213)
Thereafter	(317,857)
Total	$ (314,098)

Actuarial Assumptions - The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.60%
Inflation	3.00%
Payroll Growth	3.75%
Projected Salary Increase	(1)
Investment Rate of Return	7.6% (2)
Mortality	(3)

(1) Varies by age and service
(2) Net of pension plan investment expenses, including inflation
(3) Derived using STRS' membership data for all funds

Discount Rate - The discount rate used to measure the total pension liability was 7.60 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates in accordance with the rate increases per AB 1469. Projected inflows from investment earnings were calculated using the long term assumed investment rate of return (7.60 percent) and assuming that contributions, benefit payments, and administrative expense occur midyear. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Long-Term Expected Rate of Return
Global Equity	47.00%	6.30%
Fixed Income	12.00%	0.30%
Inflation Sensitive	4.00%	3.80%
Private Equity	13.00%	9.30%
Real Estate	13.00%	5.20%
Absolute Return/Risk Mitigation	9.00%	2.90%
Liquidity	2.00%	-1.00%
Total	100.00%	

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease	6.60%
Net Pension Liability	$ 30,670,101
Current Discount Rate	7.60%
Net Pension Liability	$ 20,695,361
1% Increase	8.60%
Net Pension Liability	$ 12,410,921

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued STRS financial reports.

REQUIRED SUPPLEMENTARY INFORMATION

CABRILLO UNIFIED SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL (GAAP)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budgeted Amounts			Variance with Final Budget Positive - (Negative)
	Original	Final	Actual (GAAP Basis)	
Revenues:				
LCFF sources	$ 28,127,513	$ 28,152,894	$ 27,552,856	$ (600,038)
Federal revenues	1,350,686	1,568,590	1,305,951	(262,639)
Other state	1,659,155	2,954,149	3,592,107	637,958
Other local	2,816,879	3,289,999	3,319,650	29,651
Total revenues	33,954,233	35,965,632	35,770,564	(195,068)
Expenditures:				
Certificated salaries	14,792,100	14,817,836	14,817,835	1
Classified salaries	5,346,177	5,672,756	5,671,918	838
Employee benefits	7,699,365	8,596,745	8,460,963	135,782
Books and supplies	1,401,504	2,161,814	1,128,599	1,033,215
Services and other operating expenditures	4,974,301	4,662,017	4,093,890	568,127
Other outgo	490,588	343,788	336,326	7,462
Total expenditures	34,704,035	36,254,956	34,509,531	1,745,425
Excess (deficiency) of revenues over (under) expenditures	(749,802)	(289,324)	1,261,033	1,550,357
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(139,053)	(240,965)	(143,435)	97,530
Total other financing sources (uses)	(139,053)	(240,965)	(143,435)	97,530
Change in fund balance	(888,855)	(530,289)	1,117,598	1,647,887
Fund balances beginning	5,034,255	5,034,255	5,034,255	-
Fund balances ending	$ 4,145,400	$ 4,503,966	$ 6,151,853	$ 1,647,887

CABRILLO UNIFIED SCHOOL DISTRICT
SCHEDULE OF PENSION PLAN CONTRIBUTIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

CalPERS

	2017	2016	2015
Contractually Required Contributions (Actuarially Determined)	$ 761,072	$ 646,510	$ 551,875
Contributions in Relation to Actuarially Determined Contributions	761,072	646,510	551,875
Contribution Deficiency (Excess)	-	-	-
Covered Employee Payroll	**$ 5,485,829**	**$ 5,457,350**	**$ 4,688,338**
Contributions as a Percentage of Covered Payroll	**13.89%**	**11.85%**	**11.77%**

Notes to Schedule:

Valuation Date: June 30, 2015

Assumptions Used:
- Entry Age Method used for Actuarial Cost Method
- Level Percentage of Payroll (Closed) Used Amortization Method
- 3.7 Years Remaining Amortization Period
- Inflation Assumed at 2.75%
- Investment Rate of Returns set at 7.5%
- CalPERS mortality table using 20 years of membership data for all funds

CalSTRS

	2017	2016	2015
Contractually Required Contributions (Actuarially Determined)	$ 1,804,566	$ 1,561,827	$ 1,220,719
Contributions in Relation to Actuarially Determined Contributions	1,804,566	1,561,827	1,220,719
Contribution Deficiency (Excess)	-	-	-
Covered Employee Payroll	**$ 14,344,722**	**$ 14,555,704**	**$ 13,748,480**
Contributions as a Percentage of Covered Payroll	**12.58%**	**10.73%**	**8.88%**

Notes to Schedule:

Valuation Date: June 30, 2015

Assumptions Used:
- Entry Age Method used for Actuarial Cost Method
- Level Percentage of Payroll (Closed) Used Amortization Method
- 7 Year Amortization Period
- Inflation Assumed at 3%
- Investment Rate of Returns set at 7.6%
- STRS mortality table using membership data for all funds

** Fiscal year 2015 was the first year of implementation, therefore only three years are shown.

CABRILLO UNIFIED SCHOOL DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

CalPERS

	2017	2016	2015
Proportion of Net Pension Liability	0.04121%	0.03972%	0.04170%
Proportionate Share of Net Pension Liability	$ 8,139,553	$ 5,855,010	$ 4,733,965
Covered Employee Payroll	$ 5,485,829	$ 5,457,350	$ 4,688,338
Proportionate Share of NPL as a % of Covered Employee Payroll	**148.37%**	**107.29%**	**100.97%**
Plan's Fiduciary Net Position as a % of the TPL	**74.33%**	**80.40%**	**83.38%**

CalSTRS

	2017	2016	2015
Proportion of Net Pension Liability	0.02559%	0.02490%	0.02800%
Proportionate Share of Net Pension Liability	$ 20,695,361	$ 16,763,831	$ 16,362,360
Covered Employee Payroll	$ 14,344,722	$ 14,555,704	$ 13,748,480
Proportionate Share of NPL as a % of Covered Employee Payroll	**144.27%**	**115.17%**	**119.01%**
Plan's Fiduciary Net Position as a % of the TPL	**72.70%**	**76.93%**	**76.52%**

** Fiscal year 2015 was the first year of implementation, therefore only three years are shown.

SUPPLEMENTARY INFORMATION

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Nonmajor Governmental Funds
Combining Schedules

CABRILLO UNIFIED SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2017

	Special Revenue Funds				Capital Projects Fund	
	Adult Education Fund	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Capital Facilities Fund	Total Nonmajor Governmental Funds
Assets						
Cash and investments	$ 46,667	$ 61,828	$ 745	$ 221	$ 2,013,315	$ 2,122,776
Accounts receivable	67,068	21,452	116,263	-	4,726	209,509
Due from other funds	-	-	12	-	-	12
Prepaid items and inventory	-	-	12,974	-	-	12,974
Total Assets	$ 113,735	$ 83,280	$ 129,994	$ 221	$ 2,018,041	$ 2,345,271
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	$ 578	$ 84	$ 4,714	$ -	$ 519	$ 5,895
Due to other funds	16,032	-	112,306	-	1,300,000	1,428,338
Total Liabilities	16,610	84	117,020	-	1,300,519	1,434,233
Fund Balances:						
Nonspendable stores inventories	-	-	12,974	-	-	12,974
Restricted for child development	-	82,083	-	-	-	82,083
Restricted for adult education	81,464	-	-	-	-	81,464
Restricted for capital projects	-	-	-	-	717,522	717,522
Assigned for site repairs	-	-	-	221	-	221
Assigned for child development	-	1,113	-	-	-	1,113
Assigned for adult education	15,661	-	-	-	-	15,661
Total Fund Balances	97,125	83,196	12,974	221	717,522	911,038
Total Liabilities and Fund Balances	$ 113,735	$ 83,280	$ 129,994	$ 221	$ 2,018,041	$ 2,345,271

CABRILLO UNIFIED SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Special Revenue Funds				Capital Projects Fund	
	Adult Education Fund	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Capital Facilities Fund	Total Nonmajor Governmental Funds
Revenues:						
Federal revenue	$ -	$ -	$ 623,756	$ -	$ -	$ 623,756
Other state	259,273	-	48,400	-	-	307,673
Other local	70,352	73,470	147,399	2	533,528	824,751
Total revenues	329,625	73,470	819,555	2	533,528	1,756,180
Expenditures:						
Current						
Instruction	56,360	-	-	-	-	56,360
Instruction-related services:						
Supervision of instruction	47,991	-	-	-	-	47,991
School site administration	184,144	-	-	-	-	184,144
Pupil services:						
Food services	-	-	958,144	-	-	958,144
All other pupil services	100	-	-	-	-	100
General administration:						
All other general administration	16,032	-	-	-	-	16,032
Plant services	-	-	3,724	-	12,846	16,570
Facilities acquisition and construction	-	-	-	-	1,300,451	1,300,451
Community services	-	73,486	-	-	-	73,486
Total expenditures	304,627	73,486	961,868	-	1,313,297	2,653,278
Excess (deficiency) of revenues over (under) expenditures	24,998	(16)	(142,313)	2	(779,769)	(897,098)
Other financing sources (uses):						
Transfers in	-	-	143,435	-	-	143,435
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	143,435	-	-	143,435
Change in fund balances	24,998	(16)	1,122	2	(779,769)	(753,663)
Fund balances beginning	72,127	83,212	11,852	219	1,497,291	1,664,701
Fund balances ending	$ 97,125	$ 83,196	$ 12,974	$ 221	$ 717,522	$ 911,038

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STATE AND FEDERAL AWARD COMPLIANCE SECTION

CABRILLO UNIFIED SCHOOL DISTRICT
ORGANIZATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Cabrillo Unified School District, located just south of San Francisco on the beautiful Pacific Coast, was established on July 1, 1965 and encompasses an area of approximately 135 square miles. The District currently operates four elementary schools, one intermediate school, one high school, a continuation school, and an adult education program.

The Board of Education for the fiscal year ended June 30, 2017, was comprised of the following members:

Governing Board

Name	Office	Term Expires
Freya McCamant	President	2018
Rob Pappalardo	Vice President	2018
Sophia Layne	Clerk	2020
Kirk Reimer	Member	2018
Kimberly Hines	Member	2020

Administration

Jane Yuster, Superintendent

CABRILLO UNIFIED SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Second Period Report	Annual Report
Regular ADA:		
Grades TK/K through three	913.39	909.59
Grades four through six	727.23	724.53
Grades seven and eight	503.04	503.16
Grades nine and twelve	992.45	988.60
Regular ADA Totals	3,136.11	3,125.88
Extended year special education:		
Grades TK/K through three	1.51	1.51
Grades four through six	1.49	1.49
Grades seven and eight	0.58	0.58
Grades nine and twelve	0.95	0.95
Special education - nonpublic and nonsectarian:		
Grades TK/K through three	1.00	0.99
Grades four through six	2.18	2.19
Grades nine and twelve	6.44	6.42
Extended year special education - nonpublic and nonsectarian:		
Grades TK/K through three	0.17	0.17
Grades four through six	0.11	0.11
Grades nine and twelve	0.69	0.69
ADA Totals	3,151.23	3,140.98

CABRILLO UNIFIED SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME OFFERED
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Grade Level	Minutes Requirements	2016-17 Actual Minutes	Number of Days Traditional Calendar	Number of Days Multitrack Calendar	Status
Kindergarten	36,000	36,855	180	0	In compliance
Grade 1	50,400	51,010	180	0	In compliance
Grade 2	50,400	51,010	180	0	In compliance
Grade 3	50,400	51,010	180	0	In compliance
Grade 4	54,000	55,275	180	0	In compliance
Grade 5	54,000	55,275	180	0	In compliance
Grade 6	54,000	56,416	180	0	In compliance
Grade 7	54,000	56,416	180	0	In compliance
Grade 8	54,000	56,416	180	0	In compliance
Grade 9	64,800	73,326	180	0	In compliance
Grade 10	64,800	73,326	180	0	In compliance
Grade 11	64,800	73,326	180	0	In compliance
Grade 12	64,800	73,326	180	0	In compliance

School districts and charter schools must maintain their instructional minutes as defined in Education Code Section 46207. This schedule is required of all districts and charter schools, including basic aid districts.

The District has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day. This schedule presents information on the amount of instruction time offered by the District and whether the District complied with the provisions of Education Code Sections 46200 through 46206. The District has not met or exceeded its target funding.

CABRILLO UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	(Budget [1]) 2018	2017	2016	2015
General Fund				
Revenues and other financial sources	$ 35,398,469	$ 35,770,564	$ 35,827,723	$ 30,710,513
Expenditures	36,041,138	34,509,531	33,626,408	30,567,863
Other uses and transfers (out)	170,000	143,435	88,000.00	-
Total outgo	36,211,138	34,652,966	33,714,408	30,567,863
Change in fund balance	$ (812,669)	$ 1,117,598	$ 2,113,315	$ 142,650
Ending fund balance	$ 5,339,184	$ 6,151,853	$ 5,034,255	$ 2,920,940
Available reserves [2]	$ 4,540,785	$ 5,353,455	$ 2,656,571	$ 2,425,264
Designated for economic uncertainty	$ 1,157,228	$ 1,109,605	$ 1,011,433	$ 895,906
Unassigned fund balance	$ 3,383,557	$ 4,243,850	$ 1,645,138	$ 1,529,358
Available reserves as a percentage of total outgo	13%	15%	8%	8%
Total long-term liabilities	$ 89,949,529	$ 92,578,286	$ 68,865,377	$ 68,269,051
Average daily attendance (ADA) at P-2	3,156	3,151	3,187	3,201

ADA has decreased by 50 since 2015. The district anticipates a decrease of 5 ADA in 2017/18.

The general fund balance has increased by $3,230,913 since 2015. For a district this size, the state recommends available reserves of at least 3% of total general fund expenditures, transfers out, other uses (total outgo).

The district operated at a surplus in all three of the past years. Total long-term debt has increased by $24,309,235 over the past three years.

[1] Budget numbers are based on the first adopted budget of the fiscal year 2017/18.

[2] Available reserves consists of all unassigned fund balances in the general fund, which includes the reserve for economic uncertainties.

CABRILLO UNIFIED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

PROGRAM NAME	Federal Catalog Number		Pass Through Number	Program Expenditures
U. S. DEPARTMENT OF AGRICULTURE				
Passed Through California Department of Education				
Child Nutrition Cluster				
National School Lunch Program	10.555	(1)	13391	$ 455,387
School Breakfast Program	10.553	(1)	13391	168,369
TOTAL U.S. DEPARTMENT OF AGRICULTURE				623,756
U. S. DEPARTMENT OF EDUCATION				
Passed Through California Department of Education				
Special Education Cluster				
Special Ed: IDEA Basic Local Assistance Entitlement, Part B, Sec 611	84.027	(1)	13379	559,298
Special Ed: IDEA Preschool Grants, Part B, Sec 619	84.173	(1)	13430	14,640
Special Ed: IDEA Preschool Local Entitlement, Part B, Sec 611	84.027	(1)	13682	46,258
Special Ed: IDEA Preschool Staff Development, Part B, Sec 619	84.173	(1)	13431	165
Special Ed: IDEA Local Assistance, Part B, Sec 611, Private School ISPs	84.027	(1)	10115	1,940
Total Special Education Cluster				622,301
Title I Cluster				
NCLB: Title I, Part A, Basic Grants Low-Income and Neglected	84.010		14329	87,457
NCLB: Title I, Part C, Migrant Ed (Regular and Summer Program)	84.011		14326	224,920
NCLB: Title I, Migrant Education Summer Program	84.011		10005	82,047
NCLB: Title I, Part C, Even Start Migrant Education (MEES)	84.011		14768	43,579
Total Title I Cluster				438,003
NCLB Title I, Part G: Advanced Placement Test Free Reimbursement	84.330		14831	3,648
Department of Rehab: Workability II, Transition Partnership	84.126		10006	70,874
Carl D. Perkins Career and Technical Education: Secondary, Section 131	84.048		14894	17,190
ESEA (ESSA): Title II, Part A, Teacher Quality Local Grants	84.367		14341	24,670
NCLB: Title III, English Learner Student Program	84.365		15146	100,902
TOTAL U. S. DEPARTMENT OF EDUCATION				1,277,588
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed Through California Department of Education				
Medi-Cal Billing Option	93.778		10013	9,911
TOTAL U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				9,911
TOTAL FEDERAL PROGRAMS				$ 1,911,255

(1) Audited as major program

CABRILLO UNIFIED SCHOOL DISTRICT
RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT (SACS)
WITH AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	General Fund	Special Reserve Fund for Other Than Capital Outlay	Building Fund	Bond Interest and Redemption Fund	Other Nonmajor Governmental Funds
June 30, 2017 Annual Financial and Budget Report (SACS) Fund Balances	$ 6,082,247	$ 69,606	$ 23,480,092	$ 7,058,572	$ 911,038
Adjustments & Reclassifications:					
Special Reserve Fund for Other Than Capital Outlay:					
Cash with County Treasury	69,420	(69,420)	-	-	-
Accounts receivable	186	(186)	-	-	-
June 30, 2017 Audited Financial Statements Fund Balances	$ 6,151,853	$ -	$ 23,480,092	$ 7,058,572	$ 911,038

1. PURPOSE OF SCHEDULES

A. Schedule of Average Daily Attendance

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

B. Schedule of Instructional Time

The District has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day and Longer Instructional Year. This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of Education Code Sections 46201 through 46206.

C. Schedule of Financial Trends and Analysis

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

D. Schedule of Expenditures of Federal Awards

Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Regulations, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) requires a disclosure of the financial activities of all federally funded programs. This schedule was prepared to comply with Uniform Guidance requirements.

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

This schedule provides the information necessary to reconcile the fund balances of all funds reported on the SACS report to the audited financial statements.

2. RESULTS OF RECONCILIATIONS OF EXPENDITURES PER SCHEDULE OF GRANT ACTIVITY WITH THE DISTRICT'S ACCOUNTING SYSTEM

There were no material unreconciled differences between the District's records and the Schedule of Federal Grant Activity as shown on the Schedule of Expenditures of Federal Awards.

3. BASIS OF PRESENTATION - SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Regulations, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The District has elected not to use the 10 percent de minimus indirect cost rate as allowed under Uniform Guidance.

5. EARLY RETIREMENT INCENTIVE PROGRAM

The District has not adopted an early retirement incentive program, pursuant to Education Code Sections 22714 and 44929, whereby the service credit to eligible employees is increased to two years.

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OTHER INDEPENDENT AUDITOR'S REPORTS

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

The Honorable Board of Trustees
Cabrillo Unified School District
Half Moon Bay, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 5, 2017.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and

material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

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



December 5, 2017
San Jose, California

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY TITLE 2 CFR PART 200 (UNIFORM GUIDANCE)

The Honorable Board of Trustees
Cabrillo Unified School District
Half Moon Bay, California

Report on Compliance for Each Major Federal Program

We have audited Cabrillo Unified School District's compliance with the types of compliance requirements described in *OMB Compliance Supplement* that could have a direct and material effect on each of Cabrillo Unified School District's major federal programs for the year ended June 30, 2017. Cabrillo Unified School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Cabrillo Unified School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Regulations, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Cabrillo Unified School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Cabrillo Unified School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control over Compliance

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

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

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

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

[redacted]

December 5, 2017
San Jose, California

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON STATE PROGRAMS

The Honorable Board of Trustees
Cabrillo Unified School District
Half Moon Bay, California

Compliance

We have audited the Cabrillo Unified School District's (the District) compliance with the types of compliance requirements described in the *2016-17 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel, that could have a direct and material effect on each of the District's state programs identified below for the year ended June 30, 2017.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each applicable program as identified in the State's audit guide, *2016-17 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2016-17 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel. Those standards, and state audit, guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above, that could have a material effect on compliance with the state laws and regulations described in the schedule below, occurred. An audit includes examining, on a test basis, evidence supporting the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

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

Description	Procedures Performed
Local Education Agencies Other than Charter Schools:	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	No
Continuation Education	No

Description	Procedures Performed
Instructional Time	Yes
Instructional Materials	Yes
Ratios of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	N/A
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	N/A
Middle or Early College High Schools	N/A
K-3 Grade Span Adjustment	Yes
Transportation Maintenance of Effort	Yes
Mental Health Expenditures	Yes
School Districts, County Offices of Education, and Charter Schools	
Educator Effectiveness	Yes
California Clean Energy Job Acts	Yes
After School Education and Safety Program:	
General Requirements	Yes
After School	Yes
Before School	N/A
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	No
Immunization	Yes
Charter Schools:	
Attendance	N/A
Mode of Instruction	N/A
Nonclassroom-Based Instruction/Independent Study for Charter Schools	N/A
Determination of Funding for Nonclassroom - Based Instruction	N/A
Annual Instructional Minutes - Classroom Based	N/A
Charter School Facility Grant Program	N/A

We did not perform the audit procedures for Continuation Education, Full-time Independent Study and Independent Study-Course Based programs because the ADA was under the level that requires testing.

Opinion

In our opinion, Cabrillo Unified School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on State Programs for the fiscal

[redacted]

[redacted] 5, 2017
San Jose, California

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FINDINGS AND RECOMMENDATIONS

CABRILLO UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	**Unmodified**
Internal control over financial reporting:	
Material weaknesses?	____ Yes **x** No
Significant deficiencies identified not considered to be material weaknesses?	____ Yes **x** No
Non-compliance material to financial statements noted?	____ Yes **x** No

Federal Awards

Internal control over major programs:	
Material weaknesses?	____ Yes **x** No
Significant deficiencies identified not considered to be material weaknesses?	____ Yes **x** No
Type of auditor's report issued on compliance over major programs	**Unmodified**
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)	____ Yes **x** No

Identification of Major Programs:

CFDA Numbers	Name of Federal Program
10.553 and 10.555	Child Nutrition Cluster
84.027 and 84.173	Special Education Cluster

Dollar threshold used to distinguish between type A and type B programs:	$ 750,000
Auditee qualified as low risk auditee?	____ Yes **x** No

State Awards

Internal control over state programs:	
Material weaknesses?	____ Yes **x** No
Significant deficiencies identified not considered to be material weaknesses?	____ Yes **x** No
Type of auditor's report issued on compliance over state programs:	**Unmodified**

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

Section IV - State Award Findings and Questioned Costs

None

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

Section IV - State Award Findings and Questioned Costs

None

* * *

The audit staff wishes to express their thanks and appreciation for the help and cooperation of the District office staff during the course of our audit.

CABRILLO UNIFIED SCHOOL DISTRICT
BOARD AGENDA ITEM

BOARD MEETING DATE: January 18, 2018

☒ **ACTION**
☐ **CONSENT**
☐ **DISCUSSION**
☐ **INFORMATION**

BOARD AGENDA NUMBER: 15.b

BOARD AGENDA ITEM: Accept the Measure B Parcel Tax Annual Report

DEPARTMENT: Business Department

CONTACT PERSON: Crystal Leach, Chief Business Official

BACKGROUND INFORMATION:

Measure B was passed by the voters on June 3, 2014. This measure is a continuation of Measure E that provided ongoing funding to preserve academic programs in our local schools.

Measure B will continue to provide funds to:

- Preserve strong academic reading, writing, math and science programs
- Retain qualified teachers and staff
- Protect programs to keep struggling students on the right track
- Maintain and support classroom technology
- Keep all of the District's school open

Fiscal Accountability to Keep Funds in the Classroom

- The independent citizen's oversight committee will continue to ensure all funds are spent as promised
- None of the funds can be used for administrators' salaries, benefits or pensions

REPORT/PROPOSAL:

Pursuant to the Local Agency Parcel Tax and Bond Accountability Act (Government Code 50075.3.), this Parcel Tax Report summarizes the historical and current fiscal year parcel tax levies, exemptions, expenditures and other related data and information related to the administration of the tax.

FINANCIAL IMPACT:

There is no financial impact to the General Fund.

RECOMMENDATION:

Accept the Measure B Parcel Tax Annual Report.

CABRILLO UNIFIED SCHOOL DISTRICT

EDUCATION SPECIAL TAX - MEASURE B

PARCEL TAX REPORT DECEMBER 2017

FISCAL YEAR 2016-17

PURSUANT TO SECTION 4 OF ARTICLE XIIIA OF THE CALIFORNIA CONSTITUTION AND SECTION 50079 OF THE CALIFORNIA GOVERNMENT CODE

SPECIAL TAX LEVY ADMINISTRATOR:
SCIConsultingGroup
4745 MANGELS BOULEVARD
FAIRFIELD, CA 94534
PHONE 707.430.4300
FAX 707.430.4319
WWW.SCI-CG.COM

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CABRILLO UNIFIED SCHOOL DISTRICT

GOVERNING BOARD

Freya McCamant, President
Rob Pappalardo, Vice President
Sophia Layne, Clerk
Kimberly Hines, Member
Kirk Riemer, Member

SUPERINTENDENT

Jane Yuster

CHIEF BUSINESS OFFICER

Crystal Leach

SPECIAL TAX LEVY ADMINISTRATOR

Arcelia Herrera, SCI Consulting Group

TABLE OF CONTENTS

EXECUTIVE SUMMARY 1
FISCAL YEAR 2016-17 PARCEL TAX 2
PARCEL TAX REVENUE S 2
PROJECTIONS FOR FISCAL YEAR 2017-18 3
ADMINISTRATIVE REQUIREMENTS 4
TAXABLE PARCELS 4
MANNER OF COLLECTION 4
PARCEL TAX EXEMPTIONS 4
DELINQUENCIES 5
APPROPRIATIONS LIMIT 5
AUDITOR FILING AND REPORTING 6
INDEPENDENT CITIZEN OVERSIGHT COMMITTEE 6
APPEALS PROCEDURE 6
PUBLIC INFORMATION 6
APPENDIX A – 2016-17 SENIOR EXEMPTION APPLICATION 7
APPENDIX B – 2016-17 SSI & SSDI EXEMPTION APPLICATION 8
APPENDIX C – 2016-17 CONTIGUOUS PARCEL EXEMPTION APPLICATION 9
APPENDIX D – 2016-17 MEASURE E PARCEL TAX ROLL 10

EXECUTIVE SUMMARY

On June 3, 2014, the voters in the Cabrillo Unified School District ("District") approved the Education Special Tax, Measure B – a five-year $150 parcel tax that was set to start July 1, 2015 and end June 30, 2020.

Measure B also included provisions for an independent citizen oversight committee; an exemption for senior citizens; an exemption for supplemental security income (SSI) and social security disability insurance (SSDI); an application to exempt contiguous parcels; a commitment that no funds would be used for administrator salaries; and that all funds would stay in the community to promote student achievement. Specifically, the parcel tax proceeds will support the following purposes:

- To preserve strong academic programs including science, math, reading and writing;
- To keep all schools open;
- To retain qualified teachers and staff; and
- To maintain updated classroom technology.

Pursuant to the Local Agency Parcel Tax and Bond Accountability Act (Government Code § 50075.3.), this Parcel Tax Report ("Report") summarizes the historical and current fiscal year parcel tax levies, exemptions, expenditures and other related data and information related to the administration of the tax.

FISCAL YEAR 2016-17 PARCEL TAX

PARCEL TAX REVENUE S

There were 13,375 parcels within the boundaries of the District as of June 30, 2016. Of these, 11,907 parcels were taxable parcels. The District received and approved 732 senior citizen exemptions and 59 exemptions for contiguous parcel.

The total annual parcel tax that were submitted to the County for all taxable parcels within the District for fiscal year 2016-17 was $1,667,550.

Figure 1 represent the historical count of the taxable parcels, the senior citizen exemptions and the contiguous parcel exemptions for the last three years.

FIGURE 1 - SUMMARY OF HISTORICAL PARCEL TAX LEVIES

Fiscal Year	Taxable Parcels	Senior Exemptions	SSI & SSDI Exemptions	Contiguious Parcel Exemptions	Tax Units	Parcel Tax Rate	Total Parcel Tax Revenue [1]
Formula	a	b	c	d	e = a - b - c - d	f	g = e * f
2014-15	11,919	690	0	20	11,209	$150	$1,681,350
2015-16	11,911	695	0	70	11,146	$150	$1,671,900
2016-17	11,907	732	1	57	11,117	$150	$1,667,550
					0	$150	$0

Figure 2 provides the Parcel Tax levy expenditures for fiscal year 2016-17.

FIGURE 2 – EXPENDITURES

Revenues	
Measure B - Cabrillo Parcel Tax	$1,651,613.86
Funded Project / Programs	
Teacher Salaries	-$905,949
Classified Salaries	-$333,543
Benefits	-$437,380
Supplies	$0
Services	-$1,177
Transfer from General Fund	$26,435.53
Ending Balance	$0.00

PROJECTIONS FOR FISCAL YEAR 2017-18

Figure 3 provides a summary of the proposed parcel tax levy expenditures for FY 2017-18.

FIGURE 3 - SUMMARY OF PROPOSED PARCEL TAX EXPENDITURES

Beginning Balance	
Balance as of June 30, 2016	$0.00
Revenues	
Measure B - Education Special Tax	$1,656,750
Funded Project / Programs	
Teacher Salaries	($958,838)
Classified Salaries	($330,537)
Benefits	($438,821)
Supplies	$0
Services	($1,110)
Transfer from General Fund	$72,556
Preliminary Total	$0

The Parcel Tax revenue amount submitted to the County for fiscal year 2017-18 is as follows.

FIGURE 4 - SUMMARY OF PARCEL TAX REVENUES

Fiscal Year	Parcels	Tax Units	Tax Amount per Tax Unit	Total Tax
2017-18	11,860	11,045	$150.00	$1,656,750

ADMINISTRATIVE REQUIREMENTS

TAXABLE PARCELS

A taxable parcel is any unit of real property in the District which receives a separate tax bill for ad valorem property taxes from the County Tax Collector's Office. All property which is otherwise exempt from or on which are levied no ad valorem property taxes in any year shall also be exempt from the parcel tax in such year.

MANNER OF COLLECTION

The parcel tax is collected by the San Mateo County Tax Collector at the same time and in the same manner and is subject to the same penalties as ad valorem property taxes. Unpaid taxes bear interest at the same rate as the rate for unpaid ad valorem property taxes until paid.

The collection of the Parcel Tax shall not decrease the funds available from other sources of the District in any period from the effective date hereof.

PARCEL TAX EXEMPTIONS

SENIOR CITIZEN EXEMPTION

In order to provide tax relief to senior citizens in the community, any parcel owned and occupied by a person 65 years of age or older shall be exempt from the parcel tax upon proper application to the District and approval. An exemption shall be granted on any parcel owned by one or more persons aged 65 years or older as of July 1 of any applicable tax year who occupies said parcel as a principal residence, upon application for exemption and approval.

SUPPLEMENTAL SECURITY INCOME & SOCIAL SECURITY DISABILITY INSURANCE EXEMPTION

To provide tax relief to property owners in the community, any parcel owned and occupied by a person receiving Supplemental Security Income ("SSI") shall be exempt upon proper application to the District. The SSI Exemption deadline for FY 2016-17 was June 30, 2016. The SSI exemption deadline for subsequent years will be June 30 prior to the applicable tax year. SSI exemption forms will be made available at the District office and the District's website or through the parcel tax administrator.

SOCIAL SECURITY DISABILITY INSURANCE EXEMPTION

To provide tax relief to property owners in the community, any parcel owned and occupied by a person receiving Social Security Disability Insurance ("SSDI") benefits, regardless of age and whose yearly income does not exceed 250 percent of the federal poverty guidelines issued by the United States Department of Health and Human Services, shall be exempt upon proper application to the District. The SSDI Exemption deadline for FY 2016-17 was June 30, 2016. The SSDI exemption deadline for subsequent years will be June 30 prior to the applicable tax year. SSDI exemption forms will be made available at the District office and the District's website or through the parcel tax administrator.

CONTIGUOUS PARCELS EXEMPTION

An exemption shall also be granted on any parcels which are contiguous, used solely for owner-occupied single family residential purposes and held under identical ownership, upon approval of application for exemption. They shall be treated as a single parcel for purposes of this special tax.

EXEMPTION APPLICATION PROCESS

The deadline to file a senior citizen exemption and a contiguous parcel exemption for fiscal year 2016-17 was June 30, 2016. The senior exemption and contiguous parcel exemption deadline for subsequent years will be June 30 prior to the applicable tax year. Both exemption forms are available at the District office, the District's website at http://www.cabrillo.k12.ca.us/CUSD_topic/parcel_tax_measureE-exemption.html or through the District's special tax administrator – SCI Consulting Group.

PARCEL TAX EXEMPTION RENEWAL PROCESS

The District will verify and renew existing senior and SSI/SSDI exemptions and, if necessary, confirm with the original applicant that they continue to own and occupy the property and/or are still eligible for SSI/SSDI. Exemptions for contiguous parcels must be renewed by the property owner on an annual basis.

DELINQUENCIES

The District participates in the "Teeter Plan" with the County of San Mateo whereby the County pays all delinquent parcel taxes to the District and in return the County institutes collection proceedings and, when collected, keeps all delinquent payments with interest and penalties. This plan allows the District to maintain reliable parcel tax revenues and reduces the cost of collection. Contract to include in the Teeter Plan is at the option of the County. It is not anticipated that the County will discontinue the Teeter Plan unless the level of delinquencies becomes excessive. Delinquencies are 3.14% for fiscal year 2016-17, which is below the Teeter Plan upper threshold limit of 4% and, therefore, should continue to be closely monitored. See Figure 5 below:

FIGURE 5 - SUMMARY OF % OF UNPAID DELINQUENCIES

	As of June 30, 2017
Total Special Tax Levied	$1,616,700.00
Total Special Taxes Delinquent	$50,700.00
Percent of Special Tax Delinquent	3.14%

APPROPRIATIONS LIMIT

Pursuant to Section 7902.1 of the California Government Code or any successor provision of law, the Board shall provide in each year for any increase in the District's appropriations

limit as shall be necessary to ensure that parcel tax proceeds, and all qualified parcel tax levied by the District, may be spent for the authorized purposes.

AUDITOR FILING AND REPORTING

Parcel tax levies for the upcoming fiscal year must be filed with the County Tax Collector in July. After submission of the parcel tax levies, the final levies should be confirmed with the County Auditor prior to the preparation of tax bills, which typically occurs in October. The parcel tax is collected by the County in two equal installments on the tax bills that are due on December 10 and April 10.

The FY 2016-17 parcel tax levies were submitted before the submission deadline of July 31, 2017 and confirmed with the County Tax Collector on the same day.

INDEPENDENT CITIZEN OVERSIGHT COMMITTEE

To insure additional accountability, the District has established an independent citizen oversight committee ("Committee"). The Committee is comprised of one representative from the business community; one from a senior citizens organization; two from represented bargaining units; and three selected by the Board, of which at least one has a child enrolled in a District school. The Committee will review expenditures and present an annual report.

APPEALS PROCEDURE

Any property owner who feels that the parcel tax levied on a subject property is in error as a result of incorrect information being used to apply the tax, may file a written appeal with the District or the District's special tax administrator - SCI Consulting Group. Any such appeal is limited to correction of a tax during the then-current fiscal year or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the District or SCI Consulting Group will promptly review the appeal and any information provided by the property owner. If the District or SCI Consulting Group finds that the tax should be modified, the appropriate changes shall be made to the parcel tax roll. If any such changes are approved after the tax roll has been filed with the County for collection, the District or SCI Consulting Group is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the District or SCI Consulting Group, shall be referred to the Governing Board and the decision of the Board shall be final.

PUBLIC INFORMATION

Taxpayers and other interested persons can obtain information regarding the parcel tax, parcel tax exemption status and other information by contacting the District's parcel tax levy administrator, SCI Consulting Group at telephone number (707) 430-4300 or (800) 273-5167. SCI Consulting Group's toll free property-owner inquiry line is also included with property tax bills.

APPENDIX A – 2016-17 SENIOR EXEMPTION APPLICATION

CABRILLO UNIFIED SCHOOL DISTRICT
SENIOR PARCEL TAX EXEMPTION APPLICATION
DEADLINE for FILING: June 30, 2016 - no exceptions

2016-2017
FOR *NEW* APPLICANTS ONLY

To be completed by the person aged 65 or older as of July 1, 2016, who owns and **resides** at the property for which the exemption is claimed.

Owner Name: _____
Last Name First Name Initial

_____ _____
Telephone Number Email Address

_____
Street Address City State Zip

Assessor's Parcel Number: _____

To apply for the exemption from the parcel tax, please check the appropriate boxes below and attach required documents **to verify proof of age and primary residence** (do not send originals):

☐ I have attached a COPY of my current property tax bill for 2015-2016
☐ I have attached a COPY of identification (Driver's License or Medicare Card, etc.)

CABRILLO UNIFIED SCHOOL DISTRICT CONTINUING EXEMPT STATUS

An exemption application from a qualified applicant will provide an exemption for that tax year only. However, qualified senior applicants will not be required to resubmit their senior exemption application for future tax years provided 1) the property was exempt in the immediately previous tax year, and 2) they continue to own and occupy the property. On an annual basis, the District will verify and renew existing exemptions and, if necessary, confirm with the original applicant that they continue to own and occupy the property.

I certify that I own and occupy the property listed above for which the parcel tax exemption is claimed. Under penalty of perjury, I declare that this claim (including the accompanying copies of proof documents) is, to the best of my knowledge, correct and complete.

Signature _____ *Date* _____

Please mail or deliver the completed form with above documentation by **June 30, 2016** to:

Cabrillo Unified School District
Parcel Tax Exemption – Business Services
498 Kelly Avenue, Half Moon Bay, CA 94019

For more information regarding the exemption process, please check our website at www.cabrillo.k12.ca.us or call our parcel tax administrator: **SCI Consulting Group 1-800-273-5167**

APPENDIX B – 2016-17 SSI & SSDI EXEMPTION APPLICATION

CABRILLO UNIFIED SCHOOL DISTRICT
SUPPLEMENTAL SECURITY INCOME (SSI) &
SOCIAL SECURITY DISABILITY INSURANCE (SSID)
TAX EXEMPTION APPLICATION

2016-2017

FOR NEW APPLICANTS

DEADLINE for FILING: June 30, 2016 - no exceptions

To be completed by the person receiving SSI or SSID regardless of age and who owns and **resides** at the property for which the exemption is claimed.

Owner Name: _____
Last Name First Name Initial

_____ _____
Telephone Number Email Address

_____
Street Address City State Zip

Assessor's Parcel Number: _____

To apply for the SSI or SSID exemption from the parcel tax, please check the appropriate boxes below and attach required documents **to verify proof of SSI or SSID and primary residence** (do not send originals):

☐ I have attached a COPY of my current property tax bill for 2015-2016
☐ I have attached a COPY of Benefits Verification Letter*

*A Benefits Verification Letter can be obtained by calling the Social Security Administration Office at (800)772-1213 or by visiting a local Social Security Administration Office.

CABRILLO UNIFIED SCHOOL DISTRICT CONTINUING EXEMPT STATUS

An exemption application from a qualified applicant will provide an exemption for that tax year only. To continue to receive the SSI or SSID exemption status, applicants will be required to submit an exemption application for requalification for each future tax year.

I certify that I own and occupy the property listed above for which the parcel tax exemption is claimed. Under penalty of perjury, I declare that this claim (including the accompanying copies of proof documents) is, to the best of my knowledge, correct and complete.

Signature _____ *Date* _____

Please mail or deliver the completed form with above documentation by **June 30, 2016** to:

Cabrillo Unified School District
Parcel Tax Exemption – Business Services
498 Kelly Avenue, Half Moon Bay, CA 94019

For more information regarding the exemption process, please check our website at www.cabrillo.k12.ca.us or call our parcel tax administrator: **SCI Consulting Group 1-800-273-5167**

APPENDIX C – 2016-17 CONTIGUOUS PARCEL EXEMPTION APPLICATION

CABRILLO UNIFIED SCHOOL DISTRICT
CONTIGUOUS PARCEL TAX ABATEMENT APPLICATION
DEADLINE for FILING: June 30, 2016 – no exceptions

2016-2017

FOR NEW & CONTINUING APPLICANTS

If you believe your principal parcel may qualify for the contiguous parcels abatement, please complete the following:

An abatement must be requested each year and is due to the District Office annually by June 30.

NAME AS IT APPEARS ON THE PROPERTY TAX BILL: _____

_____ _____
TELEPHONE NUMBER EMAIL ADDRESS

_____
STREET ADDRESS CITY STATE ZIP

_____
MAILING ADDRESS (IF DIFFERENT) CITY STATE ZIP

Please indicate the parcel or list of parcels for which you request that the parcel tax be abated by the Cabrillo Unified School District:

ASSESSOR'S PARCEL NO. (s):_____

Parcels must be contiguous to the principal parcel to receive the contiguous abatement (and under same ownership and constitute one economic unit). Parcels that are in proximity of but not contiguous to the principal parcel will not be granted an abatement unless the owner of the parcel chooses to have them combined or merged through the County, and submits a signed copy of one of one the following documents:

☐ COPY OF A *RECORDED NOTICE OF MERGER* **OR**

☐ COPY OF THE SIGNED *REQUEST FOR COMBINATION OF ASSESSED PARCELS* FORM (available either at the San Mateo County Assessor's office or online at http://www.smcare.org/care/forms_index.asp)

Please contact the San Mateo County Mapping Section for questions about either of these forms at 650-599-1278.

I certify that the parcels listed are contiguous and constitute one economic unit, and are held under identical ownership.

_____ _____
Signature Date

Please mail or deliver the completed form with above documents by **June 30, 2016** to:
Cabrillo Unified School District - Parcel Tax Exemption – Business Services
498 Kelly Avenue, Half Moon Bay, CA 94019

For more information regarding the exemption process, please check our website at www.cabrillo.k12.ca.us or call our parcel tax administrator: **SCI Consulting Group 1-800-273-5167**

APPENDIX D – 2016-17 MEASURE E PARCEL TAX ROLL

The tax roll listing the FY 2016-17 parcel taxes for all Assessors' parcels of land within the boundaries of the Cabrillo Unified School ("District") is filed with the County. Each lot or parcel listed on the Tax Roll is shown and illustrated on the latest County Assessor records and these records are, by reference, made part of this Report. These records shall govern for all details concerning the description of the lots or parcels.