

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 9, 2018

NEW ISSUE—FULL BOOK-ENTRY

**RATINGS: S&P: “AA-”; Fitch: “AAA”
(See “MISCELLANEOUS – Ratings” herein)**

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California (“Bond Counsel”), under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax. See “TAX MATTERS” herein with respect to tax consequences relating to the Bonds.

\$40,000,000*

CARPINTERIA UNIFIED SCHOOL DISTRICT

(Santa Barbara County, California)

Election of 2014 General Obligation Bonds, Series B

Dated: Date of Delivery

Due: August 1, as shown herein

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. Capitalized terms used but not otherwise defined on this cover page shall have the meanings assigned to such terms herein.

The Carpinteria Unified School District (Santa Barbara County, California) Election of 2014 General Obligation Bonds, Series B (the “Bonds”) were authorized at an election of the registered voters of the Carpinteria Unified School District (the “District”) held on November 4, 2014, at which more than fifty-five percent of the persons voting on the proposition voted to authorize the issuance and sale of \$90,000,000 principal amount of general obligation bonds of the District. The Bonds are being issued by the District to (i) finance the repair, upgrading, acquisition, construction and equipping of certain District property and facilities and (ii) pay the costs of issuance of the Bonds.

The Bonds are general obligations of the District payable solely from *ad valorem* property taxes. The Board of Supervisors of Santa Barbara County is empowered and obligated to levy *ad valorem* property taxes, without limitation as to rate or amount, upon all property within the District subject to taxation thereby (except certain personal property which is taxable at limited rates), for the payment of principal of and interest on the Bonds when due.

The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee for The Depository Trust Company, New York, New York (collectively referred to herein as “DTC”). Purchasers of the Bonds (the “Beneficial Owners”) will not receive physical certificates representing their interest in the Bonds. The Bonds will be dated as of their date of initial delivery (the “Date of Delivery”) and will be issued as current interest bonds, such that interest thereon will accrue from the Date of Delivery and be payable semiannually on February 1 and August 1 of each year, commencing February 1, 2019. The Bonds are issuable in denominations of \$5,000 principal amount or any integral multiple thereof.

Payments of principal of and interest on the Bonds will be made by U.S. Bank National Association, as the paying agent, bond registrar and transfer agent for the Bonds (the “Paying Agent”), to DTC for subsequent disbursement to DTC Participants (as defined herein) who will remit such payments to the Beneficial Owners of the Bonds. See “THE BONDS – Book-Entry Only System” herein.

The Bonds are subject to optional redemption and mandatory sinking fund redemption as further described herein.*

Maturity Schedule*

(see inside front cover page)

*Pursuant to the terms of a public sale on _____, 2018, the Bonds were awarded to the Underwriter at a True-Interest Cost of _____%. The Bonds are being offered when, as and if issued and received by the Underwriter, subject to the approval of legality by Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, Bond Counsel and Disclosure Counsel. The Bonds, in book-entry form, will be available through the facilities of The Depository Trust Company in New York, New York, on or about _____, 2018.**

Dated: _____, 2018.

* Preliminary, subject to change.

MATURITY SCHEDULE

\$40,000,000*

**CARPINTERIA UNIFIED SCHOOL DISTRICT
(Santa Barbara County, California)
Election of 2014 General Obligation Bonds, Series B**

Base CUSIP^(†): 144393

\$_____ Serial Bonds

Maturity (August 1)	Principal Amount	Interest Rate	Yield	CUSIP^(†)
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\$_____ – _____% Term Bonds due August 1, 20__ – Yield _____%; CUSIP^(†):

⁽¹⁾ Yield to call at par on August 1, 20__.

* Preliminary, subject to change.

^(†) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services (“CGS”), managed by S&P Capital IQ on behalf of The American Bankers Association. These data are not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP numbers have been assigned by an independent company not affiliated with the District, the Financial Advisor or the Underwriter and are included solely for the convenience of the registered owners of the applicable Bonds. None of the District, the Financial Advisor or the Underwriter is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the execution and delivery of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

This Official Statement does not constitute an offering of any security other than the original offering of the Bonds of the District. No dealer, broker, salesperson or other person has been authorized by the District to give any information or to make any representations other than as contained in this Official Statement, and if given or made, such other information or representation not so authorized should not be relied upon as having been given or authorized by the District.

The issuance and sale of the Bonds have not been registered under the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, in reliance upon exemptions provided thereunder by Sections 3(a)2 and 3(a)12, respectively. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

The information set forth herein, other than that provided by the District, has been obtained from sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the District. The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

When used in this Official Statement and in any continuing disclosure by the District in any press release and in any oral statement made with the approval of an authorized officer of the District or any other entity described or referenced in this Official Statement, the words or phrases “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “project,” “forecast,” “expect,” “intend” and similar expressions identify “forward looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

The Underwriter has provided the following sentence for inclusion in this Official Statement: “The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.”

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENT AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

The District maintains a website. However, the information presented on the District’s website is not incorporated into this Official Statement by any reference, and should not be relied upon in making investment decisions with respect to the Bonds.

CARPINTERIA UNIFIED SCHOOL DISTRICT

BOARD OF TRUSTEES

Michelle Robertson, *President*
Andy Sheaffer, *Vice President/Clerk*
Jaclyn Fabre, *Member*
Maureen Foley Claffey, *Member*
Rogelio Delgado, *Member*

DISTRICT ADMINISTRATION

Diana Rigby, *Superintendent*
Maureen Fitzgerald, *Assistant Superintendent, Business Services*

PROFESSIONAL SERVICES

BOND COUNSEL AND DISCLOSURE COUNSEL

Stradling Yocca Carlson & Rauth, a Professional Corporation
San Francisco, California

FINANCIAL ADVISOR

Piper Jaffray & Co.
El Segundo, California

PAYING AGENT, REGISTRAR AND TRANSFER AGENT

U.S. Bank National Association
Los Angeles, California

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\$40,000,000*
CARPINTERIA UNIFIED SCHOOL DISTRICT
(Santa Barbara County, California)
Election of 2014 General Obligation Bonds, Series B

INTRODUCTION

This Official Statement, which includes the cover page, inside cover page and appendices hereto, provides information in connection with the sale of the Carpinteria Unified School District (Santa Barbara County, California) Election of 2014 General Obligation Bonds, Series B (the “Bonds”).

This Introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page, inside cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

General

The Carpinteria Unified School District (the “District”) is a basic aid district located in Santa Barbara County, California (the “County”), and was formed in 1960 as a result of a unification of the Carpinteria Union School District, the Carpinteria Union High School District and the Summerland School District. The District provides public education to students from grades K-12 in the Carpinteria Valley, with District boundaries reaching south to the Ventura County border and north to the community of Summerland. The District currently operates four elementary schools, one middle school, two alternative high schools, and one comprehensive high school. The District is a community supported “basic aid” district. See “DISTRICT FINANCIAL INFORMATION – State Funding of Education – Basic Aid” herein for more information about basic aid districts. For fiscal year 2018-19, taxable property within the District has an assessed valuation of \$6,763,545,500, and the District has budgeted an average daily attendance (“ADA”) of 2,061 students.

The District is governed by a five-member Board of Education (the “Board”), each member of which is elected to a four-year term. Elections for positions on the Board are held every two years, alternating between two and three available positions. The management and policies of the District are administered by a Superintendent appointed by the Board who is responsible for day-to-day District operations as well as the supervision of the District’s other key personnel. Diana Rigby is currently the District’s Superintendent.

For more information regarding the District generally, see “DISTRICT FINANCIAL INFORMATION” and “CARPINTERIA UNIFIED SCHOOL DISTRICT” herein, and for more information regarding the District’s assessed valuation, see “TAX BASE FOR REPAYMENT OF BONDS” herein.

Purposes of the Bonds

The Bonds are being issued by the District to (i) finance the repair, upgrading, acquisition, construction and equipping of certain District property and facilities and (ii) pay the costs of issuance of the Bonds. See “THE BONDS – Application and Investment of Bond Proceeds” and “ESTIMATED SOURCES AND USES OF FUNDS” herein.

Authority for Issuance of the Bonds

The Bonds are issued pursuant to certain provisions of the Government Code and pursuant to a resolution adopted by the Board. See “THE BONDS – Authority for Issuance” herein.

Sources of Payment for the Bonds

The Bonds are general obligations of the District payable solely from *ad valorem* property taxes. The Board of Supervisors of the County is empowered and obligated to levy such *ad valorem* property taxes, without limitation as to rate or amount, upon all property within the District subject to taxation thereby (except certain personal property which is taxable at limited rates), for the payment of principal of and interest on the Bonds when due. See “THE BONDS – Security and Sources of Payment” and “TAX BASE FOR REPAYMENT OF BONDS” herein.

Description of the Bonds

Form and Registration. The Bonds will be issued in fully registered form only, without coupons. The Bonds will be initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (the “DTC”), who will act as securities depository for the Bonds. See “THE BONDS – General Provisions” and “THE BONDS – Book-Entry Only System” herein. Purchasers of the Bonds (the “Beneficial Owners”) will not receive physical certificates representing their interests in the Bonds purchased. In the event that the book-entry only system described below is no longer used with respect to the Bonds, the Bonds will be registered in accordance with the Resolution (as defined herein). See “THE BONDS – Discontinuation of Book-Entry Only System; Registration, Exchange and Transfer of Bonds” herein.

So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the “Owners,” “Bondowners” or “Holders” of the Bonds (other than under the caption “TAX MATTERS” and in APPENDIX A) will mean Cede & Co. and will not mean the Beneficial Owners of the Bonds.

Denominations. Individual purchases of interests in the Bonds will be available to purchasers of the Bonds in the denominations of \$5,000 principal amount, or any integral multiple thereof.

Redemption.* The Bonds are subject to optional redemption and mandatory sinking fund redemption prior to their stated maturity dates as further described herein. See “THE BONDS – Redemption” herein.

Payments. The Bonds will be dated as of the date of their initial delivery (the “Date of Delivery”). Interest on the Bonds accrues from the Date of Delivery, and is payable semiannually on each February 1 and August 1, commencing February 1, 2019 (each, a “Bond Payment Date”). Principal of the Bonds is payable on August 1, in the amounts and years as shown on the inside cover page hereof. Payments of the principal of and interest on the Bonds will be made by U.S. Bank National Association, as the paying agent, registrar and transfer agent for the Bonds (the “Paying Agent”), to DTC for subsequent disbursement through DTC Participants (as defined herein) to the Beneficial Owners of the Bonds.

* Preliminary, subject to change.

Tax Matters

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. In the further opinion of Bond Counsel, interest on the Bonds is exempt from State of California (the “State”) personal income tax. See “TAX MATTERS” herein.

Offering and Delivery of the Bonds

The Bonds are offered when, as and if issued, subject to approval as to their legality by Bond Counsel. It is anticipated that the Bonds in book-entry form will be available for delivery through the facilities of DTC in New York, New York, on or about _____, 2018.*

Bond Owner’s Risks

The Bonds are general obligations of the District payable solely from *ad valorem* property taxes which may be levied on all taxable property in the District, without limitation as to rate or amount (except with respect to certain personal property which is taxable at limited rates). For more complete information regarding the District’s financial condition and taxation of property within the District, see “TAX BASE FOR REPAYMENT OF BONDS,” “DISTRICT FINANCIAL INFORMATION” and “CARPINTERIA UNIFIED SCHOOL DISTRICT” herein.

Continuing Disclosure

The District has covenanted that it will comply with and carry out the provisions of that certain Continuing Disclosure Certificate relating to the Bonds. Pursuant thereto, the District will covenant for the benefit of the Owners and Beneficial Owners of the Bonds to make available certain financial information and operating data relating to the District and to provide notices of the occurrence of certain listed events, in compliance with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “Rule”). The specific nature of the information to be made available and of the notices of listed events is summarized below under “LEGAL MATTERS – Continuing Disclosure” herein and “APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE” attached hereto.

Professionals Involved in the Offering

Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, is acting as Bond Counsel and Disclosure Counsel to the District with respect to the Bonds. Piper Jaffray & Co., El Segundo, California, is acting as financial advisor to the District with respect to the Bonds. Stradling Yocca Carlson & Rauth and Piper Jaffray & Co. will each receive compensation from the District contingent upon the sale and delivery of the Bonds.

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Copies of documents referred to herein and information concerning the Bonds are available

* Preliminary, subject to change.

from the Carpinteria Unified School District, 1400 Linden Avenue, Carpinteria, California 93013, telephone: (805) 684-4511. The District may impose a charge for copying, mailing and handling.

No dealer, broker, salesperson or other person has been authorized by the District to give any information or to make any representations other than as contained herein and, if given or made, such other information or representations must not be relied upon as having been authorized by the District. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. The summaries and references to documents, statutes and constitutional provisions referred to herein do not purport to be comprehensive or definitive, and are qualified in their entireties by reference to each such documents, statutes and constitutional provisions.

The information set forth herein, other than that provided by the District, has been obtained from official sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the District. The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

Capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Resolution.

THE BONDS

Authority for Issuance

The Bonds are being issued pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, Article XIII A of the State Constitution and pursuant to a resolution adopted by the Board on September 25, 2018 (the "Resolution").

The District received authorization at an election held on November 4, 2014, by the requisite 55% or more of the votes cast by eligible voters of the District to issue \$90,000,000 aggregate principal amount of general obligation bonds (the "2014 Authorization"). The District has previously issued \$20,000,000 pursuant to the 2014 Authorization. The Bonds are the second series of bonds issued under the 2014 Authorization, and, following the issuance thereof, \$30,000,000* of the 2014 Authorization will remain unissued.

Security and Sources of Payment

The Bonds are general obligations of the District payable solely from *ad valorem* property taxes. The Board of Supervisors of the County is empowered and obligated to annually levy *ad valorem* property taxes upon all property subject to taxation by the District, without limitation as to rate or amount

* Preliminary, subject to change.

(except certain personal property which is taxable at limited rates), for the payment of principal of and interest on the Bonds when due. The levy may include allowance for an annual reserve, established for the purpose of avoiding fluctuating tax levies. The County, however, is not obligated to establish such a reserve, and the District can make no representation that such reserve will be established by the County or that such a reserve, if previously established by the County, will be maintained in the future.

Such taxes will be levied annually in addition to all other taxes during the period that the Bonds are outstanding in an amount sufficient to pay the principal of and interest on the Bonds when due. Such taxes, when collected, will be placed by the County in the Debt Service Fund (as defined herein), which is required to be segregated and maintained by the County and which is designated for the payment of the Bonds, and interest thereon when due, and for no other purpose. Pursuant to the Resolution, the District has pledged funds on deposit in the Debt Service Fund to the payment of the Bonds. Although the County is obligated to levy *ad valorem* property taxes for the payment of the Bonds as described above, and will maintain the Debt Service Fund, none of the Bonds are a debt of the County.

The moneys in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Bonds as the same become due and payable, will be transferred to the Paying Agent. The Paying Agent will in turn remit the funds to DTC for remittance of such principal and interest to its Participants for subsequent disbursement to the Beneficial Owners of the Bonds.

The amount of the annual *ad valorem* property taxes levied by the County to repay the Bonds will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds in any year. Fluctuations in the annual debt service on the Bonds and the assessed value of taxable property in the District may cause the annual tax rate to fluctuate. Economic and other factors beyond the District's control, such as general market decline in land values, disruption in financial markets that may reduce the availability of financing for purchasers of property, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by the State and local agencies and property used for qualified education, hospital, charitable or religious purposes), or the complete or partial destruction of the taxable property caused by a natural or manmade disaster, such as earthquake, flood, fire, drought or toxic contamination, could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the annual tax rate. For further information regarding the District's assessed valuation, tax rates, overlapping debt, and other matters concerning taxation, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIII A of the California Constitution" and "TAX BASE FOR REPAYMENT OF BONDS – Assessed Valuations" herein.

Statutory Lien

Pursuant to Government Code Section 53515, the Bonds will be secured by a statutory lien on all revenues received pursuant to the levy and collection of *ad valorem* property taxes for the payment thereof. The lien automatically attaches, without further action or authorization by the Board, and is valid and binding from the time the Bonds are executed and delivered. The revenues received pursuant to the levy and collection of the *ad valorem* property tax will be immediately subject to the lien, and such lien will be enforceable against the District, its successor, transferees and creditors, and all other parties asserting rights therein, irrespective of whether such parties have notice of the lien and without the need for physical delivery, recordation, filing or further act.

This statutory lien, by its terms, secures not only the Bonds, but also any other bonds of the District issued after January 1, 2016 and payable, both as to principal and interest, from the proceeds of *ad valorem* property taxes that may be levied pursuant to paragraphs (2) and (3) of subdivision (b) of

Section 1 of Article XIII A of the California Constitution. The statutory lien provision does not specify the relative priority of obligations so secured or a method of allocation in the event that the revenues received pursuant to the levy and collection of such *ad valorem* property taxes are insufficient to pay all amounts then due and owing that are secured by the statutory lien.

General Provisions

The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee for DTC. See “—Book-Entry Only System” herein. Beneficial Owners will not receive certificates representing their interest in the Bonds. The Bonds will be dated as of the Date of Delivery.

Interest on the Bonds accrues from the Date of Delivery and is payable semiannually on each Bond Payment Date, commencing February 1, 2019. Interest on the Bonds will be computed on the basis of a 360-day year of twelve, 30-day months. Each Bond will bear interest from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it will bear interest from such Bond Payment Date, or unless it is authenticated on or before January 15, 2019, in which event it will bear interest from the Date of Delivery. The Bonds are issuable in denominations of \$5,000 principal amount or any integral multiple thereof, and mature on August 1, in the years and amounts set forth on the inside cover page hereof.

Payment. Payment of interest on any Bond on any Bond Payment Date will be made to the person appearing on the registration books of the Paying Agent as the registered Owner thereof as of the 15th day of the month immediately preceding such Bond Payment Date (the “Record Date”), such interest to be paid by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date. The principal of and redemption premiums, if any, payable on the Bonds will be payable upon maturity upon surrender at the principal office of the Paying Agent. The principal of, and interest, and redemption premiums, if any, on the Bonds will be payable in lawful money of the United States of America. The Paying Agent is authorized to pay the Bonds when duly presented for payment at maturity, and to cancel all Bonds upon payment thereof. So long as the Bonds are held in the book-entry system of DTC, all payments of principal of and interest on the Bonds will be made by the Paying Agent to Cede & Co. (as a nominee of DTC), as the registered owner of the Bonds.

[REMAINDER OF PAGE LEFT BLANK]

Annual Debt Service

The following table displays the annual debt service requirements of the District for the Bonds (assuming no optional redemptions):

Year Ending <u>August 1</u>	Annual Principal <u>Payment</u>	Annual Interest <u>Payment</u> ⁽¹⁾	Total Annual Debt <u>Service Payment</u>
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⁽¹⁾ Interest payments on the Bonds will be made semiannually on February 1 and August 1 of each year, commencing February 1, 2019.

See “CARPINTERIA UNIFIED SCHOOL DISTRICT – District Debt Structure – General Obligation Bonds” herein for a full table of the annual debt service requirements for the District’s outstanding general obligation bonded debt.

Application and Investment of Bond Proceeds

The Bonds are being issued by the District to (i) finance the repair, upgrading, acquisition, construction and equipping of certain District property and facilities and (ii) pay the costs of issuance of the Bonds.

Building Fund. The net proceeds of the sale of the Bonds will be deposited into the fund held by the County and designated as the “Carpinteria Unified School District Election of 2014 General Obligation Bonds, Series B Building Fund” (the “Building Fund”) and will be applied only for the purposes approved by the voters of the District pursuant to the 2014 Authorization. Any interest earnings on moneys held in the Building Fund will be retained therein. The County will have no responsibility for assuring the proper use of the proceeds of the Bonds.

Debt Service Fund. Any premium or accrued interest received by the District from the sale of the Bonds will be kept separate and apart in the fund designated as the “Carpinteria Unified School District Election of 2014 General Obligation Bonds, Series B Debt Service Fund” (the “Debt Service Fund”), which fund is held by the County for the payment of principal of and interest on the Bonds, and for no other purpose. Any interest earnings on moneys held in the Debt Service Fund will be retained therein. Any excess proceeds of the Bonds not needed for authorized purposes for which the Bonds are being issued will be transferred to the Debt Service Fund and applied to the payment of the principal of and interest on the Bonds. Pursuant to the Resolution, the District has pledged monies on deposit in the Debt Service Fund to the payment of the Bonds. If, after payment in full of the Bonds, there remain excess proceeds, any such excess amounts will be transferred to the general fund of the District.

Investment of Proceeds. Moneys in the Building Fund and the Debt Service Fund are expected to be invested through the County’s pooled investment fund. See “APPENDIX E – SANTA BARBARA COUNTY INVESTMENT POOL” attached hereto.

Redemption

Optional Redemption.* The Bonds maturing on or before August 1, 2028 are not subject to optional redemption prior to their respective stated maturity dates. The Bonds maturing on or after August 1, 2029 are subject to optional redemption prior to their respective stated maturity dates at the option of the District, from any source of available funds, as a whole or in part, on any date on or after August 1, 2028, at a redemption price equal to the principal amount of the Bonds called for redemption, together with interest accrued thereon to the date fixed for redemption, without premium.

Mandatory Sinking Fund Redemption.* The Term Bonds maturing on August 1, 20__, are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20__, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amounts represented by such Term Bonds to be so redeemed, the dates therefor and the final principal payment date are as indicated in the following table:

Redemption Date (August 1)	Principal Amount to be Redeemed
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(1) Maturity.

In the event that a portion of the Term Bonds maturing on August 1, 20__ is optionally redeemed prior to maturity, the remaining mandatory sinking fund payments shown above shall be reduced proportionately, or as otherwise directed by the District, in integral multiples of \$5,000 of principal amount, in respect of the portion of such Term Bonds optionally redeemed.

* Preliminary, subject to change.

Selection of Bonds for Redemption. Whenever provision is made for the optional redemption of Bonds and less than all outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, will select the Bonds for redemption as so directed and if not so directed, in inverse order of maturity. Within a maturity, the Paying Agent will select Bonds for redemption as directed by the District, and if not so directed, by lot. Redemption by lot will be in such manner as the Paying Agent will determine; provided, however, that with respect to redemption by lot, the portion of any Bond to be redeemed in part shall be in the principal amount of \$5,000 or any integral multiple thereof.

Notice of Redemption. When optional redemption is authorized or required pursuant to the Resolution, upon written instruction from the District, the Paying Agent will give notice (a “Redemption Notice”) of the redemption of the Bonds. Each Redemption Notice will specify (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the portion of the principal amount of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice will further state that on the specified date there will become due and payable upon each Bond or portion thereof being redeemed at the redemption price thereof, together with the interest accrued to the redemption date, and that from and after such date, interest thereon will cease to accrue.

The Paying Agent will take the following actions with respect to each such Redemption Notice: (a) at least 20 but not more than 45 days prior to the redemption date, such Redemption Notice will be given to the respective Owners of Bonds designated for redemption by registered or certified mail, postage prepaid, at their addresses appearing on the bond register; (b) at least 20 but not more than 45 days prior to the redemption date, such Redemption Notice will be given by (i) registered or certified mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to the Securities Depository; (c) at least 20 but not more than 45 days prior to the redemption date, such Redemption Notice will be given by (i) registered or certified mail, postage prepaid, or (ii) overnight delivery service, to one of the Information Services; and (d) provide such Redemption Notice to such other persons as may otherwise be required pursuant to the Continuing Disclosure Certificate.

“Information Services” means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System; or, such other services providing information with respect to called municipal obligations as the District may specify in writing to the Paying Agent or as the Paying Agent may select.

“Securities Depository” means The Depository Trust Company, 55 Water Street, New York, New York 10041.

A certificate of the Paying Agent or the District that a Redemption Notice has been given as provided in the Resolution will be conclusive as against all parties. Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given will affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Bonds will bear or include the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Conditional Notice of Redemption. With respect to any notice of optional redemption of Bonds (or portions thereof) as described above, unless upon the giving of such notice such Bonds (or portions thereof) shall be deemed to have been defeased as described in “—Defeasance” herein, such notice will state that such redemption will be conditional upon the receipt by an independent escrow agent selected by the District on or prior to the date fixed for such redemption of the moneys necessary and sufficient to pay the principal of, and premium, if any, and interest on, such Bonds (or portions thereof) to be redeemed, and that, if such moneys shall not have been so received, said notice shall be of no force and effect, no portion of the Bonds will be subject to redemption on such date and such Bonds will not be required to be redeemed on such date. In the event that such Redemption Notice contains such a condition and such moneys are not so received, the redemption will not be made and the Paying Agent will, within a reasonable time thereafter (but in no event later than the date originally set for redemption), give notice to the persons to whom and in the manner in which the Redemption Notice was given, that such moneys were not so received. In addition, the District will have the right to rescind any Redemption Notice by written notice to the Paying Agent on or prior to the date fixed for such redemption. The Paying Agent will distribute a notice of the rescission of such Redemption Notice in the same manner as such Redemption Notice was originally provided.

Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Paying Agent will execute and deliver to the Owner thereof a new Bond or Bonds of like series, tenor and maturity and of authorized denominations equal in principal amount to the unredeemed portion of the Bond surrendered (the “Transfer Amount”). Such partial redemption is valid upon payment of the amount required to be paid to such Owner, and the District will be released and discharged thereupon from all liability to the extent of such payment.

Effect of Notice of Redemption. Notice having been given as described above, and the moneys for the redemption (including the interest accrued to the applicable date of redemption) having been set aside as described in “—Defeasance” herein, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, moneys for the redemption of all the Bonds to be redeemed, together with interest accrued to such redemption date, shall be held in trust, so as to be available therefor on such redemption date, and if a Redemption Notice thereof shall have been given as described above, then from and after such redemption date, interest on the Bonds to be redeemed will cease to accrue and become payable. All money held for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds to be so redeemed.

Bonds No Longer Outstanding. When any Bonds (or portions thereof), which have been duly called for redemption prior to maturity pursuant to the Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held irrevocably in trust for the payment of the redemption price of such Bonds or portions thereof and accrued interest thereon to the date fixed for redemption, then such Bonds will no longer be deemed outstanding and shall be surrendered to the Paying Agent for cancellation.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the Resolution will be cancelled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Bond purchased by the District will be cancelled by the Paying Agent.

Book-Entry Only System

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but neither the District nor the Underwriter take any responsibility for the accuracy or completeness thereof. The District and the Underwriter cannot and do not give any assurances that DTC, DTC Direct Participants or Indirect Participants (as defined herein) will distribute to the Beneficial Owners (a) payments of principal of, or interest or premium, if any, on the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered Owner of the Bonds, or that they will so do on a timely basis or that DTC, Direct Participants or Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with Participants are on file with DTC.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC is rated "AA+" by Standard & Poor's. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Paying Agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Paying Agent. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Paying Agent's DTC account.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

Discontinuation of Book-Entry Only System; Registration, Exchange and Transfer of Bonds

So long as any of the Bonds remain outstanding, the District will cause the Paying Agent to maintain at its principal office all books and records necessary for the registration, exchange and transfer of such Bonds, which shall at all times be open to inspection by the District, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register, exchange or transfer or cause to be registered, exchanged or transferred, on said books, Bonds as provided in the Resolution.

In the event that the book-entry only system as described herein is no longer used with respect to the Bonds, the following provisions will govern the registration, transfer, and exchange of the Bonds.

The principal of the Bonds and any premium and interest upon the redemption thereof prior to maturity will be payable in lawful money of the United States of America upon presentation and surrender of the Bonds at the designated office of the Paying Agent. Payment of interest on any Bond on any Bond Payment Date will be made to the person appearing on the registration books of the Paying Agent as the Owner thereof as of the Record Date immediately preceding such Bond Payment Date, such interest to be paid by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date.

Any Bond may be exchanged for Bonds of like series, tenor, maturity and Transfer Amount upon presentation and surrender at the designated office of the Paying Agent, together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Bond may be transferred on the Bond Register only upon presentation and surrender of the Bond at the designated office of the Paying Agent together with an assignment executed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent will complete, authenticate and deliver a new bond or bonds of like series and tenor, and of any authorized denomination or denominations requested by the Owner equal to the Transfer Amount of the Bond surrendered and bearing interest at the same rate and maturing on the same date.

Neither the District nor the Paying Agent will be required to (a) issue or transfer any Bonds during a period beginning with the opening of business on the 16th day next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or any day on which the applicable Redemption Notice is given or (b) transfer any Bonds which have been selected or called for redemption in whole or in part.

Defeasance

All or any portion of the outstanding maturities of the Bonds may be defeased prior to maturity in the following ways:

(a) Cash: by irrevocably depositing with an independent escrow agent selected by the District an amount of cash which, together with amounts transferred from the Debt Service Fund, if any,

is sufficient to pay all Bonds outstanding and designated for defeasance (including all principal thereof, accrued interest thereon, and redemption premiums, if any) at or before their maturity date; or

(b) Government Obligations: by irrevocably depositing with an independent escrow agent selected by the District noncallable Government Obligations, together with amounts transferred from the Debt Service Fund, if any, and any other cash, if required, in such amount as will, together with interest to accrue thereon, in the opinion of an independent certified public accountant, be fully sufficient to pay and discharge all Bonds outstanding and designated for defeasance (including all principal thereof, accrued interest thereon, and redemption premiums, if any) at or before their maturity date;

then, notwithstanding that any of such Bonds shall not have been surrendered for payment, all obligations of the District with respect to such designated outstanding Bonds will cease and terminate, except only the obligation of the independent escrow agent selected by the District to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) above, to the owners of such designated Bonds not so surrendered and paid all sums due with respect thereto.

“Government Obligations” means Direct and general obligations of the United States of America, obligations that are unconditionally guaranteed as to principal and interest by the United States of America (which may consist of obligations of the Resolution Funding Corporation that constitute interest strips), and obligations secured or otherwise guaranteed, directly or indirectly, as to principal and interest by a pledge of the full faith and credit of the United States of America. In the case of direct and general obligations of the United States of America, Government Obligations shall include evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances where (a) a bank or trust company acts as custodian and holds the underlying United States obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (c) the underlying United States obligations are held in a special account, segregated from the custodian’s general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated or assessed at least as high as direct and general obligations of the United States of America by either S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”) or Moody’s Investors Service (“Moody’s”).

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds with respect to the Bonds are as follows:

Sources of Funds

Principal Amount of Bonds

Original Issue Premium

Total Sources

Uses of Funds

Building Fund

Debt Service Fund

Costs of Issuance⁽¹⁾

Underwriter’s Discount

Total Uses

⁽¹⁾ A portion of the proceeds of the Bonds will be used to pay costs of issuance thereof, including, but not limited to, legal fees, financial advisory fees, printing costs, rating agency fees, the costs and fees of the Paying Agent and other costs of issuance of the Bonds.

TAX BASE FOR REPAYMENT OF BONDS

The information in this section describes ad valorem property taxation, assessed valuation, and other measures of the tax base of the District. The Bonds are payable solely from ad valorem property taxes levied and collected by the County on taxable property in the District, which taxes are unlimited as to rate or amount. The District's general fund is not a source for the repayment of the Bonds.

Ad Valorem Property Taxation

District property taxes are assessed and collected by the County at the same time and on the same tax rolls as County, city and special district property taxes. Assessed valuations are the same for both District and County taxing purposes.

Taxes are levied for each fiscal year on taxable real and personal property which is located in the District as of the preceding January 1. For assessment and collection purposes, property is classified either as "secured" or "unsecured" and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State assessed public utilities property and real property having a tax lien which is sufficient, in the opinion of the assessor, to secure payment of the taxes. Unsecured property is assessed on the "unsecured roll." Unsecured property comprises all property not attached to land, such as personal property or business property. Boats and airplanes are examples of unsecured property. A supplemental roll is developed when property changes ownership or new construction is completed. The County levies and collects all property taxes for property falling within the County's taxing boundaries.

The valuation of secured property is established as of January 1 and is subsequently equalized in August. Property taxes on the secured roll are payable in two installments, due November 1 and February 1. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent installment, plus any additional amount determined by the tax-collecting authority of the County. After the second installment of taxes on the secured roll is delinquent, the tax-collecting authority of the County will collect a cost of \$10 for preparing the delinquent tax records and giving notice of the delinquency, plus any other service fees deemed reasonably necessary by the County. Property on the secured roll with delinquent taxes is declared tax-defaulted on July 1 of the calendar year. Such property may thereafter be redeemed, until the right of redemption is terminated, by payment of the delinquent taxes and the delinquency penalty, plus a \$15 redemption fee, any other service fees deemed reasonably necessary by the County, and a redemption penalty of 1.5% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is subject to sale by the tax-collecting authority of the County.

Property taxes on the unsecured roll as of July 31 become delinquent if they are not paid by August 31 and are thereafter subject to a delinquent penalty of 10%, plus any other service fees deemed reasonably necessary by the County. Taxes added to the unsecured tax roll after July 31, if unpaid, are delinquent and subject to a penalty of 10% on the last day of the month succeeding the month of enrollment. In the case of unsecured property taxes, an additional penalty of 1.5% per month begins to accrue when such taxes remain unpaid on the last day of the second month after the 10% penalty attaches. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the assessee; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a judgment lien on specific property of the assessee; (3) filing a certificate of delinquency for record in the County Recorder's office in order to obtain a lien on specified property of the assessee; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee. See also "— Tax Levies, Collections and Delinquencies" herein.

State law exempts from taxation \$7,000 of the full cash value of an owner-occupied dwelling, but this exemption does not result in any loss of revenue to local agencies, since the State reimburses local agencies for the value of the exemptions.

All property is assessed using full cash value as defined by Article XIII A of the State Constitution. State law provides exemptions from *ad valorem* property taxation for certain classes of property, such as churches, colleges, non-profit hospitals, and charitable institutions.

Assessed valuation growth allowed under Article XIII A (new construction, certain changes of ownership, 2% inflation) is allocated on the basis of “situs” among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies and K-14 school districts (as defined herein) share the growth of “base” revenues from the tax rate area. Each year’s growth allocation becomes part of each agency’s allocation in the following year.

Assessed Valuations

Property within the District has a total assessed valuation for fiscal year 2018-19 of \$6,645,373,196. The following table shows a 10-year history of assessed valuations in the District, as of the date the equalized assessment tax roll is established in August of each year.

ASSESSED VALUATIONS Fiscal Years 2008-09 through 2018-19 Carpinteria Unified School District

	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>	<u>Total Annual % Change⁽¹⁾</u>
2009-10	\$4,638,851,893	\$500,788	\$133,013,224	\$4,772,365,905	--
2010-11	4,696,896,000	500,788	140,514,809	4,837,911,597	1.37%
2011-12	4,720,870,322	500,788	138,890,574	4,860,261,684	0.46
2012-13	4,737,545,747	346,041	145,376,539	4,883,268,327	0.47
2013-14	4,975,253,880	346,041	151,477,451	5,127,077,372	4.99
2014-15	5,227,613,565	346,041	164,880,717	5,392,840,323	5.18
2015-16	5,544,422,083	346,041	163,784,496	5,708,552,620	5.85
2016-17	5,805,662,038	346,041	168,247,588	5,974,255,667	4.65
2017-18	6,170,457,444	375,923	188,287,573	6,359,120,940	6.44
2018-19	6,436,866,640	375,923	208,130,633	6,645,373,196	4.50

⁽¹⁾ Calculated by financial advisor, and based on information provided by California Municipal Statistics, Inc.

Source: Fiscal years 2009-10 through 2017-18 from California Municipal Statistics, Inc.; fiscal year 2018-19 from the County.

Economic and other factors beyond the District’s control, such as a general market decline in real property values, disruption in financial markets that may reduce availability of financing for purchasers of property, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by the State and local agencies and property used for qualified education, hospital, charitable or religious purposes), or the complete or partial destruction of the taxable property caused by a natural or manmade disaster, such as earthquake, drought, flood, fire or toxic contamination, could cause a reduction in the assessed value of taxable property within the District. Any such reduction would result in a corresponding increase in the annual tax rate levied by the County to pay the debt service with respect to the Bonds. See “THE BONDS – Security and Sources of Payment” herein.

Appeals and Adjustments of Assessed Valuations

Under State law, property owners may apply for a reduction of their property tax assessment by filing a written application, in form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board. In most cases, the appeal is filed because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value. Any reduction in the assessment ultimately granted as a result of such appeal applies to the year for which application is made and during which the written application was filed.

A second type of assessment appeal involves a challenge to the base year value of an assessed property. Appeals for reduction in the base year value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

In addition to the above-described taxpayer appeals, county assessors may independently reduce assessed valuations based on changes in the market value of property, or for other factors such as the complete or partial destruction of taxable property caused by natural or man-made disasters such as earthquakes, floods, fire, drought or toxic contamination pursuant to relevant provisions of the State Constitution.

Whether resulting from taxpayer appeals or county assessor reductions, adjustments to assessed value are subject to yearly reappraisals by the county assessor and may be adjusted back to their original values when real estate market conditions improve. Once property has regained its prior assessed value, adjusted for inflation, it once again is subject to the annual inflationary growth rate factor allowed under Article XIII A. See also “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIII A of the California Constitution” herein.

The District does not have information regarding pending appeals of assessed valuation of property within the District. No assurance can be given that property tax appeals currently pending or in the future will not significantly reduce the assessed valuation of property within the District.

Assembly Bill 102. On June 27, 2017, the Governor signed into law Assembly Bill 102 (“AB 102”). AB 102 restructures the functions of the SBE and creates two new separate agencies: (i) the California Department of Tax and Fee Administration, and (ii) the Office of Tax Appeals. Under AB 102, the California Department of Tax and Fee Administration will take over programs previously in the BOE Property Tax Department, such as the Tax Area Services Section, which is responsible for maintaining all property tax-rate area maps and for maintaining special revenue district boundaries. Under AB 102, the SBE will continue to perform the duties assigned by the State Constitution related to property taxes, however, beginning January 1, 2018, the SBE will only hear appeals related to the programs that it constitutionally administers and the Office of Tax Appeals will hear appeals on all other taxes and fee matters, such as sales and use tax and other special taxes and fees. AB 102 obligates the Office of Tax Appeals to adopt regulations as necessary to carry out its duties, powers, and responsibilities. No assurances can be given as to the effect of such regulations on the appeals process or on the assessed valuation of property within the District.

Effect of Wildfires on Assessed Valuation

The District's estimated property tax reduction due to the Thomas Fire loss is approximately \$179,911 in tax revenues. This projection is based on fiscal year 2017-18 tax revenues and will be posted as a prior year adjustment and loss to the 2018-19 property tax revenues, and is reflect in the fiscal year 2018-19 adopted budget.

Assessed Valuation of Single Family Homes

The following table shows a per-parcel analysis of single family residences within the District, in terms of their fiscal year 2017-18 assessed valuation.

ASSESSED VALUATION OF SINGLE FAMILY HOMES Fiscal Year 2017-18 Carpinteria Unified School District

Single Family Residential	No. of <u>Parcels</u>	2017-18 <u>Assessed Valuation</u>	Average <u>Assessed Valuation</u>	Median <u>Assessed Valuation</u>
	3,302	\$3,906,994,399	\$1,183,221	\$605,683

2017-18 <u>Assessed Valuation</u>	No. of <u>Parcels</u> ⁽¹⁾	% of <u>Total</u>	Cumulative <u>% of Total</u>	Total <u>Valuation</u>	% of <u>Total</u>	Cumulative <u>% of Total</u>
\$0 - \$99,999	346	10.478%	10.478%	\$26,600,010	0.681%	0.681%
100,000 - 199,999	291	8.813	19.291	40,833,205	1.045	1.726
200,000 - 299,999	226	6.844	26.136	56,914,451	1.457	3.183
300,000 - 399,999	291	8.813	34.949	102,768,475	2.630	5.813
400,000 - 499,999	263	7.965	42.913	117,326,612	3.003	8.816
500,000 - 599,999	215	6.511	49.425	117,865,253	3.017	11.833
600,000 - 699,999	245	7.420	56.844	158,933,999	4.068	15.901
700,000 - 799,999	252	7.632	64.476	188,848,419	4.834	20.734
800,000 - 899,999	200	6.057	70.533	169,791,599	4.346	25.080
900,000 - 999,999	130	3.937	74.470	123,183,346	3.153	28.233
1,000,000 - 1,099,999	90	2.726	77.196	94,066,830	2.408	30.641
1,100,000 - 1,199,999	72	2.180	79.376	82,645,351	2.115	32.756
1,200,000 - 1,299,999	64	1.938	81.314	80,209,808	2.053	34.809
1,300,000 - 1,399,999	49	1.484	82.798	66,081,957	1.691	36.500
1,400,000 - 1,499,999	41	1.242	84.040	59,295,712	1.518	38.018
1,500,000 - 1,599,999	33	0.999	85.039	51,164,751	1.310	39.328
1,600,000 - 1,699,999	37	1.121	86.160	61,052,477	1.563	40.890
1,700,000 - 1,799,999	33	0.999	87.159	58,042,129	1.486	42.376
1,800,000 - 1,899,999	28	0.848	88.007	51,900,761	1.328	43.704
1,900,000 - 1,999,999	22	0.666	88.674	42,802,990	1.096	44.800
2,000,000 and greater	374	11.326	100.000	2,156,666,264	55.200	100.000
Total	3,302	100.000%		\$3,906,994,399	100.000%	

⁽¹⁾ Improved single family residential parcels. Excludes condominiums and parcels with multiple family units.
Source: California Municipal Statistics, Inc.

Assessed Valuation and Parcels by Land Use

The following table shows a per-parcel analysis of the distribution of taxable property within the District by principal use, and the fiscal year 2017-18 assessed valuation of such parcels.

ASSESSED VALUATION AND PARCELS BY LAND USE

Fiscal Year 2017-18

Carpinteria Unified School District

	2017-18 <u>Assessed Valuation</u> ⁽¹⁾	% of <u>Total</u>	No. of <u>Parcels</u>	% of <u>Total</u>
Non-Residential:				
Agricultural/Rural	\$ 361,557,183	5.86%	410	5.65%
Commercial/Office	413,092,215	6.69	264	3.64
Vacant Commercial	24,436,305	0.40	22	0.30
Industrial	166,732,476	2.70	78	1.07
Vacant Industrial	4,218,478	0.07	22	0.30
Recreational	5,719,406	0.09	10	0.14
Government/Social/Institutional	23,549,189	0.38	15	0.21
Miscellaneous	<u>19,224,228</u>	<u>0.31</u>	<u>40</u>	<u>0.55</u>
Subtotal Non-Residential	\$1,018,529,480	16.51%	861	11.87%
Residential:				
Single Family Residence	\$3,906,994,399	63.32%	3,302	45.51%
Condominium/Townhouse	658,482,231	10.67	1,735	23.91
Mobile Home	18,796,538	0.30	683	9.41
Mobile Home Park	26,743,404	0.43	10	0.14
Hotel/Motel	78,580,911	1.27	21	0.29
2-4 Residential Units	148,606,207	2.41	245	3.38
5+ Residential Units/Apartments	100,969,773	1.64	68	0.94
Vacant Residential	<u>212,754,501</u>	<u>3.45</u>	<u>331</u>	<u>4.56</u>
Subtotal Residential	\$5,151,927,964	83.49%	6,395	88.13%
Total	\$6,170,457,444	100.00%	7,256	100.00%

⁽¹⁾ Local Secured Assessed Valuation, excluding tax-exempt property.

Source: California Municipal Statistics, Inc.

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Assessed Valuation by Jurisdiction

The following table shows the fiscal year 2017-18 assessed valuation of the District by jurisdiction.

ASSESSED VALUATION BY JURISDICTION

Fiscal Year 2017-18

Carpinteria Unified School District

<u>Jurisdiction:</u>	<u>Assessed Valuation in District</u>	<u>% of District</u>	<u>Assessed Valuation of Jurisdiction</u>	<u>% of Jurisdiction in District</u>
City of Carpinteria	\$2,315,817,638	36.42%	\$2,315,817,638	100.00%
Unincorporated Santa Barbara County	4,043,303,302	63.58	36,676,949,652	11.02
Total District	6,359,120,940	100.00		
Santa Barbara County	\$6,359,120,940	100.00%	\$79,055,403,820	8.04%

Source: California Municipal Statistics, Inc.

Tax Levies, Collections and Delinquencies

The following tables show historical secured tax charge and delinquency data for the District.

SECURED TAX CHARGES AND DELINQUENCIES

Fiscal Years 2007-08 through 2016-17

Carpinteria Unified School District

<u>Tax Year</u>	<u>Secured Tax Charge⁽¹⁾</u>	<u>Amount Delinquent June 30</u>	<u>Percent Delinquent June 30</u>
2007-08	\$775,422.60	\$17,434.91	2.25%
2008-09	805,816.00	26,631.73	3.30
2009-10	787,786.71	24,858.79	3.16
2010-11	759,934.59	18,051.26	2.38
2011-12	766,446.06	12,583.94	1.64
2012-13	774,597.90	13,291.95	1.72
2013-14	775,209.51	6,791.88	0.88
2014-15	652,452.09	3,237.68	0.50
2015-16	3,086,471.70	18,323.73	0.59
2016-17	3,091,421.08	32,843.74	1.06

⁽¹⁾ General obligation bond debt service levy only.

Source: California Municipal Statistics, Inc.

Alternative Method of Tax Apportionment - "Teeter Plan"

The Board of Supervisors of the County has approved the implementation of the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"), as provided for in Section 4701 *et seq.* of the California Revenue and Taxation Code. Under the Teeter Plan, the County apportions secured property taxes on an accrual basis when due (irrespective of actual collections) to its local political subdivisions, including the District, for which the County acts as the tax-levying or tax-collecting agency, or for which the County's treasury is the legal depository of the tax collections.

If the Teeter Plan, in its current form, remains in effect during the term of the Bonds, the District will receive 100% of the *ad valorem* property tax levied in the County to pay the Bonds irrespective of actual delinquencies in the collection of the tax by the County. The District can give no assurance that the Teeter Plan will remain in effect in its present form, or in any form, during the term of the Bonds.

The Teeter Plan is to remain in effect unless the Board of Supervisors of the County orders its discontinuance or unless, prior to the commencement of any fiscal year of the County (which commences on July 1 for the County), the Board of Supervisors of the County receives a petition for its discontinuance joined in by a resolution adopted by at least two-thirds of the participating revenue districts in the County, in which event the Board of Supervisors of the County is to order discontinuance of the Teeter Plan effective at the commencement of the subsequent fiscal year. The Board of Supervisors of the County may, by resolution adopted not later than July 15 of the fiscal year for which it is to apply, after holding a public hearing on the matter, discontinue the procedures under the Teeter Plan with respect to any tax levying agency or assessment levying agency in such county if the rate of secure tax delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured rolls for that agency. In the event the Board of Supervisors of the County is to order discontinuance of the Teeter Plan subsequent to its implementation, only those secured property taxes actually collected would be allocated to political subdivisions (including the District) for which such county acts as the tax-levying or tax-collecting agency.

The District is not aware of any intention on the part of the County, or formal actions taken thereby, to abrogate the Teeter Plan, as now in effect in the County.

Tax Rates

A representative tax rate area (a“TRA”) located within the District are TRA 5-002. The tables below show the total *ad valorem* property tax rates, per \$100 of assessed valuation, levied by all taxing entities in these TRAs during the five-year period from fiscal years 2013-14 through 2017-18.

SUMMARY OF *AD VALOREM* TAX RATES (TRA 5-002)

Fiscal Years 2013-14 through 2017-18

Carpinteria Unified School District

	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>
General	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%
Carpinteria Unified School District	.01568	.01254	.05647	.05348	.05095
Santa Barbara Community College District	<u>.00850</u>	<u>.00850</u>	<u>.00850</u>	<u>.00731</u>	<u>.00731</u>
Total Tax Rate	1.02418%	1.02104%	1.06497%	1.06079%	1.05826%

Source: California Municipal Statistics, Inc.

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Principal Taxpayers

The following table lists the 20 largest local secured taxpayers in the District in terms of their fiscal year 2017-18 secured assessed valuations.

20 LARGEST LOCAL SECURED TAXPAYERS

Fiscal Year 2017-18

Carpinteria Unified School District

	<u>Property Owner</u>	<u>Primary Land Use</u>	<u>2017-18 Assessed Valuation</u>	<u>% of Total⁽¹⁾</u>
1.	Calprop I-V LLC	Residential	\$92,139,055	1.49%
2.	Renker Family Trust	Residential	52,636,533	0.85
3.	Montecito Land Trust	Residential	35,999,889	0.58
4.	QAD Ortega Hill LLC	Office Building	34,157,710	0.55
5.	Victor William & Susan Marie Schaff	Commercial and Industrial	33,832,600	0.55
6.	Triple Trust	Residential	32,291,968	0.52
7.	Vanwingerden Family Trust	Agricultural/Rural	31,671,509	0.51
8.	Wamdara Inc. (CA)	Residential	29,443,872	0.48
9.	6303 Carpinteria Avenue LLC	Office Building	28,418,874	0.46
10.	Carpinteria-Sandyland Cove LLC	Residential	27,616,278	0.45
11.	375 LR LLC	Residential	25,669,404	0.42
12.	ROIC Casitas Plaza LLC	Shopping Center	24,979,290	0.40
13.	GGG Investments LLC	Residential	24,894,634	0.40
14.	G6 Hospitality Property LLC	Hotel	23,438,227	0.38
15.	Carpinteria Valley Farms	Residential	23,213,775	0.38
16.	George Joseph	Residential	22,928,487	0.37
17.	Circle G LLC	Agricultural/Rural	22,778,741	0.37
18.	McMahan Family Qtip Trust	Residential	22,510,637	0.36
19.	Sorkin-Lloyd Revocable Trust	Residential	22,295,753	0.36
20.	Venoco Inc.	Oil & Gas	<u>22,159,841</u>	<u>0.36</u>
			\$633,077,077	10.26%

⁽¹⁾ The District has a fiscal year 2017-18 local secured assessed valuation of \$6,170,457,444.

Source: California Municipal Statistics, Inc.

Statement of Direct and Overlapping Debt

Set forth on the following page is a direct and overlapping debt report (the “Debt Report”) prepared by California Municipal Statistics, Inc., effective as of October 1, 2018, for debt issued as of October 1, 2018. The Debt Report is included for general information purposes only. The District has not reviewed the Debt Report for completeness or accuracy and makes no representation in connection therewith.

The Debt Report generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the District in whole or in part. Such long-term obligations generally are not payable from revenues of the District (except as indicated) nor are they necessarily obligations secured by land within the District. In many cases long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

The table shows the percentage of each overlapping entity’s assessed value located within the boundaries of the District. The table also shows the corresponding portion of the overlapping entity’s existing debt payable from property taxes levied within the District. The total amount of debt for each overlapping entity is not given in the table.

The first column in the table names each public agency which has outstanding debt as of the date of the report and whose territory overlaps the District in whole or in part. The second column shows the percentage of each overlapping agency's assessed value located within the boundaries of the District. This percentage, multiplied by the total outstanding debt of each overlapping agency (which is not shown in the table) produces the amount shown in the third column, which is the apportionment of each overlapping agency's outstanding debt to taxable property in the District.

STATEMENT OF DIRECT AND OVERLAPPING DEBT Carpinteria Unified School District

2017-18 Assessed Valuation: \$6,359,120,940

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 10/1/18</u>
Santa Barbara Community College District	12.034%	\$7,086,221
Carpinteria Unified School District	100.000	20,410,000⁽¹⁾
Carpinteria Sanitary District Assessment District No. 2007-1	62.113	2,357,188
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$29,853,409
 <u>OVERLAPPING GENERAL FUND DEBT:</u>		
Santa Barbara County Certificates of Participation	8.044%	\$ 3,657,205
Carpinteria Sanitary District General Fund Obligations	98.486	7,071,295
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT		\$10,728,500
Less: Santa Barbara County supported obligations		260,223
Carpinteria Sanitary District General Fund Obligations		7,071,295
TOTAL NET OVERLAPPING GENERAL FUND DEBT		\$ 3,396,982
 GROSS COMBINED TOTAL DEBT		 \$40,581,909 ⁽²⁾
NET COMBINED TOTAL DEBT		\$33,250,391

Ratios to 2017-18 Assessed Valuation:

Direct Debt (\$20,410,000).....	0.32%
Total Direct and Overlapping Tax and Assessment Debt.....	0.47%
Gross Combined Total Debt	0.64%
Net Combined Total Debt.....	0.52%

(1) Excludes issue to be sold.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

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CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

The Bonds are payable solely from the proceeds of an ad valorem property tax required to be levied by the County on taxable property within the District in an amount sufficient for the payment thereof. See “THE BONDS – Security and Sources of Payment” herein. Articles XIII A, XIII B, XIII C and XIII D of the State Constitution, Propositions 98 and 111, and certain other provisions of law discussed below are included in this section to describe the potential effect of these Constitutional and statutory measures on the ability of the County to levy taxes on behalf of the District and to the District to spend tax proceeds for operating and other purposes, and it should not be inferred from the inclusion of such materials that these laws impose any limitation on the ability of the County to levy taxes for payment of the Bonds.

Article XIII A of the California Constitution

Article XIII A (“Article XIII A”) of the State Constitution limits the amount of *ad valorem* property taxes on real property to 1% of “full cash value” as determined by the county assessor. Article XIII A defines “full cash value” to mean “the county assessor’s valuation of real property as shown on the 1975-76 bill under “full cash value,” or thereafter, the appraised value of real property when purchased, newly constructed or a change in ownership has occurred after the 1975 assessment,” subject to exemptions in certain circumstances of property transfer or reconstruction. Determined in this manner, the full cash value is also referred to as the “base year value.” The “full cash value” is subject to annual adjustment to reflect increases, not to exceed 2% for any year, or decreases in the consumer price index or comparable local data, or to reflect reductions in property value caused by damage, destruction or other factors.

Article XIII A has been amended to allow for temporary reductions of assessed value in instances where the fair market value of real property falls below the adjusted base year value described above. Proposition 8—approved by the voters in November of 1978—provides for the enrollment of the lesser of the base year value or the market value of real property, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property, or other factors causing a similar decline. In these instances, the market value is required to be reviewed annually until the market value exceeds the base year value, adjusted for inflation. Reductions in assessed value could result in a corresponding increase in the annual tax rates levied by the County to pay debt service on the Bonds. See “THE BONDS – Security and Sources of Payment” and “TAX BASE FOR REPAYMENT OF BONDS” herein.

Article XIII A requires a vote of two-thirds or more of the qualified electorate of a city, county, special district or other public agency to impose special taxes, while totally precluding the imposition of any additional *ad valorem*, sales or transaction tax on real property. Article XIII A exempts from the 1% tax limitation any taxes above that level required to pay debt service (a) on any indebtedness approved by the voters prior to July 1, 1978, or (b) as the result of an amendment approved by State voters on June 3, 1986, on any bonded indebtedness approved by two-thirds or more of the votes cast by the voters for the acquisition or improvement of real property on or after July 1, 1978, or (c) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% or more of the votes cast on the proposition, but only if certain accountability measures are included in the proposition. The tax for payment of the Bonds falls within the exception described in (c) of the immediately preceding sentence. In addition, Article XIII A requires the approval of two-thirds or more of all members of the legislature of the State (the “State Legislature”) to change any State taxes for the purpose of increasing tax revenues.

Legislation Implementing Article XIII A

Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by the relevant county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

Increases of assessed valuation resulting from reappraisals of property due to new construction or change in ownership or from the annual adjustment not to exceed 2% are allocated among the various jurisdictions in the “taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years.

All taxable property value included in this Official Statement is shown at 100% of taxable value (unless noted differently) and all tax rates reflect the \$1 per \$100 of taxable value.

Both the United States Supreme Court and the State Supreme Court have upheld the general validity of Article XIII A.

Proposition 50 and Proposition 171

On June 3, 1986, the voters of the State approved Proposition 50. Proposition 50 amends Section 2 of Article XIII A of the State Constitution to allow owners of property that was “substantially damaged or destroyed” by a disaster, as declared by the Governor, (the “Damaged Property”), to transfer their existing base year value (the “Original Base Year Value”) to a comparable replacement property within the same county, which is acquired or constructed within five years after the disaster. At the time of such transfer, the Damaged Property will be reassessed at its full cash value immediately prior to damage or destruction (the “Original Cash Value”); however, such property will retain its base year value notwithstanding such a transfer. Property is substantially damaged or destroyed if either the land or the improvements sustain physical damage amounting to more than 50 percent of either the land or improvements full cash value immediately prior to the disaster. There is no filing deadline, but the assessor can only correct four years of assessments when the owner fails to file a claim within four years of acquiring a replacement property.

Under Proposition 50, the base year value of the replacement property (the “Replacement Base Year Value”) depends on the relation of the full cash value of the replacement property (the “Replacement Cash Value”) to the Original Cash Value: if the Replacement Cash Value exceeds 120 percent of the Original Cash Value, then the Replacement Base Year Value is calculate by combining the Original Base Year Value with such excessive Replacement Cash Value; if the Replacement Cash Value does not exceed 120 percent of the Original Cash Value, then the Replacement Base Year Value equals the Original Base Year Value; if the Replacement Cash Value is less than the Original Cash Value, then the Replacement Base Year Value equals the Replacement Cash Value. The replacement property must be comparable in size, utility, and function to the Damaged Property.

On November 2, 1993, the voters of the State approved Proposition 171. Proposition 171 amends subdivision (e) of Section 2 of Article XIII A of the State Constitution to allow owners of Damaged Property to transfer their Original Base Year Value to a “comparable replacement property” located within another county in the State, which is acquired or newly constructed within three years after the disaster.

Intra-county transfers under Proposition 171 are more restrictive than inter-county transfers under Proposition 50. For example, Proposition 171 (1) only applies to (a) structures that are owned and occupied by property owners as their principal place of residence and (b) land of a “reasonable size that is used as a site for a residence;” (2) explicitly does not apply to property owned by firms, partnerships, associations, corporations, companies, or legal entities of any kind; (3) only applies to replacement property located in a county that adopted an ordinance allowing Proposition 171 transfers; (4) claims must be timely filed within three years of the date of purchase or completion of new construction; and (5) only applies to comparable replacement property, which has a full cash value that is of “equal or lesser value” than the Original Cash Value.

Within the context of Proposition 171, “equal or lesser value” means that the amount of the Replacement Cash Value does not exceed either (1) 105 percent of the Original Cash Value when the replacement property is acquired or constructed within one year of the destruction, (2) 110 percent of the Original Cash Value when the replacement property is acquired or constructed within two years of the destruction, or (3) 115 percent of the Original Cash Value when the replacement property is acquired or constructed within three years of the destruction.

Unitary Property

Some amount of property tax revenue of the District is derived from utility property which is considered part of a utility system with components located in many taxing jurisdictions. Under the State Constitution, such property is assessed by the State Board of Equalization as part of a “going concern” rather than as individual pieces of real or personal property. Such State-assessed property is allocated to the counties by the State Board of Equalization, taxed at special county-wide rates, and the tax revenues distributed to taxing jurisdictions (including the District) according to statutory formulae generally based on the distribution of taxes in the prior year.

The State electric utility industry has experienced significant changes in its structure and in the way in which components of the industry are regulated and owned. Sale of electric generation assets to largely unregulated, nonutility companies may affect how those assets are assessed, and which local agencies are to receive the property taxes. The District is unable to predict the impact of these changes on its utility property tax revenues, or whether legislation may be proposed or adopted in response to industry restructuring, or whether any future litigation may affect ownership of utility assets or the State’s methods of assessing utility property and the allocation of assessed value to local taxing agencies, including the District. So long as the District is a basic aid district, taxes lost through any reduction in assessed valuation will not be compensated by the State as equalization aid under the State’s school financing formula. See “DISTRICT FINANCIAL INFORMATION – State Funding of Education” herein.

Article XIII B of the California Constitution

Article XIII B (“Article XIII B”) of the State Constitution, as subsequently amended by Propositions 98 and 111, respectively, limits the annual appropriations of the State and of any city, county, school district, authority or other political subdivision of the State to the level of appropriations of the particular governmental entity for the prior fiscal year, as adjusted for changes in the cost of living and in population and for transfers in the financial responsibility for providing services and for certain declared emergencies. As amended, Article XIII B defines:

- (a) “change in the cost of living” with respect to school districts to mean the percentage change in State per capita income from the preceding year, and

- (b) “change in population” with respect to a school district to mean the percentage change in the ADA of the school district from the preceding fiscal year.

For fiscal years beginning on or after July 1, 1990, the appropriations limit of each entity of government shall be the appropriations limit for the 1986-87 fiscal year adjusted for the changes made from that fiscal year pursuant to the provisions of Article XIII B, as amended.

The appropriations of an entity of local government subject to Article XIII B limitations include the proceeds of taxes levied by or for that entity and the proceeds of certain state subventions to that entity. “Proceeds of taxes” include, but are not limited to, all tax revenues and the proceeds to the entity from (a) regulatory licenses, user charges and user fees (but only to the extent that these proceeds exceed the reasonable costs in providing the regulation, product or service), and (b) the investment of tax revenues.

Appropriations subject to limitation do not include (a) refunds of taxes, (b) appropriations for debt service such as the Bonds, (c) appropriations required to comply with certain mandates of the courts or the federal government, (d) appropriations of certain special districts, (e) appropriations for all qualified capital outlay projects as defined by the State Legislature, (f) appropriations derived from certain fuel and vehicle taxes and (g) appropriations derived from certain taxes on tobacco products.

Article XIII B includes a requirement that all revenues received by an entity of government other than the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be returned by a revision of tax rates or fee schedules within the next two subsequent fiscal years.

Article XIII B also includes a requirement that 50% of all revenues received by the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be transferred and allocated to the State School Fund pursuant to Section 8.5 of Article XVI of the State Constitution. See “— Propositions 98 and 111” herein.

Article XIII C and Article XIII D of the California Constitution

On November 5, 1996, the voters of the State approved Proposition 218, popularly known as the “Right to Vote on Taxes Act.” Proposition 218 added to the State Constitution Articles XIII C and XIII D (respectively, “Article XIII C” and “Article XIII D”), which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

According to the “Title and Summary” of Proposition 218 prepared by the State Attorney General, Proposition 218 limits “the authority of local governments to impose taxes and property-related assessments, fees and charges.” Among other things, Article XIII C establishes that every tax is either a “general tax” (imposed for general governmental purposes) or a “special tax” (imposed for specific purposes), prohibits special purpose government agencies such as school districts from levying general taxes, and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds vote; and also provides that the initiative power will not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Article XIII C further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIII A of the State Constitution and special taxes approved by a two-thirds vote under Article XIII A, Section 4. Article XIII D deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIII C or XIII D will be

construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

The District does not impose any taxes, assessments, or property-related fees or charges which are subject to the provisions of Proposition 218. It does, however, receive a portion of the basic 1% *ad valorem* property tax levied and collected by the County pursuant to Article XIII A of the State Constitution. The provisions of Proposition 218 may have an indirect effect on the District, such as by limiting or reducing the revenues otherwise available to other local governments whose boundaries encompass property located within the District thereby causing such local governments to reduce service levels and possibly adversely affecting the value of property within the District.

Proposition 26

On November 2, 2010, voters in the State approved Proposition 26. Proposition 26 amends Article XIII C of the State Constitution to expand the definition of “tax” to include “any levy, charge, or exaction of any kind imposed by a local government” except the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIII D. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor’s burdens on, or benefits received from, the governmental activity.

Propositions 98 and 111

On November 8, 1988, voters of the State approved Proposition 98, a combined initiative constitutional amendment and statute called the “Classroom Instructional Improvement and Accountability Act” (the “Accountability Act”). Certain provisions of the Accountability Act have, however, been modified by Proposition 111, discussed below, the provisions of which became effective on July 1, 1990. The Accountability Act changed State funding of public education below the university level and the operation of the State’s appropriations limit. The Accountability Act guarantees State funding for K-12 school districts and community college districts (hereinafter referred to collectively as “K-14 school districts”) at a level equal to the greater of (a) the same percentage of the State general fund revenues as the percentage appropriated to such districts in the 1986-87 fiscal year, and (b) the amount actually appropriated to such districts from the State general fund in the previous fiscal year, adjusted for increases in enrollment and changes in the cost of living. The Accountability Act permits the State Legislature to suspend this formula for a one-year period.

The Accountability Act also changed how tax revenues in excess of the State appropriations limit are distributed. Any excess State tax revenues up to a specified amount are, instead of being returned to taxpayers, is transferred to K-14 school districts. Any such transfer to K-14 school districts is excluded

from the appropriations limit for K-14 school districts and the K-14 school district appropriations limit for the next year is automatically increased by the amount of such transfer. These additional moneys enter the base funding calculation for K-14 school districts for subsequent years, creating further pressure on other portions of the State budget, particularly if revenues decline in a year following an Article XIII B surplus. The maximum amount of excess tax revenues which can be transferred to K-14 school districts is 4% of the minimum State spending for education mandated by the Accountability Act.

Since the Accountability Act is unclear in some details, there can be no assurances that the State Legislature or a court might not interpret the Accountability Act to require a different percentage of State general fund revenues to be allocated to K-14 school districts, or to apply the relevant percentage to the State's budgets in a different way than is proposed in the State budget.

On June 5, 1990, the voters of the State approved Proposition 111 (Senate Constitutional Amendment No. 1) called the "Traffic Congestion Relief and Spending Limitation Act of 1990" ("Proposition 111") which further modified Article XIII B and Sections 8 and 8.5 of Article XVI of the State Constitution with respect to appropriations limitations and school funding priority and allocation.

The most significant provisions of Proposition 111 are summarized as follows:

- a. Annual Adjustments to Spending Limit. The annual adjustments to the Article XIII B spending limit were liberalized to be more closely linked to the rate of economic growth. Instead of being tied to the Consumer Price Index, the "change in the cost of living" is now measured by the change in State per capita personal income. The definition of "change in population" specifies that a portion of the State's spending limit is to be adjusted to reflect changes in school attendance.
- b. Treatment of Excess Tax Revenues. "Excess" tax revenues with respect to Article XIII B are now determined based on a two-year cycle, so that the State can avoid having to return to taxpayers excess tax revenues in one year if its appropriations in the next fiscal year are under its limit. In addition, the Proposition 98 provision regarding excess tax revenues was modified. After any two-year period, if there are excess State tax revenues, 50% of the excess are to be transferred to K-14 school districts with the balance returned to taxpayers; under prior law, 100% of excess State tax revenues went to K-14 school districts, but only up to a maximum of 4% of the minimum funding level for such districts. Also, reversing prior law, any excess State tax revenues transferred to K-14 school districts are not built into K-14 school districts' base expenditures for calculating their entitlement for State aid in the next year, and the State's appropriations limit is not to be increased by this amount.
- c. Exclusions from Spending Limit. Two exceptions were added to the calculation of appropriations which are subject to the Article XIII B spending limit. First, there are excluded all appropriations for "qualified capital outlay projects" as defined by the State Legislature. Second, there are excluded any increases in gasoline taxes above the 1990 level (then nine cents per gallon), sales and use taxes on such increment in gasoline taxes, and increases in receipts from vehicle weight fees above the levels in effect on January 1, 1990. These latter provisions were necessary to make effective the transportation funding package approved by the State Legislature and the Governor, which was expected to raise over \$15 billion in additional taxes from 1990 through 2000 to fund transportation programs.

- d. Recalculation of Appropriations Limit. The Article XIII B appropriations limit for each unit of government, including the State, is to be recalculated beginning in fiscal year 1990-91. It is based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Proposition 111 had been in effect.
- e. School Funding Guarantee. There is a complex adjustment in the formula enacted in Proposition 98 which guarantees K-14 school districts a certain amount of State general fund revenues. Under prior law, K-14 school districts were guaranteed the greater of (1) 40.9% of State general fund revenues ("Test 1") or (2) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIII B by reference to per capita personal income) and enrollment ("Test 2"). Under Proposition 111, schools will receive the greater of (1) Test 1, (2) Test 2, or (3) a third test ("Test 3"), which will replace Test 2 in any year when growth in per capita State general fund revenues from the prior year is less than the annual growth in the State per capita personal income. Under Test 3, K-14 school districts will receive the amount appropriated in the prior year adjusted for change in enrollment and per capita State general fund revenues, plus an additional small adjustment factor. If Test 3 is used in any year, the difference between Test 3 and Test 2 will become a "credit" to schools which will be paid in future years when State general fund revenue growth exceeds personal income growth.

Proposition 39

On November 7, 2000, State voters approved an amendment (commonly known as Proposition 39) to the State Constitution. This amendment (1) allows school facilities bond measures to be approved by 55% (rather than two-thirds) of the voters in local elections and permits property taxes to exceed the current 1% limit in order to repay the bonds and (2) changes existing statutory law regarding charter school facilities. As adopted, the constitutional amendments may be changed only with another statewide vote of the people. The statutory provisions could be changed by a majority vote of both houses of the State Legislature and approval by the Governor, but only to further the purposes of the proposition. The local school jurisdictions affected by this proposition are K-12 school districts, including the District, community college districts, and county offices of education. As noted above, the State Constitution previously limited property taxes to 1% of the value of property. Prior to the approval of Proposition 39, property taxes could only exceed this limit to pay for (1) any local government debts approved by the voters prior to July 1, 1978 or (2) bonds to acquire or improve real property that receive two-thirds voter approval after July 1, 1978.

The 55% vote requirement authorized by Proposition 39 applies only if the local bond measure presented to the voters includes: (1) a requirement that the bond funds can be used only for construction, rehabilitation, equipping of school facilities, or the acquisition or lease of real property for school facilities; (2) a specific list of school projects to be funded and certification that the school board has evaluated safety, class size reduction, and information technology needs in developing the list; and (3) a requirement that the school board conduct annual, independent financial and performance audits until all bond funds have been spent to ensure that the bond funds have been used only for the projects listed in the measure. Legislation approved in June 2000 placed certain limitations on local school bonds to be approved by 55% of the voters. These provisions require that the tax rate projected to be levied as the result of any single election be no more than \$60 (for a unified school district), \$30 (for a high school or elementary school district, such as the District), or \$25 (for a community college district) per \$100,000 of taxable property value, when assessed valuation is projected to increase in accordance with Article XIII A of the State Constitution. These requirements are not part of Proposition 39 and can be changed with a

majority vote of both houses of the State Legislature and approval by the Governor. See “– Article XIII A of the California Constitution” herein.

Proposition 1A and Proposition 22

On November 2, 2004, State voters approved Proposition 1A, which amends the State Constitution to significantly reduce the State’s authority over major local government revenue sources. Under Proposition 1A, the State cannot (i) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes, (ii) shift property taxes from local governments to schools or community colleges, (iii) change how property tax revenues are shared among local governments without two-third approval of both houses of the State Legislature or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding. Proposition 1A does allow the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also amends the State Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their costs to comply with the mandates. This provision does not apply to mandates relating to schools or community colleges or to those mandates relating to employee rights.

Proposition 22, The Local Taxpayer, Public Safety, and Transportation Protection Act, approved by the voters of the State on November 2, 2010, prohibits the State from enacting new laws that require redevelopment agencies to shift funds to schools or other agencies and eliminates the State’s authority to shift property taxes temporarily during a severe financial hardship of the State. In addition, Proposition 22 restricts the State’s authority to use State fuel tax revenues to pay debt service on state transportation bonds, to borrow or change the distribution of state fuel tax revenues, and to use vehicle license fee revenues to reimburse local governments for state mandated costs. Proposition 22 impacts resources in the State’s general fund and transportation funds, the State’s main funding source for schools and community colleges, as well as universities, prisons and health and social services programs. According to an analysis of Proposition 22 submitted by the Legislative Analyst’s Office (the “LAO”) on July 15, 2010, the expected reduction in resources available for the State to spend on these other programs as a consequence of the passage of Proposition 22 was projected to be approximately \$1 billion in fiscal year 2010-11, with an estimated immediate fiscal effect equal to approximately 1% of the State’s total general fund spending. The longer-term effect of Proposition 22, according to the LAO analysis, was expected to be an increase in the State’s general fund costs by approximately \$1 billion annually for several decades. See also “DISTRICT FINANCIAL INFORMATION – State Dissolution of Redevelopment Agencies” herein.

Jarvis vs. Connell

On May 29, 2002, the State Court of Appeal for the Second District decided the case of *Howard Jarvis Taxpayers Association, et al. v. Kathleen Connell* (as Controller of the State). The Court of Appeal held that either a final budget bill, an emergency appropriation, a self-executing authorization pursuant to state statutes (such as continuing appropriations) or the State Constitution or a federal mandate is necessary for the State Controller to disburse funds. The foregoing requirement could apply to amounts budgeted by the District as being received from the State. To the extent the holding in such case would apply to State payments reflected in the District’s budget, the requirement that there be either a final budget bill or an emergency appropriation may result in the delay of such payments to the District if such required legislative action is delayed, unless the payments are self-executing authorizations or are subject to a federal mandate. On May 1, 2003, the State Supreme Court upheld the holding of the Court of Appeal, stating that the Controller is not authorized under State law to disburse funds prior to the enactment of a budget or other proper appropriation, but under federal law, the Controller is required, notwithstanding a budget impasse and the limitations imposed by State law, to timely pay those State

employees who are subject to the minimum wage and overtime compensation provisions of the federal Fair Labor Standards Act.

Propositions 30 and 55

On November 6, 2012, voters of the State approved the Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment (also known as “Proposition 30”), which temporarily increased the State Sales and Use Tax and personal income tax rates on higher incomes. For personal income taxes imposed beginning in the taxable year commencing January 1, 2012 and ending December 31, 2018, Proposition 30 increases the marginal personal income tax rate by: (i) 1% for taxable income over \$250,000 but less than \$300,001 for single filers (over \$500,000 but less than \$600,001 for joint filers and over \$340,000 but less than \$408,001 for head-of-household filers), (ii) 2% for taxable income over \$300,000 but less than \$500,001 for single filers (over \$600,000 but less than \$1,000,001 for joint filers and over \$408,000 but less than \$680,001 for head-of-household filers), and (iii) 3% for taxable income over \$500,000 for single filers (over \$1,000,000 for joint filers and over \$680,000 for head-of-household filers).

The California Children’s Education and Health Care Protection Act of 2016 (also known as “Proposition 55”) is a constitutional amendment approved by the voters of the State on November 4, 2014. Proposition 55 extends the increases to personal income tax rates for high-income taxpayers that were approved as part of Proposition 30 through 2030. Proposition 55 did not extend the temporary State Sales and Use Tax rate increase enacted under Proposition 30, which expired as of January 1, 2017.

The revenues generated from the personal income tax increases will be included in the calculation of the Proposition 98 Minimum Funding Guarantee (defined herein) for school districts and community college districts. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Propositions 98 and 111” herein. From an accounting perspective, the revenues generated from the personal income tax increases are being deposited into the State account created pursuant to Proposition 30 called the Education Protection Account (the “EPA”). Pursuant to Proposition 30, funds in the EPA will be allocated quarterly, with 89% of such funds provided to school districts and 11% provided to community college districts. The funds will be distributed to school districts and community college districts in the same manner as existing unrestricted per-student funding, except that no school district will receive less than \$200 per unit of ADA and no community college district will receive less than \$100 per full time equivalent student. The governing board of each school district and community college district is granted sole authority to determine how the moneys received from the EPA are spent, provided that the appropriate governing board is required to make these spending determinations in open session at a public meeting and such local governing board is prohibited from using any funds from the EPA for salaries or benefits of administrators or any other administrative costs.

Proposition 2

On November 4, 2014, voters approved the Rainy Day Budget Stabilization Fund Act (also known as “Proposition 2”). Proposition 2 is a legislatively-referred constitutional amendment which makes certain changes to State budgeting practices, including substantially revising the conditions under which transfers are made to and from the State’s Budget Stabilization Account (the “BSA”) established by the California Balanced Budget Act of 2004 (also known as Proposition 58).

Under Proposition 2, and beginning in fiscal year 2015-16 and each fiscal year thereafter, the State will generally be required to annually transfer to the BSA an amount equal to 1.5% of estimated State general fund revenues (the “Annual BSA Transfer”). Supplemental transfers to the BSA (a

“Supplemental BSA Transfer”) are also required in any fiscal year in which the estimated State general fund revenues that are allocable to capital gains taxes exceed 8% of the total estimated general fund tax revenues. Such excess capital gains taxes—net of any portion thereof owed to K-14 school districts pursuant to Proposition 98—will be transferred to the BSA. Proposition 2 also increases the maximum size of the BSA to an amount equal to 10% of estimated State general fund revenues for any given fiscal year. In any fiscal year in which a required transfer to the BSA would result in an amount in excess of the 10% threshold, Proposition 2 requires such excess to be expended on State infrastructure, including deferred maintenance.

For the first 15-year period ending with the 2029-30 fiscal year, Proposition 2 provides that half of any required transfer to the BSA, either annual or supplemental, must be appropriated to reduce certain State liabilities, including making certain payments owed to K-14 school districts, repaying State interfund borrowing, reimbursing local governments for State mandated services, and reducing or prefunding accrued liabilities associated with State-level pension and retirement benefits. Following the initial 15-year period, the Governor and the State Legislature are given discretion to apply up to half of any required transfer to the BSA to the reduction of such State liabilities. Any amount not applied towards such reduction must be transferred to the BSA or applied to infrastructure, as described above.

Proposition 2 changes the conditions under which the Governor and the State Legislature may draw upon or reduce transfers to the BSA. The Governor does not retain unilateral discretion to suspend transfers to the BSA, nor does the State Legislature retain discretion to transfer funds from the BSA for any reason, as previously provided by law. Rather, the Governor must declare a “budget emergency,” defined as an emergency within the meaning of Article XIII B of the State Constitution or a determination that estimated resources are inadequate to fund State general fund expenditures, for the current or ensuing fiscal year, at a level equal to the highest level of State spending within the three immediately preceding fiscal years. Any such declaration must be followed by a legislative bill providing for a reduction or transfer. Draws on the BSA are limited to the amount necessary to address the budget emergency, and no draw in any fiscal year may exceed 50% of the funds on deposit in the BSA unless a budget emergency was declared in the preceding fiscal year.

Proposition 2 also requires the creation of the Public School System Stabilization Account (the “PSSSA”) into which transfers will be made in any fiscal year in which a Supplemental BSA Transfer is required (as described above). Such transfer will be equal to the portion of capital gains taxes above the 8% threshold that would otherwise be paid to K-14 school districts as part of the minimum funding guarantee. A transfer to the PSSSA will only be made if certain additional conditions are met, as follows: (i) the minimum funding guarantee was not suspended in the immediately preceding fiscal year, (ii) the operative Proposition 98 formula for the fiscal year in which a PSSSA transfer might be made is “Test 1,” (iii) no maintenance factor obligation is being created in the budgetary legislation for the fiscal year in which a PSSSA transfer might be made, (iv) all prior maintenance factor obligations have been fully repaid, and (v) the minimum funding guarantee for the fiscal year in which a PSSSA transfer might be made is higher than the immediately preceding fiscal year, as adjusted for ADA growth and cost of living. Proposition 2 caps the size of the PSSSA at 10% of the estimated minimum guarantee in any fiscal year, and any excess funds must be paid to K-14 school districts. Reductions to any required transfer to the PSSSA, or draws on the PSSSA, are subject to the same budget emergency requirements described above. However, Proposition 2 also mandates draws on the PSSSA in any fiscal year in which the estimated minimum funding guarantee is less than the prior year’s funding level, as adjusted for ADA growth and cost of living.

Proposition 51

The Kindergarten Through Community College Public Education Facilities Bond Act of 2016 (also known as Proposition 51) is a voter initiative that was approved by voters on November 4, 2014. Proposition 51 authorizes the sale and issuance of \$9 billion in general obligation bonds for the new construction and modernization of K-14 facilities.

K-12 School Facilities. Proposition 51 includes \$3 billion for the new construction of K-12 facilities and an additional \$3 billion for the modernization of existing K-12 facilities. K-12 school districts will be required to pay for 50% of the new construction costs and 40% of the modernization costs with local revenues. If a school districts lack sufficient local funding, it may apply for additional state grant funding, up to 100% of the project costs. In addition, a total of \$1 billion will be available for the modernization and new construction of charter school (\$500 million) and technical education (\$500 million) facilities. Generally, 50% of modernization and new construction project costs for charter school and technical education facilities must come from local revenues. However, schools that cannot cover their local share for these two types of projects may apply for state loans. State loans must be repaid over a maximum of 30 years for charter school facilities and 15 years for career technical education facilities. For career technical education facilities, state grants are capped at \$3 million for a new facility and \$1.5 million for a modernized facility. Charter schools must be deemed financially sound before project approval.

Community College Facilities. Proposition 51 includes \$2 billion for community college district facility projects, including buying land, constructing new buildings, modernizing existing buildings, and purchasing equipment. In order to receive funding, community college districts must submit project proposals to the Chancellor of the community college system, who then decides which projects to submit to the Legislature and Governor based on a scoring system that factors in the amount of local funds contributed to the project. The Governor and Legislature will select among eligible projects as part of the annual state budget process.

The District makes no guarantees that it will either pursue or qualify for Proposition 51 state facilities funding.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C and Article XIII D of the California Constitution and Propositions 22, 26, 30, 39, 98, 55 and 51 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted further affecting District revenues or the District's ability to expend revenues. The nature and impact of these measures cannot be anticipated by the District.

DISTRICT FINANCIAL INFORMATION

The information in this section concerning the District's general fund finances is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of or interest on the Bonds is payable from the general fund of the District. The Bonds are payable solely from the proceeds of an ad valorem property tax required to be levied by the County on taxable property within the District in an amount sufficient for the payment thereof. See "THE BONDS – Security and Sources of Payment" herein.

State Funding of Education

School district revenues consist primarily of guaranteed State moneys, local property taxes and funds received from the State in the form of categorical aid under ongoing programs of local assistance. All State aid is subject to the appropriation of funds in the State's annual budget. However, because the District is a "basic aid" school district, State appropriations are less significant in determining the District's primary funding sources. See "– Basic Aid" herein.

Revenue Limit Funding. Previously, school districts operated under general purpose revenue limits established by the State Department of Education. In general, revenue limits were calculated for each school district by multiplying the ADA for such district by a base revenue limit per unit of ADA. Revenue limit calculations were subject to adjustment in accordance with a number of factors designed to provide cost of living adjustments ("COLAs") and to equalize revenues among school districts of the same type. Funding of a school district's revenue limit was provided by a mix of local property taxes and State apportionments of basic and equalization aid. Since fiscal year 2013-14, school districts have been funded based on a uniform system of funding grants assigned to certain grade spans. See "— Local Control Funding Formula" herein.

The following table reflects the District's historical ADA and the revenue limit rates per unit of ADA for fiscal years 2007-08 through 2012-13.

AVERAGE DAILY ATTENDANCE AND REVENUE LIMIT Fiscal Years 2007-08 through 2012-13 Carpinteria Unified School District

<u>Fiscal Year</u>	<u>Average Daily Attendance⁽¹⁾</u>	<u>Change</u>	<u>Base Revenue Limit Per ADA⁽²⁾</u>	<u>Deficit Revenue Limit Per ADA⁽²⁾</u>
2007-08 ⁽³⁾	2,422.92	--	\$5,786	\$5,786
2008-09	2,337.63	(85.29)	6,115	5,635
2009-10	2,222.71	(114.92)	6,377	5,207
2010-11	2,209.36	(13.35)	6,365	5,222
2011-12	2,238.12	28.76	6,495	5,157
2012-13	2,192.96	(45.16)	6,707	5,213

Note: All numbers are rounded to the nearest whole.

⁽¹⁾ Reflects ADA as of the second principal reporting period ("P-2 ADA"), which ends on or before the last attendance month prior to April 15 of each school year. An attendance month is equal to each four-week period of instruction beginning with the first day of school for a particular school district.

⁽²⁾ Deficit revenue limit funding, when provided for in State budgetary legislation, reduced the revenue limit allocations received by school districts by applying a deficit factor to the base revenue limit for the given fiscal year, and resulted from an insufficiency of appropriation funds in the State budget to provide for State aid owed to school districts. The State's practice of deficit revenue limit funding was most recently reinstated beginning in fiscal year 2008-09, and discontinued following the implementation of the LCFF (as defined herein).

⁽³⁾ The District became a basic aid district in fiscal year 2007-08. See "– Basic Aid" herein.

Source: Carpinteria Unified School District.

Local Control Funding Formula. State Assembly Bill 97 (Stats. 2013, Chapter 47) (“AB 97”), enacted as part of the fiscal year 2013-14 State budget, established a new system for funding school districts, charter schools and county offices of education. Certain provisions of AB 97 were amended and clarified by Senate Bill 91 (Stats. 2013, Chapter 49) (“SB 91”).

The primary component of AB 97, as amended by SB 91, was the implementation of the Local Control Funding Formula (“LCFF”), which replaced the revenue limit funding system for determining State apportionments, as well as the majority of State categorical program funding. State allocations are provided on the basis of target base funding grants per unit of ADA (a “Base Grant”) assigned to each of four grade spans. Each Base Grant is subject to certain adjustments and add-ons, as discussed below. Full implementation of the LCFF is expected to occur over a period of several fiscal years. Beginning in fiscal year 2013-14, an annual transition adjustment is required to be calculated for each school district, equal to such district’s proportionate share of appropriations included in the State budget to close the gap between the prior-year funding level and the target allocation following full implementation of the LCFF. In each year, school districts will have the same proportion of their respective funding gaps closed, with dollar amounts varying depending on the size of a district’s funding gap.

The Base Grants per unit of ADA for each grade span are as follows: (i) \$6,845 for grades K-3; (ii) \$6,947 for grades 4-6; (iii) \$7,154 for grades 7-8; and (iv) \$8,289 for grades 9-12. Beginning in fiscal year 2013-14, and in each subsequent year, the Base Grants are to be adjusted for COLAs by applying the implicit price deflator for government goods and services. Following full implementation of the LCFF, the provision of COLAs will be subject to appropriation for such adjustment in the annual State budget. The differences among Base Grants are linked to differentials in statewide average revenue limit rates by district type, and are intended to recognize the generally higher costs of education at higher grade levels. See “—State Budget Measures” herein for information on the adjusted Base Grants provided by current State budgetary legislation.

The Base Grants for grades K-3 and 9-12 are subject to adjustments of 10.4% and 2.6%, respectively, to cover the costs of class size reduction in early grades and the provision of career technical education in high schools. Following full implementation of the LCFF, and unless otherwise collectively bargained for, school districts serving students in grades K-3 must maintain an average class enrollment of 24 or fewer students in grades K-3 at each school site in order to continue receiving the adjustment to the K-3 Base Grant. Such school districts must also make progress towards this class size reduction goal in proportion to the growth in their funding over the implementation period. Additional add-ons are also provided to school districts that received categorical block grant funding pursuant to the Targeted Instructional Improvement and Home-to-School Transportation programs during fiscal year 2012-13.

School districts that serve students of limited English proficiency (“EL” students), students from low income families who are eligible for free or reduced priced meals (“LI” students) and foster youth are eligible to receive additional funding grants. Enrollment counts are unduplicated, such that students may not be counted as both EL and LI (foster youth automatically meet the eligibility requirements for free or reduced priced meals, and are therefore not discussed separately herein). A supplemental grant add-on (each, a “Supplemental Grant”) is authorized for school districts that serve EL/LI students, equal to 20% of the applicable Base Grant multiplied by such district’s percentage of unduplicated EL/LI student enrollment. School districts whose EL/LI populations exceed 55% of their total enrollment are eligible for a concentration grant add-on (each, a “Concentration Grant”) equal to 50% of the applicable Base Grant multiplied by the percentage of such district’s unduplicated EL/LI student enrollment in excess of the 55% threshold.

The following table shows a breakdown of the District's ADA by grade span, total enrollment, and the percentage of EL/LI student enrollment, for fiscal years 2013-14 through 2018-19.

ADA, ENROLLMENT AND EL/LI ENROLLMENT PERCENTAGE
Fiscal Years 2013-14 through 2018-19
Carpinteria Unified School District

Fiscal Year	Average Daily Attendance⁽¹⁾					Enrollment⁽²⁾	
	<u>K-3</u>	<u>4-6</u>	<u>7-8</u>	<u>9-12</u>	<u>Total ADA</u>	<u>Total Enrollment</u>	<u>% of EL/LI Enrollment</u>
2013-14	710.05	487.34	301.95	681.78	2,181.12	2,286	68.9%
2014-15	674.59	502.75	318.55	664.09	2,159.98	2,239	67.6
2015-16	672.82	517.58	308.02	640.26	2,138.68	2,227	67.8
2016-17	694.53	512.53	317.39	624.87	2,149.32	2,269	65.0
2017-18	670.66	486.24	320.59	611.21	2,088.70	2,205	63.2
2018-19	657.22	462.14	317.25	625.02	2,061.63	2,179	63.2

⁽¹⁾ Reflects P-2 ADA, which ends on or before the last attendance month prior to April 15 of each school year. An attendance month is equal to each four-week period of instruction beginning with the first day of school for a particular school district.

⁽²⁾ For fiscal years 2013-14 through 2018-19, reflects certified enrollment as of the fall census day (the first Wednesday in October), which is reported to the California Longitudinal Pupil Achievement Data System ("CALPADS") in each school year and is used to calculate each school district's unduplicated EL/LI student enrollment. Adjustments may be made to the certified EL/LI counts by the State Department of Education. For purposes of calculating Supplemental and Concentration Grants, a school district's fiscal year 2013-14 percentage of unduplicated EL/LI students is expressed solely as a percentage of its total fiscal year 2013-14 enrollment. For fiscal year 2014-15, the percentage of unduplicated EL/LI enrollment is based on the two-year average of EL/LI enrollment in fiscal years 2013-14 and 2014-15. Beginning in fiscal year 2015-16, a school district's percentage of unduplicated EL/LI students will be based on a rolling average of such district's EL/LI enrollment for the then-current fiscal year and the two immediately preceding fiscal years.

Source: *Carpinteria Unified School District.*

For certain school districts that would have received greater funding levels under the prior revenue limit system, the LCFF provides for a permanent economic recovery target ("ERT") add-on, equal to the difference between the revenue limit allocations such districts would have received under the prior system in fiscal year 2020-21, and the target LCFF allocations owed to such districts in the same year. To derive the projected funding levels, the LCFF assumes the discontinuance of deficit revenue limit funding, implementation of a 1.94% COLA in fiscal years 2014-15 through 2020-21, and restoration of categorical funding to pre-recession levels. The ERT add-on will be paid incrementally over the LCFF implementation period. The District does not qualify for the ERT add-on.

The sum of a school district's adjusted Base, Supplemental and Concentration Grants will be multiplied by such district's P-2 ADA for the current or prior year, whichever is greater (with certain adjustments applicable to small school districts). This funding amount, together with any applicable ERT or categorical block grant add-ons, will yield a district's total LCFF allocation. Generally, the amount of annual State apportionments received by a school district will amount to the difference between such total LCFF allocation and such district's share of applicable local property taxes. Most school districts receive a significant portion of their funding from such State apportionments. As a result, decreases in State revenues may significantly affect appropriations made by the State Legislature to school districts.

Basic Aid. Certain schools districts, including the District, known as community supported or "basic aid" districts, have allocable local property tax collections that equal or exceed such districts' total LCFF allocation, and result in the receipt of no State apportionment aid. Basic aid school districts receive only special categorical funding, which is deemed to satisfy the "basic aid" requirement of \$120 per student per year guaranteed by Article IX, Section 6 of the State Constitution. The implication for basic

aid districts is that the legislatively determined allocations to school districts, and other politically determined factors, are less significant in determining their primary funding sources. Rather, property tax growth and the local economy are the primary determinants.

The District has qualified as a basic aid district since fiscal year 2007-08. For fiscal year 2017-18, the District's local property tax receipts exceeded the District's total LCFF allocation by approximately \$2,689,610, and the District has budgeted that its tax receipts will exceed its total LCFF allocation by approximately \$2,450,110 in fiscal year 2018-19. The District expects to remain a basic aid District according to current projections.

Accountability. Regulations adopted by the State Board of Education require that school districts increase or improve services for EL/LI students in proportion to the increase in funds apportioned to such districts on the basis of the number and concentration of such EL/LI students, and detail the conditions under which school districts can use supplemental or concentration funding on a school-wide or district-wide basis.

School districts are also required to adopt local control and accountability plans ("LCAPs") disclosing annual goals for all students, as well as certain numerically significant student subgroups, to be achieved in eight areas of State priority identified by the LCFF. LCAPs may also specify additional local priorities. LCAPs must specify the actions to be taken to achieve each goal, including actions to correct identified deficiencies with regard to areas of State priority. LCAPs are required to be adopted every three years, beginning in fiscal year 2014-15, and updated annually thereafter. The State Board of Education has developed and adopted a template LCAP for use by school districts.

Support and Intervention. AB 97, as amended by SB 91, establishes a new system of support and intervention to assist school districts in meeting the performance expectations outlined in their respective LCAPs. School districts must adopt their LCAPs (or annual updates thereto) in tandem with their annual operating budgets, and not later than five days thereafter submit such LCAPs or updates to their respective county superintendents of schools. On or before August 15 of each year, a county superintendent may seek clarification regarding the contents of a district's LCAP (or annual update thereto), and the district is required to respond to such a request within 15 days. Within 15 days of receiving such a response, the county superintendent can submit non-binding recommendations for amending the LCAP or annual update, and such recommendations must be considered by the respective school district at a public hearing within 15 days. A district's LCAP or annual update must be approved by the county superintendent by October 8 of each year if the superintendent determines that (i) the LCAP or annual update adheres to the State template, and (ii) the district's budgeted expenditures are sufficient to implement the actions and strategies outlined in the LCAP.

A school district is required to receive additional support if its respective LCAP or annual update thereto is not approved, if the district requests technical assistance from its applicable county superintendent, or if the district does not improve student achievement across more than one State priority for one or more student subgroups. Such support can include a review of a district's strengths and weaknesses in the eight State priority areas, or the assignment of an academic expert to assist the district with identifying and implementing programs designed to improve outcomes. Assistance may be provided by the California Collaborative for Educational Excellence, a state agency created by the LCFF and charged with assisting school districts with achieving the goals set forth in their LCAPs. The State Board of Education has developed rubrics to assess school district performance and the need for support and intervention.

The State Superintendent of Public Instruction (the "State Superintendent") is further authorized, with the approval of the State Board of Education, to intervene in the management of persistently

underperforming school districts. The State Superintendent may intervene directly or assign an academic trustee to act on his or her behalf. In so doing, the State Superintendent is authorized to (i) modify a district's LCAP, (ii) impose budget revisions designed to improve student outcomes, and (iii) stay or rescind actions of the local governing board that would prevent such district from improving student outcomes; provided, however, that the State Superintendent is not authorized to rescind an action required by a local collective bargaining agreement.

Other State Sources. In addition to State allocations determined pursuant to the LCFF, the District receives other State revenues consisting primarily of restricted revenues designed to implement State mandated programs. Beginning in fiscal year 2013-14, categorical spending restrictions associated with a majority of State mandated programs were eliminated, and funding for these programs was folded into the LCFF. Categorical funding for certain programs was excluded from the LCFF, and school districts will continue to receive restricted State revenues to fund these programs.

Other Revenue Sources

Federal and Local Sources. The federal government provides funding for several of the District's programs, including special education programs, programs under the Every Student Succeeds Act, and specialized programs such as Drug Free Schools, Innovative Strategies, and Vocational & Applied Technology. In addition, school districts may receive additional local revenues beyond local property tax collections, such as from leases and rentals, interest earnings, interagency services, developer fees, redevelopment revenues, and other local sources.

Carpinteria Education Foundation. The Carpinteria Education Foundation (the "Foundation") is an independent 501(c)(3) non-profit organization founded in 1993 that provides financial assistance and support to the District. Under Governmental Accounting Standards Board ("GASB") rules, the Foundation is not a component unit of the District for financial reporting purposes. For fiscal years ending 2016-17 and 2017-18 the Foundation contributed \$47,568.59 and \$35,457.00, respectively, to the District. The District has budgeted that the Foundation will contribute approximately \$35,319.00 to the District in fiscal year 2018-19.

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Developer Fees. The District maintains a fund, separate and apart from its general fund, for the collection of developer fees on residential and commercial development pursuant to Government Code Section 65995 (“Developer Fees”). The following table of developer fee revenues reflects the collection of fees from fiscal year 2009-10 through 2016-17, an estimated amount for fiscal year 2017-18, and a budgeted amount for fiscal year 2018-19.

DEVELOPER FEES
Fiscal Years 2009-10 through 2018-19
Carpinteria Unified School District

<u>Year</u>	<u>Total Revenues</u>
2009-10	\$144,000
2010-11	93,000
2011-12	225,000
2012-13	275,100
2013-14	92,800
2014-15	92,809
2015-16	57,357
2016-17	63,336
2017-18 ⁽¹⁾	75,957
2018-19 ⁽²⁾	60,000

⁽¹⁾ Estimated.

⁽²⁾ Budgeted.

Source: *Carpinteria Unified School District.*

State Dissolution of Redevelopment Agencies

On December 30, 2011, the State Supreme Court issued its decision in the case of *California Redevelopment Association v. Matosantos* (“*Matosantos*”), finding ABX1 26, a trailer bill to the 2011-12 State budget, to be constitutional. As a result, all redevelopment agencies in the State ceased to exist as a matter of law on February 1, 2012. The Court in *Matosantos* also found that ABX1 27, a companion bill to ABX1 26, violated the State Constitution, as amended by Proposition 22. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 1A and Proposition 22” herein. ABX1 27 would have permitted redevelopment agencies to continue operations provided their establishing cities or counties agreed to make specified payments to school districts and county offices of education, totaling \$1.7 billion statewide.

ABX1 26 was modified by Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12) (“AB 1484”), which, together with ABx1 26, is referred to herein as the “Dissolution Act.” The Dissolution Act provides that all rights, powers, duties and obligations of a redevelopment agency under the California Community Redevelopment Law that have not been repealed, restricted or revised pursuant to ABx1 26 will be vested in a successor agency, generally the county or city that authorized the creation of the redevelopment agency (each, a “Successor Agency”). All property tax revenues that would have been allocated to a redevelopment agency, less the corresponding county auditor-controller’s cost to administer the allocation of property tax revenues, are now allocated to a corresponding Redevelopment Property Tax Trust Fund (“Trust Fund”), to be used for the payment of pass-through payments to local taxing entities, and thereafter to bonds of the former redevelopment agency and any “enforceable obligations” of the Successor Agency, as well as to pay certain administrative costs. The Dissolution Act defines “enforceable obligations” to include bonds, loans, legally required payments, judgments or settlements, legal binding and enforceable obligations, and certain other obligations.

Among the various types of enforceable obligations, the first priority for payment is tax allocation bonds issued by the former redevelopment agency; second is revenue bonds, which may have been issued by the host city, but only where the tax increment revenues were pledged for repayment and only where other pledged revenues are insufficient to make scheduled debt service payments; third is administrative costs of the Successor Agency, not to exceed \$250,000 in any year, to the extent such costs have been approved in an administrative budget; then, fourth tax revenues in the Trust Fund in excess of such amounts, if any, will be allocated as residual distributions to local taxing entities in the same proportions as other tax revenues. Moreover, all unencumbered cash and other assets of former redevelopment agencies will also be allocated to local taxing entities in the same proportions as tax revenues. Notwithstanding the foregoing portion of this paragraph, the order of payment is subject to modification in the event a Successor Agency timely reports to the State Controller and the State Department of Finance that application of the foregoing will leave the Successor Agency with amounts insufficient to make scheduled payments on enforceable obligations. If the county auditor-controller verifies that the Successor Agency will have insufficient amounts to make scheduled payments on enforceable obligations, it shall report its findings to the State Controller. If the State Controller agrees there are insufficient funds to pay scheduled payments on enforceable obligations, the amount of such deficiency shall be deducted from the amount remaining to be distributed to taxing agencies, as described as the fourth distribution above, then from amounts available to the Successor Agency to defray administrative costs. In addition, if a taxing agency entered into an agreement pursuant to Health and Safety Code Section 33401 for payments from a redevelopment agency under which the payments were to be subordinated to certain obligations of the redevelopment agency, such subordination provisions shall continue to be given effect.

As noted above, the Dissolution Act expressly provides for continuation of pass-through payments to local taxing entities, including the District. Per statute, 100% of contractual and statutory two percent pass-throughs, and 56.7% of statutory pass-throughs authorized under the Community Redevelopment Law Reform Act of 1993 (AB 1290, Chapter 942, Statutes of 1993) (“AB 1290”), are restricted to educational facilities without offset against apportionments by the State. Only 43.3% of AB 1290 pass-throughs are offset against State aid so long as the District uses the moneys received for land acquisition, facility construction, reconstruction, or remodeling, or deferred maintenance as provided under Education Code Section 42238(h).

ABX1 26 states that in the future, pass-throughs shall be made in the amount “which would have been received had the redevelopment agency existed at that time,” and that the County Auditor-Controller shall “determine the amount of property taxes that would have been allocated to each redevelopment agency had the redevelopment agency not been dissolved pursuant to the operation of ABX1 26 using current assessed values and pursuant to statutory [pass-through] formulas and contractual agreements with other taxing agencies.”

Successor Agencies continue to operate until all enforceable obligations have been satisfied and all remaining assets of the Successor Agency have been disposed of. AB 1484 provides that once the debt of the Successor Agency is paid off and remaining assets have been disposed of, the Successor Agency shall terminate its existence and all pass-through payment obligations shall cease.

The District can make no representations as to the extent to which any apportionments from the State may be offset by the future receipt of residual distributions or from unencumbered cash and assets of former redevelopment agencies or any other surplus property tax revenues pursuant to the Dissolution Act.

Budget Process

State Budgeting Requirements. The District is required by provisions of the State Education Code to maintain a balanced budget each year, in which the sum of expenditures and the ending fund balance cannot exceed the sum of revenues and the carry-over fund balance from the previous year. The State Department of Education imposes a uniform budgeting and accounting format for school districts. The budget process for school districts was substantially amended by Assembly Bill 1200 (“AB 1200”), which became State law on October 14, 1991. Portions of AB 1200 are summarized below. Additional amendments to the budget process were made by Assembly Bill 2585, effective as of September 9, 2014, including the elimination of the dual budget cycle option for school districts. All school districts must now be on a single budget cycle.

School districts must adopt a budget on or before July 1 of each year. The budget must be submitted to the county superintendent within five days of adoption or by July 1, whichever occurs first. The county superintendent will examine the adopted budget for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance, and will determine if the budget allows the district to meet its current obligations, if the budget is consistent with a financial plan that will enable the district to meet its multi-year financial commitments, whether the budget includes the expenditures necessary to implement a LCAP, and whether the budget’s ending fund balance exceeds the minimum recommended reserve for economic uncertainties.

On or before September 15, the county superintendent will approve, conditionally approve or disapprove the adopted budget for each school district. Budgets will be disapproved if they fail the above standards. The district board must be notified by September 15 of the county superintendent’s recommendations for revision and reasons for the recommendations. The county superintendent may assign a fiscal advisor or appoint a committee to examine and comment on the superintendent’s recommendations. The committee must report its findings no later than September 20. Any recommendations made by the county superintendent must be made available by the district for public inspection. No later than October 22, the county superintendent must notify the State Superintendent of Public Instruction of all school districts whose budget may be disapproved.

A school district whose budget has been disapproved must revise and readopt its budget by September 8, reflecting changes in projected income and expense since July 1, including responding to the county superintendent’s recommendations. The county superintendent must determine if the budget conforms with the standards and criteria applicable to final school district budgets and not later than November 8, must approve or disapprove the revised budgets. If the budget is disapproved, the county superintendent will call for the formation of a budget review committee pursuant to Education Code Section 42127.1. No later than November 8, the county superintendent must notify the State Superintendent of Public Instruction of all school districts whose budget has been disapproved. Until a school district’s budget is approved, the school district will operate on the lesser of its proposed budget for the current fiscal year or the last budget adopted and reviewed for the prior fiscal year.

Interim Financial Reporting. Under the provisions of AB 1200, each school district is required to file interim certifications with the county office of education as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent two fiscal years. The county office of education reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that will meet its financial obligations for the current fiscal year and subsequent two fiscal years. A negative certification is assigned to any school district that will be unable to meet its financial obligations for the remainder of the current fiscal year or the subsequent fiscal year. A qualified certification is assigned to any school district that may not meet its financial obligations for the current fiscal year or the two subsequent fiscal years.

The District has never had an adopted budget disapproved by the County Superintendent of Schools. For all interim reporting periods, the District has filed and received positive certifications on its interim financial reports.

Budgeting Trends. The table on the following page summarizes the District's general fund adopted budgets for fiscal years 2013-14 through 2018-19, audited ending results for fiscal years 2013-14 through 2016-17, and estimated results for fiscal year 2017-18.

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GENERAL FUND BUDGETING⁽¹⁾
Fiscal Years 2013-14 through 2018-19
Carpinteria Unified School District

	Fiscal Year 2013-14 ⁽²⁾		Fiscal Year 2014-15 ⁽²⁾		Fiscal Year 2015-16 ⁽²⁾		Fiscal Year 2016-17 ⁽²⁾		Fiscal Year 2017-18		Fiscal Year 2018-19
	<u>Budgeted</u>	<u>Audited</u>	<u>Budgeted</u>	<u>Audited</u>	<u>Budgeted</u>	<u>Audited</u>	<u>Budgeted</u>	<u>Audited</u>	<u>Budgeted</u> ⁽³⁾	<u>Unaudited</u> ⁽⁴⁾	<u>Budgeted</u> ⁽⁴⁾
REVENUES											
Local Control Funding Formula ⁽⁵⁾	\$16,185,966	\$19,314,472	\$19,800,329	\$20,269,774	\$20,959,875	\$21,363,514	\$21,576,290	\$22,327,581	\$23,430,470	\$24,028,930	\$24,641,039
Federal Sources	1,248,923	1,077,476	907,763	1,159,410	1,093,021	1,241,984	1,478,948	1,224,994	1,141,832	1,203,605	1,141,832
Other State Sources	3,225,891	1,351,884	817,946	1,154,537	2,087,592	2,842,600	1,775,147	2,576,972	2,194,525	2,534,760	2,880,886
Other Local Sources	<u>1,400,734</u>	<u>1,853,220</u>	<u>1,486,008</u>	<u>1,978,350</u>	<u>1,313,000</u>	<u>1,691,806</u>	<u>664,213</u>	<u>679,065</u>	<u>555,536</u>	<u>1,592,247</u>	<u>448,192</u>
Total Revenues	22,061,514	23,597,052	23,012,046	24,562,071	25,451,472	27,139,904	25,492,581	26,808,612	27,322,363	29,359,542	28,909,950
EXPENDITURES											
Current:											
Certificated Salaries	9,405,346	9,638,646	9,712,204	10,278,417	10,195,526	10,269,299	9,995,897	10,497,336	11,306,050	11,482,626	11,239,575
Classified Salaries	4,128,167	4,375,041	4,477,493	4,785,280	4,878,116	4,985,832	4,628,931	4,829,509	5,037,522	5,198,401	5,005,065
Employee Benefits	5,209,382	5,297,022	5,871,450	6,524,941	6,287,905	6,926,056	7,144,252	7,483,673	7,927,705	8,243,020	8,564,120
Books & Supplies	1,238,499	1,193,881	1,369,976	1,373,897	1,384,815	1,301,905	1,412,020	1,441,493	1,356,407	1,157,757	1,207,842
Services & Operating Expenditures	1,512,537	1,939,774	1,796,106	2,181,691	1,726,824	2,542,553	2,188,798	2,385,263	2,650,044	3,531,276	2,589,511
Other Outgo	--	10,413	--	7,914	--	7,384	--	658	--	--	59,166
Direct Support/Indirect Costs	(59,502)	(60,514)	(65,011)	(5,320)	(5,789)	(1,997)	(4,498)	(5,108)	1	--	--
Capital Outlay	--	35,633	--	24,175	--	351,401	62,000	95,909	--	--	--
Debt Service:											
Principal	--	--	--	--	--	46,147	50,395	66,804	59,166	106,805	--
Interest	--	--	--	--	--	<u>4,247</u>	--	<u>7,590</u>	--	--	--
Total Expenditures	21,434,429	22,429,896	23,162,218	25,170,995	24,467,397	26,432,827	25,477,795	26,803,127	28,336,895	29,719,885	28,665,279
Excess (Deficiency) of Revenues Over Expenditures	627,085	1,167,156	(150,172)	(608,924)	984,075	707,077	14,786	5,485	(1,114,532)	(360,343)	244,670
Other Financing Sources (Uses)											
Transfers In	--	--	--	--	--	--	--	--	--	--	--
Transfers Out	(649,478)	(636,638)	(541,769)	(657,649)	(640,939)	(632,165)	(406,173)	(268,700)	(100,000)	(111,002)	(100,000)
Proceeds from Capital Lease	--	--	--	--	--	<u>322,188</u>	--	<u>77,426</u>	--	--	--
Net Financing Sources (Uses)	(649,478)	(636,638)	(541,769)	(657,649)	(640,939)	(309,977)	(406,173)	(191,274)	(100,000)	(111,002)	(100,000)
Net Change in Fund Balance⁽⁶⁾	(22,393)	530,518	(691,941)	(1,266,573)	343,136	397,100	(391,387)	(185,789)	(1,214,532)	(471,344)	144,670
Fund Balance – Beginning	<u>4,246,331</u>	<u>4,246,331</u>	<u>4,776,849</u>	<u>4,776,849</u>	<u>3,510,276</u>	<u>3,510,276</u>	<u>3,907,376</u>	<u>3,907,376</u>	<u>3,721,588</u>	<u>3,721,588</u>	<u>3,250,243</u>
Fund Balance - Ending	<u>\$4,223,938</u>	<u>\$4,776,849</u>	<u>\$4,084,908</u>	<u>\$3,510,276</u>	<u>\$3,853,412</u>	<u>\$3,907,376</u>	<u>\$3,515,989</u>	<u>\$3,721,587</u>	<u>\$2,607,056</u>	<u>\$3,250,243</u>	<u>\$3,394,913</u>

(1) Reflects combined unrestricted and restricted general fund. All amounts rounded to nearest whole number.

(2) From the District's audited financial statements for fiscal years 2013-14 through 2016-17, respectively. Reflects fund activity for restricted and unrestricted general fund, as well as the Special Reserve Fund for Other Than Capital Outlay Projects, which, pursuant to GASB Statement No. 54, no longer meets the definition of a special revenue fund.

(3) From the District's fiscal year 2017-18 Second Interim Financial Report, Approved by the Board on March 13, 2018.

(4) From the District's fiscal year 2017-18 Unaudited Actuals, approved by the Board on September 11, 2018.

(5) Beginning in fiscal year 2013-14, reflects LCFF sources. See "- State Funding of Education" herein. Combines State apportionment, Education Protection Account funds, and local sources for presentation consistency purposes.

(6) During fiscal year 2016-17 the District entered Impasse with the bargaining unit, ultimately resulting in a 3-year agreement for fiscal years 2015-16, 2016-17 and 2017-18. The settlement was partially paid out in fiscal year 2016-17 and impacts the Net Change in Fund Balance in fiscal years 2015-16 and 2016-17.

Source: *Carpinteria Unified School District.*

Accounting Practices

The accounting practices of the District conform to generally accepted accounting principles in accordance with policies and procedures of the California School Accounting Manual. This manual, according to Section 41010 of the Education Code, is to be followed by all State school districts.

The District's expenditures are accrued at the end of the fiscal year to reflect the receipt of goods and services in that year. Revenues generally are recorded on a cash basis, except for items that are susceptible to accrual (measurable and/or available to finance operations). Current taxes are considered susceptible to accrual. Delinquent taxes not received after the fiscal year end are not recorded as revenue until received. Revenues from specific state and federally funded projects are recognized when qualified expenditures have been incurred. State block grant apportionments are accrued to the extent that they are measurable and predictable. The State Department of Education sends the District updated information from time to time explaining the acceptable accounting treatment of revenue and expenditure categories.

The District's accounting is organized on the basis of fund groups, with each group consisting of a separate set of self-balancing accounts containing assets, liabilities, fund balances, revenues and expenditures. The major fund classification is the general fund which accounts for all financial resources not requiring a special type of fund. The District's fiscal year begins on July 1 and ends on June 30.

Comparative Financial Statements

Audited financial statements for the District for the fiscal year ended June 30, 2017 and prior fiscal years are on file with the District and available for public inspection at the Office of the Superintendent of the District, 1400 Linden Avenue, Carpinteria, California 93013, telephone: (805) 684-4511. The audited financial statements for the year ended June 30, 2017 are attached hereto as APPENDIX B.

The table on the following page reflects the District's audited general fund revenues, expenditures and fund balances from fiscal year 2012-13 through fiscal year 2016-17.

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AUDITED GENERAL FUND REVENUES, EXPENDITURES AND FUND BALANCE⁽¹⁾

Fiscal Years 2012-13 through 2016-17

Carpinteria Unified School District

	Fiscal Year <u>2012-13</u>	Fiscal Year <u>2013-14</u>	Fiscal Year <u>2014-15</u>	Fiscal Year <u>2015-16</u>	Fiscal Year <u>2016-17</u>
REVENUES					
LCFF/Revenue Limit Sources ⁽²⁾ :	\$15,832,492	\$19,314,472	\$20,269,774	\$21,363,514	\$22,327,581
Federal Sources	1,331,758	1,077,476	1,159,410	1,241,984	1,224,994
Other State sources	3,480,114	1,351,884	1,154,537	2,842,600	2,576,972
Other Local Revenue	<u>2,275,671</u>	<u>1,853,220</u>	<u>1,678,350</u>	<u>1,691,806</u>	<u>679,065</u>
Total Revenues	22,920,035	23,597,052	24,562,071	27,139,904	26,808,612
EXPENDITURES					
Instruction	11,692,480	11,980,755	13,390,016	14,277,345	14,684,589
Instruction-Related Services	3,148,176	3,174,020	3,458,533	3,238,741	3,339,877
Pupil Services	1,689,903	1,483,917	1,825,462	1,973,360	2,183,829
Ancillary Services	811,397	781,150	971,220	999,619	933,312
Community Services	698,692	571,058	661,604	533,877	197,858
General Administration	1,358,433	1,412,198	1,753,879	1,832,503	2,228,890
Plant Services	2,848,329	2,960,454	3,077,150	3,131,377	2,993,497
Other Outgo	40,199	66,344	33,130	44,210	70,972
Capital Outlay	--	--	--	351,401	95,909
Debt Service:					
Principal	--	--	--	46,147	66,804
Interest	<u>--</u>	<u>--</u>	<u>--</u>	<u>4,247</u>	<u>7,590</u>
Total Expenditures	22,287,609	22,429,896	25,170,995	26,432,827	26,803,127
Excess (Deficiency) of Revenues Over (Under) Expenditures	632,426	1,167,156	608,924	707,077	5,485
OTHER FINANCING SOURCES (USES)					
Transfers In	--	--	--	--	--
Transfers Out	(823,684)	(636,638)	657,649	(632,165)	(268,700)
Proceeds from Capital Leases	<u>--</u>	<u>--</u>	<u>--</u>	<u>322,188</u>	<u>77,426</u>
Total Other Financing Sources and Uses	(823,684)	(636,638)	657,649	(309,977)	(191,274)
Net Change in Fund Balances	(191,258)	530,518	1,266,573	397,100	(185,789)
Fund Balance, July 1	4,437,589	4,246,331	4,776,849	3,510,276	3,907,376
Restatement	--	--	--	--	--
Fund Balance, July 1 - Restated	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,510,276</u>	<u>--</u>
Fund Balance, June 30	<u>\$4,246,331</u>	<u>\$4,776,849</u>	<u>\$3,510,276</u>	<u>\$3,907,376</u>	<u>\$3,721,587</u>

⁽¹⁾ From the District's Comprehensive Audited Financial Statements for fiscal years 2012-13 through 2016-17, respectively. Reflects fund activity for restricted and unrestricted general fund, as well as the Special Reserve Fund for Other Than Capital Outlay Projects, which, pursuant to GASB Statement No. 54, no longer meets the definition of a special revenue fund.

⁽²⁾ Beginning in fiscal year 2013-14, reflects LCFF sources. See "- State Funding of Education" herein. Combines State apportionment, Education Protection Account funds, and local sources for presentation consistency purposes.

Source: *Carpinteria Unified School District.*

State Budget Measures

The following information concerning the State's budgets has been obtained from publicly available information which the District believes to be reliable; however, the District does not guarantee the accuracy or completeness of this information and has not independently verified such information. Furthermore, it should not be inferred from the inclusion of this information herein that the principal of or interest on the Bonds is payable from the general fund of the District. The Bonds are payable solely from the proceeds of an ad valorem property tax required to be levied by the County on taxable property within the District in an amount sufficient for the payment thereof.

2018-19 Budget. On June 27, 2018, the Governor signed into law the State budget for fiscal year 2018-19 (the "2018-19 Budget"). The following information is drawn from the LAO's preliminary review of the 2018-19 Budget.

To protect against potential future economic recessions, the 2018-19 Budget fully funds the BSA with a total deposit of over \$4.4 billion, including a \$2.6 billion optional deposit in addition to the Constitutionally-required deposit, and adds two additional reserves to State law: the Safety Net Reserve Fund, intended to save money specifically for future expenditures of the CalWORKs and Medi-Cal programs; and the Budget Deficit Savings Account ("BDSA"), which for 2018-19 will temporarily hold the \$2.6 billion optional BSA deposit until May 2019. In May 2019, the optional BSA deposit amount will be adjusted as necessary to reflect updated estimates of revenues, at which point it will be transferred to the BSA. The projected ending balance in the BSA at the end of the 2018-19 fiscal year is expected to equal the BSA's current constitutional maximum of 10 percent of the estimated general fund revenues for fiscal year 2018-19.

For fiscal year 2017-18, the 2018-19 Budget projects total general fund revenues and transfers of \$129.8 billion and total expenditures of \$127.0 billion. The State is projected to end the 2017-18 fiscal year with total available general fund reserves of \$16.7 billion, including \$7.3 billion in the traditional general fund reserve and \$9.4 billion in the BSA. For fiscal year 2018-19, the 2018-19 Budget projects total general fund revenues of \$133.3 billion and authorizes expenditures of \$138.7 billion. The State is projected to end the 2018-19 fiscal year with total available general fund reserves of \$15.9 billion, including \$2.0 billion in the traditional general fund reserve, \$13.8 billion in the BSA and \$200 million in the Safety Net Reserve Fund. See also "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2" herein.

With respect to education funding, the 2018-19 Budget revises the Proposition 98 minimum funding guarantees for both fiscal years 2016-17 and 2017-18, as a result of higher general fund revenues. The 2018-19 Budget sets the Proposition 98 minimum funding guarantee for fiscal year 2016-17 at \$71.6 billion, an increase of \$252 million from the prior year. The 2018-19 Budget revises the minimum funding guarantee for fiscal year 2017-18 at \$75.6 billion, reflecting an increase of \$1.1 billion from the prior year. As part of the 2017-18 increase, the State is making an additional maintenance factor payment of \$789 million, on top of a previous \$536 million payment. After making the approximately \$1.3 billion total payment, the State will have eliminated all remaining maintenance factor for the first time since 2005-06. In both 2016-17 and 2017-18, the State is spending at the calculated minimum guarantee.

For fiscal year 2018-19, the 2018-19 Budget sets the minimum funding guarantee at \$78.4 billion, reflecting an increase of \$2.8 billion (or 3.7%) from the revised prior-year level. Fiscal year 2018-19 is projected to be a "Test 2" year, with the increase in the minimum funding guarantee attributable to a 3.67% increase in per capita personal income. With respect to K-12 education, the 2018-19 Budget sets Proposition 98 funding at \$67.9 billion, including \$47.5 billion from the State general fund, reflecting an

increase of \$1.3 billion (or 2.7%) from the prior year. Per-pupil spending increases by \$579 (or 5.2%) from the prior year, up to \$11,640.

Other significant features with respect to K-12 education funding include the following:

- *Local Control Funding Formula* – An increase of \$3.7 billion in Proposition 98 funding to fully implement the LCFF, reaching the target funding targets and funding the statutory 2.71% COLA to the adjusted Base Grants for the prior year. Additionally, the 2018-19 Budget provides nearly an extra 1 percentage point increase in the LCFF rates.
- *Low-Performing Students Block Grant* – \$300 million in one-time Proposition 98 funding to provide resources to local education agencies to help certain low-performing students, with funding allocated to local education agencies based on the count of students who did not meet statewide standards in spring 2018 on assessments of reading and math and who are not foster youth, low-income students, English learners, or students with disabilities.
- *State System of Support* – An increase of \$54 million in Proposition 98 funding for county offices of education to provide technical assistance to low-performing local educational agencies.
- *California Collaborative for Educational Excellence* – \$12 million in ongoing Proposition 98 funding for the California Collaborative for Educational Excellence (the “Collaborative”) to assist county offices of education and regional lead agencies. Additionally, the 2018-19 Budget re-appropriates \$5.6 million from prior-year one-time Proposition 98 appropriations for use by the Collaborative for additional statewide trainings and technical assistance.
- *Special Education Local Plan Area (SELPA) Technical Assistance* – \$10 million in Proposition 98 funding for up to ten SELPAs to assist county offices of education in providing technical assistance to school districts identified for differentiated assistance within the Statewide system of support.
- *Career Technical Education (CTE)* – \$164 million in ongoing Proposition 98 funding to create a new K-12 CTE program funded through the Strong Workforce Program, which is administrated by California Community College Chancellor’s Office, in consultation with the State Department of Education, as well as \$150 million in ongoing Proposition 98 funding to make permanent the State’s Career Technical Education Incentive Grant Program.
- *One-Time Discretionary Funding* – An increase of \$1.1 billion in one-time Proposition 98 funding for school districts, charter schools and county offices of education to use at local discretion. Similar to features included in prior State budgets, these funds would offset any applicable mandate reimbursement claims for these entities.
- *Special Education, Bilingual, and STEM Teachers* – \$75 million in one-time Proposition 98 funding to start new or expand existing teacher residency programs with \$50 million earmarked for special education teachers and \$25 million earmarked for bilingual and STEM teachers; and \$50 million in one-time Proposition 98 funding to provide one-time competitive grants to local educational agencies to fund new or existing local efforts to recruit and retain special education teachers.
- *Classified School Employee Summer Assistance Program* – \$50 million one-time Proposition 98 funding to provide state matching funds to classified school employees that elect to have a

portion of their monthly paychecks withheld during the 2019-20 school year, supplemented by State funding, and paid during the summer recess period.

- *Classified School Employee Professional Development Block Grant Program* – \$50 million one-time Proposition 98 funding for professional development opportunities for classified staff, with a priority on professional development for the implementation of school safety plans.
- *Federal Funds for Academic Enrichment* – \$165 million one-time federal ESSA Title IV funding for academic enrichment, with \$121 million of such funds distributed to local education agencies based on their share of existing Title I funding, and the remainder distributed competitively.
- *Charter School Facility Grant Program* – \$21 million one-time and \$25 million ongoing Proposition 98 funding to reflect increases in programmatic costs.
- *Kids Code After School Program* – \$15 million one-time Proposition 98 funding to fund the inclusion of computer coding in after-school curriculum.
- *Fiscal Crisis and Management Assistance Team (FCMAT)* – \$972,000 Proposition 98 funding to allow FCMAT provide additional assistance for fiscally distressed school districts and provide additional training for county offices of education regarding fiscal oversight of school districts.
- *Kindergarten Facilities* – \$100 million one-time non-Proposition 98 general fund funding to help school districts cover facility costs associated with converting their part-day kindergarten programs into full-day programs.
- *Proposition 51* – a total allocation of \$594 million in Proposition 51 bond funds for K-12 school facility projects.

For additional information regarding the 2018-19 Budget, see the State Department of Finance website at www.dof.ca.gov and the LAO's website at www.lao.ca.gov. However, the information presented on such websites is not incorporated herein by reference.

Future Actions. The District cannot predict what actions will be taken in the future by the State legislature and the Governor to address changing State revenues and expenditures. The District also cannot predict the impact such actions will have on State revenues available in the current or future years for education. The State budget will be affected by national and State economic conditions and other factors over which the District will have no control. Certain actions or results could produce a significant shortfall of revenue and cash, and could consequently impair the State's ability to fund schools. State budget shortfalls in future fiscal years may also have an adverse financial impact on the financial condition of the District. However, the obligation to levy ad valorem property taxes upon all taxable property within the District for the payment of principal of and interest on the Bonds would not be impaired.

CARPINTERIA UNIFIED SCHOOL DISTRICT

The information in this section concerning the operations of the District and the District's finances are provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of and interest on the Bonds is payable from the general fund of the District. The Bonds are payable solely from the revenues generated by an ad valorem property tax required to be levied by the County on taxable property within the District for the payment thereof. See "THE BONDS – Security and Sources of Payment" herein.

Introduction

The District, located in the County, was formed in 1960 as a result of a unification of the Carpinteria Union School District, the Carpinteria Union High School District and the Summerland School District. The District provides public education to students from grades K-12 in the Carpinteria Valley, with District boundaries reaching south to the Ventura County border and north to the community of Summerland. The District currently operates four elementary schools, one middle school, two alternative high schools, and one comprehensive high school. The District is a "basic aid" district. See "DISTRICT FINANCIAL INFORMATION – State Funding of Education – Basic Aid" herein for more information about basic aid districts. For fiscal year 2018-19, the District has an assessed valuation of \$6,763,545,500, and has an estimated ADA of 2,061 students.

Unless otherwise indicated, the following financial, statistical and demographic data has been provided by the District. Additional information concerning the District and copies of subsequent audited financial reports of the District may be obtained by contacting: Carpinteria Unified School District, Attention: Assistant Superintendent, Business Services, 1400 Linden Avenue, Carpinteria, California 93013.

Administration

The District is governed by a five-member Board, each member of which is elected to a four-year term. Elections for positions on the Board are held every two years, alternating between two and three available positions. Current members of the Board, together with their offices and the dates their terms expire, are listed below:

BOARD OF TRUSTEES Carpinteria Unified School District

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Michelle Robertson	President	December, 2018
Andy Sheaffer	Vice President/Clerk	December, 2018
Jaclyn Fabre	Member	December, 2018
Maureen Foley Claffey	Member	December, 2020
Rogelio Delgado	Member	December, 2020

The Superintendent of the District is responsible for administering the affairs of the District in accordance with the policies of the Board. Brief biographies of the Superintendent and the Assistant Superintendent, Business Services follow:

Diana F. Rigby, Superintendent. Mrs. Rigby has served as the District's Superintendent since July 2017. Previously, she was the Superintendent of Concord Public Schools and Concord-Carlisle Regional School District in Concord, Massachusetts for nine years, the Assistant Superintendent for 4

years, and the Administrator for Student Services for one year. While living in Carpinteria for 27 years, Mrs. Rigby was the Assistant Superintendent and the Director of Student Services for Santa Barbara School District, Director of Curriculum and Instruction in Ventura County Schools, Educational Specialist for the California Department of Education, Program Specialist for Ventura County Special Education Local Plan, and a special education teacher in Hueneme School District. Mrs. Rigby has also served as a part time college instructor for Westmont College in Santa Barbara. Throughout her educational career, Mrs. Rigby has served as a board member on numerous community agencies and educational organizations.

Maureen Fitzgerald, Assistant Superintendent, Business Services. Ms. Fitzgerald has serves as the District's Assistant Superintendent since July 2016. Ms. Fitzgerald has over 30 years' experience in California public schools with 18 years as Assistant Superintendent/CBO. Ms. Fitzgerald has held fiscal leadership positions for more than 23 years including Fiscal Management as well as Human Resource Management. Ms. Fitzgerald has experience in General Obligation Bond elections, successfully passing GO Bonds as well as in Bond issuance and accounting. Ms. Fitzgerald is responsible for district business operations including Transportation, Facilities, Maintenance & Operations, Purchasing, Child Nutrition, Budget and Accounts, Payroll and Benefits. Ms. Fitzgerald has been an Executive Board and currently serves as a Board member on various Property and Liability and Workers' Compensation Joint Powers Agreements.

District Enrollment

On average throughout the District, the regular education pupil-teacher ratio is approximately 21.68 in grades K-3, 27.67 in grades 4-6, 22.5 in grades 7-8 and 22.07 in grades 9-12. The following table shows enrollment figures for the District for fiscal years 2010-11 through 2018-19.

HISTORICAL ENROLLMENT Fiscal Years 2010-11 through 2018-19 Carpinteria Unified School District

<u>Fiscal Year</u>	<u>Enrollment⁽¹⁾</u>	<u>Change in Enrollment</u>
2010-11	2,327	--
2011-12	2,338	0.47
2012-13	2,308	(1.28)
2013-14	2,286	(0.95)
2014-15	2,239	(2.06)
2015-16	2,227	(12.00)
2016-17	2,269	42.00
2017-18	2,205	(62.00)
2018-19	2,179	(26.00)

⁽¹⁾ For fiscal years 2010-11 through 2012-13, reflects CBEDS enrollment. For fiscal years 2013-14 through 2018-19, reflects CALPADS enrollment.

Source: Carpinteria Unified School District.

Labor Relations

The District currently employs 132 full-time certificated employees and 90 full-time classified employees. In addition, the District employs 100 part-time classified staff. District employees, except for management and hourly/at-will employees, are represented by two employee bargaining units as shown below.

BARGAINING UNITS Carpinteria Unified School District

<u>Name of Bargaining Unit</u>	<u>Number of Employees Represented</u>	<u>Current Contract Expiration Date</u>
Carpinteria Association of United Employees (CAUSE) Certificated	131	June 30, 2018 ⁽¹⁾
Carpinteria Association of United Employees (CAUSE) Classified	133	June 30, 2018 ⁽¹⁾

(1) Bargaining units currently working under terms of expired contract; new agreements under negotiation.
Source: Carpinteria Unified School District.

District Retirement Systems

The information set forth below regarding the STRS and PERS programs, other than the information provided by the District regarding its annual contributions thereto, has been obtained from publicly available sources which are believed to be reliable but are not guaranteed as to accuracy or completeness, and should not to be construed as a representation by either the District or the Underwriter.

STRS. All full-time certificated employees, as well as certain classified employees, are members of the State Teachers' Retirement System ("STRS"). STRS provides retirement, disability and survivor benefits to plan members and beneficiaries under a defined benefit program (the "STRS Defined Benefit Program"). The STRS Defined Benefit Program is funded through a combination of investment earnings and statutorily set contributions from three sources: employees, employers, and the State. Benefit provisions and contribution amounts are established by State statutes, as legislatively amended from time to time.

Prior to fiscal year 2014-15, and unlike typical defined benefit programs, none of the employee, employer nor State contribution rates to the STRS Defined Benefit Program varied annually to make up funding shortfalls or assess credits for actuarial surpluses. In recent years, the combined employer, employee and State contributions to the STRS Defined Benefit Program have not been sufficient to pay actuarially required amounts. As a result, and due to significant investment losses, the unfunded actuarial liability of the STRS Defined Benefit Program has increased significantly in recent fiscal years. In September 2013, STRS projected that the STRS Defined Benefit Program would be depleted in 31 years assuming existing contribution rates continued, and other significant actuarial assumptions were realized. In an effort to reduce the unfunded actuarial liability of the STRS Defined Benefit Program, the State recently passed the legislation described below to increase contribution rates.

Prior to July 1, 2014, K-14 school districts were required by such statutes to contribute 8.25% of eligible salary expenditures, while participants contributed 8% of their respective salaries. On June 24, 2014, the Governor signed AB 1469 ("AB 1469") into law as a part of the State's fiscal year 2014-15

budget. AB 1469 seeks to fully fund the unfunded actuarial obligation with respect to service credited to members of the STRS Defined Benefit Program before July 1, 2014 (the “2014 Liability”), within 32 years, by increasing member, K-14 school district and State contributions to STRS. Commencing July 1, 2014, the employee contribution rate increased over a three-year phase-in period in accordance with the following schedule:

**MEMBER CONTRIBUTION RATES
STRS (Defined Benefit Program)**

<u>Effective Date</u>	<u>STRS Members Hired Prior to January 1, 2013</u>	<u>STRS Members Hired After January 1, 2013</u>
July 1, 2014	8.150%	8.150%
July 1, 2015	9.200	8.560
July 1, 2016	10.250	9.205

Source: AB 1469.

Pursuant to the Reform Act (defined below), the contribution rates for members hired after the Implementation Date (defined below) will be adjusted if the normal cost increases by more than 1% since the last time the member contribution was set. While the contribution rate for employees hired after the Implementation Date (defined below) remained unchanged at 9.205% of creditable compensation for fiscal year commencing July 1, 2017, member contribution rates for such members will increase to 10.205% of creditable compensation effective July 1, 2018.

Pursuant to AB 1469, K-14 school districts’ contribution rate will increase over a seven-year phase-in period in accordance with the following schedule:

**K-14 SCHOOL DISTRICT CONTRIBUTION RATES
STRS (Defined Benefit Program)**

<u>Effective Date</u>	<u>K-14 school districts</u>
July 1, 2014	8.88%
July 1, 2015	10.73
July 1, 2016	12.58
July 1, 2017	14.43
July 1, 2018	16.28
July 1, 2019	18.13
July 1, 2020	19.10

Source: AB 1469.

Based upon the recommendation from its actuary, for fiscal year 2021-22 and each fiscal year thereafter the STRS Teachers’ Retirement Board (the “STRS Board”), is required to increase or decrease the K-14 school districts’ contribution rate to reflect the contribution required to eliminate the remaining 2014 Liability by June 30, 2046; provided that the rate cannot change in any fiscal year by more than 1% of creditable compensation upon which members’ contributions to the STRS Defined Benefit Program are based; and provided further that such contribution rate cannot exceed a maximum of 20.25%. In addition to the increased contribution rates discussed above, AB 1469 also requires the STRS Board to report to the State Legislature every five years (commencing with a report due on or before July 1, 2019) on the fiscal health of the STRS Defined Benefit Program and the unfunded actuarial obligation with respect to service credited to members of that program before July 1, 2014. The reports are also required to identify

adjustments required in contribution rates for K-14 school districts and the State in order to eliminate the 2014 Liability.

The District's contributions to STRS were \$786,230 in fiscal year 2012-13, \$801,304 in fiscal year 2013-14, \$926,321 in fiscal year 2014-15, \$1,118,708 in fiscal year 2015-16, \$1,242,986 in fiscal year 2016-17, and \$2,428,474 for its contribution to STRS for fiscal year 2017-18. The District currently projects \$2,580,551 for its contributions to STRS in fiscal year 2018-19.

The State also contributes to STRS, currently in an amount equal to 6.828% of teacher payroll for fiscal year 2017-18 and 7.328% for fiscal year 2018-19. The State's contribution reflects a base contribution rate of 2.017%, and a supplemental contribution rate that will vary from year to year based on statutory criteria. Based upon the recommendation from its actuary, for fiscal year 2017-18 and each fiscal year thereafter, the STRS Board is required, with certain limitations, to increase or decrease the State's contribution rates to reflect the contribution required to eliminate the unfunded actuarial accrued liability attributed to benefits in effect before July 1, 1990.

In addition, the State is currently required to make an annual general fund contribution up to 2.5% of the fiscal year covered STRS member payroll to the Supplemental Benefit Protection Account (the "SBPA"), which was established by statute to provide supplemental payments to beneficiaries whose purchasing power has fallen below 85% of the purchasing power of their initial allowance.

PERS. Classified employees working four or more hours per day are members of the Public Employees' Retirement System ("PERS"). PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the State statutes, as legislatively amended from time to time. PERS operates a number of retirement plans including the Public Employees Retirement Fund ("PERF"). PERF is a multiple-employer defined benefit retirement plan. In addition to the State, employer participants at June 30, 2014 included 1,580 public agencies and 1,513 K-14 school districts. PERS acts as the common investment and administrative agent for the member agencies. The State and K-14 school districts (for "classified employees," which generally consist of school employees other than teachers) are required by law to participate in PERF. Employees participating in PERF generally become fully vested in their retirement benefits earned to date after five years of credited service. One of the plans operated by PERS is for K-14 school districts throughout the State (the "Schools Pool").

Contributions by employers to the Schools Pool are based upon an actuarial rate determined annually and contributions by plan members vary based upon their date of hire. The District is currently required to contribute to PERS at an actuarially determined rate, which is 15.531% of eligible salary expenditures for fiscal year 2017-18 and will be 18.062% for fiscal year 2018-19. Participants enrolled in PERS prior to January 1, 2013 contribute at a rate established by statute, which is 7% of their respective salaries in fiscal year 2017-18 and fiscal year 2018-19, while participants enrolled after January 1, 2013 contribute at an actuarially determined rate, which is 6.5% in fiscal year 2017-18 and will be 7% in fiscal year 2018-19. See "— California Public Employees' Pension Reform Act of 2013" herein.

The District's contributions to PERS were \$487,827 in fiscal year 2012-13, \$518,091 in fiscal year 2013-14, \$561,470 in fiscal year 2014-15, \$590,637 in fiscal year 2015-16 and \$698,532 in fiscal year 2016-17, and \$827,636 for its contribution to PERS for fiscal year 2017-18. The District currently projects \$986,591 for its contributions to PERS in fiscal year 2018-19.

State Pension Trusts. Each of STRS and PERS issues a separate comprehensive financial report that includes financial statements and required supplemental information. Copies of such financial reports may be obtained from each of STRS and PERS as follows: (i) STRS, P.O. Box 15275,

Sacramento, California 95851-0275; (ii) PERS, P.O. Box 942703, Sacramento, California 94229-2703. Moreover, each of STRS and PERS maintains a website, as follows: (i) STRS: www.calstrs.com; (ii) PERS: www.calpers.ca.gov. However, the information presented in such financial reports or on such websites is not incorporated into this Official Statement by any reference.

Both STRS and PERS have substantial statewide unfunded liabilities. The amount of these unfunded liabilities will vary depending on actuarial assumptions, returns on investments, salary scales and participant contributions. The following table summarizes information regarding the actuarially-determined accrued liability for both STRS and PERS. Actuarial assessments are “forward-looking” information that reflect the judgment of the fiduciaries of the pension plans, and are based upon a variety of assumptions, one or more of which may not materialize or be changed in the future. Actuarial assessments will change with the future experience of the pension plans.

FUNDED STATUS
STRS (Defined Benefit Program) and PERS (Schools Pool)
(Dollar Amounts in Millions)⁽¹⁾
Fiscal Years 2010-11 through 2016-17

<u>STRS</u>					
<u>Fiscal Year</u>	<u>Accrued Liability</u>	<u>Value of Trust Assets (MVA)⁽²⁾</u>	<u>Unfunded Liability (MVA)⁽²⁾</u>	<u>Value of Trust Assets (AVA)⁽³⁾</u>	<u>Unfunded Liability (AVA)⁽³⁾</u>
2010-11	\$208,405	\$147,140	\$68,365	\$143,930	\$64,475
2011-12	215,189	143,118	80,354	144,232	70,957
2012-13	222,281	157,176	74,374	148,614	73,667
2013-14	231,213	179,749	61,807	158,495	72,718
2014-15	241,753	180,633	72,626	165,553	76,200
2015-16	266,704	177,914	101,586	169,976	96,728
2016-17	286,950	197,718	103,468	179,689	107,261

<u>PERS</u>					
<u>Fiscal Year</u>	<u>Accrued Liability</u>	<u>Value of Trust Assets (MVA)</u>	<u>Unfunded Liability (MVA)</u>	<u>Value of Trust Assets (AVA)⁽³⁾</u>	<u>Unfunded Liability (AVA)⁽³⁾</u>
2010-11	\$58,358	\$45,901	\$12,457	\$51,547	\$6,811
2011-12	59,439	44,854	14,585	53,791	5,648
2012-13	61,487	49,482	12,005	56,250	5,237
2013-14	65,600	56,838	8,761	-- ⁽⁴⁾	-- ⁽⁴⁾
2014-15	73,325	56,814	16,511	-- ⁽⁴⁾	-- ⁽⁴⁾
2015-16	77,544	55,785	21,759	-- ⁽⁴⁾	-- ⁽⁴⁾
2016-17 ⁽⁵⁾	84,416	60,865	23,551	-- ⁽⁴⁾	-- ⁽⁴⁾

⁽¹⁾ Amounts may not add due to rounding.

⁽²⁾ Reflects market value of assets, including the assets allocated to the SBPA reserve. Since the benefits provided through the SBPA are not a part of the projected benefits included in the actuarial valuations summarized above, the SBPA reserve is subtracted from the STRS Defined Benefit Program assets to arrive at the value of assets available to support benefits included in the respective actuarial valuations.

⁽³⁾ Reflects actuarial value of assets.

⁽⁴⁾ Effective for the June 30, 2014 actuarial valuation, PERS no longer uses an actuarial value of assets.

⁽⁵⁾ On April 18, 2018, the PERS Board (defined below) approved the K-14 school district contribution rate for fiscal year 2018-19 and released certain actuarial information to be incorporated into the June 30, 2017 actuarial valuation to be released in summer 2018.

Source: PERS Schools Pool Actuarial Valuation; STRS Defined Benefit Program Actuarial Valuation.

The STRS Board has sole authority to determine the actuarial assumptions and methods used for the valuation of the STRS Defined Benefit Program. Based on the multi-year CalSTRS Experience Analysis (spanning from July 1, 2010, through June 30, 2015), on February 1, 2017, the STRS Board adopted a new set of actuarial assumptions that reflect member's increasing life expectancies and current economic trends. These new assumptions were first reflected in the STRS Defined Benefit Program Actuarial Valuation, as of June 30, 2016 (the "2016 STRS Actuarial Valuation"). The new actuarial assumptions include, but are not limited to: (i) adopting a generational mortality methodology to reflect past improvements in life expectancies and provide a more dynamic assessment of future life spans, (ii) decreasing the investment rate of return (net of investment and administrative expenses) to 7.25% for the 2016 STRS Actuarial Valuation and 7.00% for the June 30, 2017 actuarial evaluation (the "2017 STRS Actuarial Valuation"), and (iii) decreasing the projected wage growth to 3.50% and the projected inflation rate to 2.75%. The 2017 STRS Actuarial Valuation continues using the Entry Age Normal Actuarial Cost Method.

Based on the change in actuarial assumptions adopted by the STRS Board, including the adoption of a 7% investment rate of return, recent investment experience and the insufficiency of the contributions received in fiscal year 2016-17 to cover interest on the unfunded actuarial obligation, the 2017 STRS Actuarial Valuation reports that the unfunded actuarial obligation increased by \$10.6 billion since the June 30, 2016 actuarial valuation and the funded ratio decreased by 1.1% to 62.6% over such time period. As a result, it is currently projected that there will be a need for higher contributions from the State, employers and members in the future to reach full funding by 2046.

According to the 2017 STRS Actuarial Valuation, the future revenues from contributions and appropriations for the STRS Defined Benefit Program are projected to be approximately sufficient to finance its obligations with a projected ending funded ratio in fiscal year ending June 30, 2046 of 99.6%, except for a small portion of the unfunded actuarial obligation related to service accrued on or after July 1, 2014 for member benefits adopted after 1990, for which AB 1469 provides no authority to the STRS Board to adjust rates to pay down that portion of the unfunded actuarial obligation. This finding reflects the scheduled contribution rate increases directed by statute, assumes additional increases in the scheduled contribution rates allowed under the current law will be made, and is based on the valuation assumptions and valuation policy adopted by the STRS Board, including a 7.00% investment rate of return assumption.

In recent years, the PERS Board of Administration (the "PERS Board") has taken several steps, as described below, intended to reduce the amount of the unfunded accrued actuarial liability of its plans, including the Schools Pool.

On March 14, 2012, the PERS Board voted to lower the PERS' rate of expected price inflation and its investment rate of return (net of administrative expenses) (the "PERS Discount Rate") from 7.75% to 7.5%. On February 18, 2014, the PERS Board voted to keep the PERS Discount Rate unchanged at 7.5%. On November 17, 2015, the PERS Board approved a new funding risk mitigation policy to incrementally lower the PERS Discount Rate by establishing a mechanism whereby such rate is reduced by a minimum of 0.05% to a maximum of 0.25% in years when investment returns outperform the existing PERS Discount Rate by at least four percentage points. On December 21, 2016, the PERS Board voted to lower the PERS Discount Rate to 7.0% over a three year phase-in period in accordance with the following schedule: 7.375% in fiscal year 2017-18, 7.25% in fiscal year 2018-19 and 7.00% in fiscal year 2019-20. The new discount rate went into effect July 1, 2017 for the State and will go into effect July 1, 2018 for K-14 school districts and other public agencies. Lowering the PERS Discount Rate means employers that contract with PERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities. Active members hired after January 1, 2013, under the Reform Act (defined below) will also see their contribution rates rise.

On April 17, 2013, the PERS Board approved new actuarial policies aimed at returning PERS to fully-funded status within 30 years. The policies include a rate smoothing method with a 30-year fixed amortization period for gains and losses, a five-year increase of public agency contribution rates, including the contribution rate at the onset of such amortization period, and a five year reduction of public agency contribution rates at the end of such amortization period. The new actuarial policies were first included in the June 30, 2014 actuarial valuation and were implemented with respect the State, K-14 school districts and all other public agencies in fiscal year 2015-16.

Also, on February 20, 2014, the PERS Board approved new demographic assumptions reflecting (i) expected longer life spans of public agency employees and related increases in costs for the PERS system and (ii) trends of higher rates of retirement for certain public agency employee classes, including police officers and firefighters. The new actuarial assumptions were first reflected in the Schools Pool in the June 30, 2015 actuarial valuation. The increase in liability due to the new assumptions will be amortized over 20 years with increases phased in over five years, beginning with the contribution requirement for fiscal year 2016-17. The new demographic assumptions affect the State, K-14 school districts and all other public agencies.

The PERS Board is required to undertake an experience study every four years under its Actuarial Assumptions Policy and State law. As a result of the most recent experience study, on December 20, 2017, the PERS Board approved new actuarial assumptions, including (i) lowering the inflation rate to 2.625% for the June 30, 2018 actuarial valuation and to 2.50% for the June 30, 2019 actuarial valuation, (ii) lowering the payroll growth rate to 2.875% for the June 30, 2018 actuarial valuation and 2.75% for the June 30, 2019 actuarial valuation, (iii) and certain changes to demographic assumptions relating to the salary scale for most constituent groups, and modifications to the morality, retirement, and disability retirement rates.

On February 14, 2018, the PERS Board approved a new actuarial amortization policy with an effective date for actuarial valuations beginning on or after June 30, 2019, which includes (i) shortening the period over which actuarial gains and losses are amortized from 30 years to 20 years, (ii) requiring that amortization payments for all unfunded accrued liability bases established after the effective date be computed to remain a level dollar amount throughout the amortization period, (iii) removing the 5-year ramp-up and ramp-down on unfunded accrued liability bases attributable to assumptions changes and non-investment gains/losses established on or after the effective date and (iv) removing the 5-year ramp-down on investment gains/losses established after the effective date. While PERS expects that reducing the amortization period for certain sources of unfunded liability will increase future average funding ratios, provide faster recovery of funded status following market downturns, decrease expected cumulative contributions, and mitigate concerns over intergenerational equity, such changes may result in increases in future employer contribution rates.

On April 18, 2018, the PERS Board established the employer contribution rates for 2018-19 and released certain information from the Schools Pool Actuarial Valuation as of June 30, 2017, ahead of its summer of 2018 release date. Based on the changes in the discount rate, inflation rate, payroll growth rate and demographic assumptions, along with the expected reductions in normal cost due to the continuing transition of active members from those employees hired prior to the Implementation Date (defined below), to those hired after such date, the projected contribution rate for 2019-20 is projected to be 20.8%, with annual increases thereafter, resulting in a projected 25.7% employer contribution rate for fiscal year 2025-26.

The District can make no representations regarding the future program liabilities of STRS, or whether the District will be required to make additional contributions to STRS in the future above those amounts required under AB 1469. The District can also provide no assurances that the District's required contributions to PERS will not increase in the future.

California Public Employees' Pension Reform Act of 2013. On September 12, 2012, the Governor signed into law the California Public Employees' Pension Reform Act of 2013 (the "Reform Act"), which makes changes to both STRS and PERS, most substantially affecting new employees hired after January 1, 2013 (the "Implementation Date"). For STRS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor (the age factor is the percent of final compensation to which an employee is entitled for each year of service) from age 60 to 62 and increasing the eligibility of the maximum age factor of 2.4% from age 63 to 65. Similarly, for non-safety PERS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor from age 55 to 62 and increases the eligibility requirement for the maximum age factor of 2.5% to age 67. Among the other changes to PERS and STRS, the Reform Act also: (i) requires all new participants enrolled in PERS and STRS after the Implementation Date to contribute at least 50% of the total annual normal cost of their pension benefit each year as determined by an actuary, (ii) requires STRS and PERS to determine the final compensation amount for employees based upon the highest annual compensation earnable averaged over a consecutive 36-month period as the basis for calculating retirement benefits for new participants enrolled after the Implementation Date (previously 12 months for STRS members who retire with 25 years of service), and (iii) caps "pensionable compensation" for new participants enrolled after the Implementation Date at 100% of the federal Social Security contribution (to be adjusted annually based on changes to the Consumer Price Index for all Urban Consumers) and benefit base for members participating in Social Security or 120% for members not participating in social security (to be adjusted annually based on changes to the Consumer Price Index for all Urban Consumers), while excluding previously allowed forms of compensation under the formula such as payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off.

GASB Statement Nos. 67 and 68. On June 25, 2012, GASB approved Statements Nos. 67 and 68 ("Statements") with respect to pension accounting and financial reporting standards for state and local governments and pension plans. The new Statements, No. 67 and No. 68, replace GASB Statement No. 27 and most of Statements No. 25 and No. 50. The changes impact the accounting treatment of pension plans in which state and local governments participate. Major changes include: (1) the inclusion of unfunded pension liabilities on the government's balance sheet (currently, such unfunded liabilities are typically included as notes to the government's financial statements); (2) more components of full pension costs being shown as expenses regardless of actual contribution levels; (3) lower actuarial discount rates being required to be used for underfunded plans in certain cases for purposes of the financial statements; (4) closed amortization periods for unfunded liabilities being required to be used for certain purposes of the financial statements; and (5) the difference between expected and actual investment returns being recognized over a closed five-year smoothing period. In addition, according to GASB, Statement No. 68 means that, for pensions within the scope of the Statement, a cost-sharing employer that does not have a special funding situation is required to recognize a net pension liability, deferred outflows of resources, deferred inflows of resources related to pensions and pension expense based on its proportionate share of the net pension liability for benefits provided through the pension plan. Because the accounting standards do not require changes in funding policies, the full extent of the effect of the new standards on the District is not known at this time. The reporting requirements for pension plans took effect for the fiscal year beginning July 1, 2013 and the reporting requirements for government employers, including the District, took effect for the fiscal year beginning July 1, 2014.

The District's proportionate shares of the net pension liabilities, pension expense, deferred outflow of resources and deferred inflow of resources for STRS and PERS, as of June 30, 2017, are as shown in the following table.

Pension Plan	Collective Net Pension Liability	Collective Deferred Outflows of Resources	Collective Deferred Inflows of Resources	Collective Pension Expense
STRS	\$35,807,180	\$7,124,088	\$1,435,627	\$3,513,088
PERS	<u>9,420,506</u>	<u>3,343,950</u>	<u>283,030</u>	<u>1,252,951</u>
Total	<u>\$45,227,686</u>	<u>\$10,468,038</u>	<u>\$1,718,657</u>	<u>\$4,766,039</u>

Source: Carpinteria Unified School District.

For additional information, see "APPENDIX B – 2016-17 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT – Note 13" attached hereto.

Other Post-Employment Benefits

Plan Description. The District provides post-employment medical, prescription drug, behavioral, dental and vision benefits to its eligible retirees (the "Benefits") through its other post-employment benefits plan (the "Plan"). Employees are eligible for Benefits upon reaching the age of 55, with at least 20 years of full-time service to the District. The District contributes a dollar amount based on the employee's years of service at retirement as follows: (i) \$3,500 for employees with at least 20 but fewer than 25 years of service at retirement, (ii) \$4,000 for employees with at least 25 years but fewer than 30 years of service at retirement, and (iii) the District Cap (as described below) for employees with at least 30 years of service at retirement. The "District Cap" is based on the sum of composite premiums for certain medical, dental, and vision plans. As of October 1, 2018, the District Cap was \$19,559.

Membership in the Plan currently consists of 26 retirees currently receiving Benefits and 90 employees eligible for but not yet receiving such Benefits.

Funding Policy. The District's funding policy may be amended from time to time by the Board. The District's current funding policy is to pay healthcare premiums for retirees as they fall due, and the District has elected not to establish an irrevocable trust at this time. The District contributed \$154,015 towards the Benefits in fiscal year 2016-17, \$112,747 towards the Benefits in fiscal year 2017-18 and has budgeted a contribution of \$113,790 towards the Benefits in fiscal year 2018-19. The contribution amounts detailed above include the funding of the Benefits for current retirees receiving Benefits and an implicit subsidy in premium rates calculated in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefit Plans Other Than Pension Plans* ("GASB 45"). Under GASB 45, the District is required to recognize an implicit rate subsidy because retirees and current employees in the District's health insurance plan are insured together as a group, and it is assumed that the premiums paid for retiree insurance coverage are lower than they would have been if the current retirees were insured separately.

Accrued Liability. The District has implemented GASB 45, pursuant to which the District has commissioned and received several actuarial studies of its outstanding liabilities with respect to the Benefits. The most recent of these studies (the "Actuarial Report") determined that the unfunded actuarial accrued liability (the "UAAL") with respect to the Benefits, as of a July 1, 2014 valuation date, was approximately \$2,775,098. The Actuarial Report also concluded that the annual required contribution (the "ARC") was \$302,977 for fiscal years 2015-16 and 2016-17. The ARC is the amount that would be necessary to fund the value of future Benefits earned by current employees during each fiscal year (the

“Normal Cost”) and the amount necessary to amortize the UAAL, in accordance with GASB Statements Numbers 43 and 45.

Net Obligation. As of June 30, 2017, the District recognized a net long-term asset, as opposed to obligation of \$240,001, based on its contributions towards the ARC during fiscal year 2016-17, as adjusted for interest on the prior fiscal year’s figures and any adjustments to the actuarially determined ARC. See also “— District Debt Structure – Long Term Obligations” herein and “APPENDIX B – 2016-17 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT – Note 16” attached hereto.

Joint Ventures

The District participates in three joint ventures under joint powers agreements (“JPAs”) with the Self-Insured Schools of California II (“SISC II”), Self-Insurance Program for Employees (“SIPE”), and Self-Insured School of California III (“SISC III”). The relationships between the District and the JPAs are such that the JPAs are not a component unit of the District for financial reporting purposes.

SISC II arranges for and provides property and liability insurance for its member school districts. The District pays a premium commensurate with the level of coverage requested.

SIPE provides services and other items necessary and appropriate for the development, operation, and maintenance of a self-insurance system for workers' compensation claims against the public educational agencies who are members thereof. The participants consist of the Office of the County Superintendent of Schools, and school districts. Each participant may appoint one representative to the governing board. The governing board is responsible for establishing premium rates and making budgeting decisions.

SISC III arranges for and provides health and welfare insurance for its member school districts. The District pays a premium commensurate with the level of health and welfare insurance provided.

District Debt Structure

Short-Term Debt. *Tax and Revenue Anticipation Notes.* On June 26, 2018, the District issued tax and revenue anticipation notes (TRANS) through the California School Cash Reserve Program Authority in the amount of \$4,560,000. The notes mature on June 28, 2019, and have a yield of 1.60%. Proceeds from the notes can be drawn upon during the year if cash shortages arise.

Long-Term Debt. A schedule of changes in long-term debt for the fiscal year ended June 30, 2017, is shown below:

	Balance July 1, 2016	Additions	Deductions	Prior Period Adjustment	Balance June 30, 2017
Capital Leases payable	\$276,041	\$77,426	\$66,804	--	\$266,663
Bonds payable	30,025,000	--	3,190,000	--	26,835,000
Bonds premium	3,305,592	--	204,147	--	3,101,445
Net pension liability	21,137,783	8,016,134	4,872,858	\$401,972	24,683,031
Compensated absences	263,394	359,627	384,884	--	238,137
OPEB liability	84,441	309,595	154,015	--	240,021
Totals	<u>\$5,092,251</u>	<u>\$8,762,782</u>	<u>\$8,872,708</u>	<u>\$401,972</u>	<u>\$55,384,29</u>

Source: Carpinteria Unified School District.

Capital Lease. In November 2015, District entered into a fourteen-year capital lease for the purchase of new school buses (the “Capital Lease”). As of June 30, 2017, the District has a balance left of \$233,237.15 and expects to make ten equal payments of approximately \$25,197.18 for a total cost of \$352,760.54.

General Obligation Bonds. On March 7, 1995, the District received authorization by the vote of at least two-thirds of the votes cast by eligible voters in the District to authorize the issuance of \$17,500,000 maximum principal amount of general obligation bonds of the District (the “1995 Authorization”). The District caused the issuance of four series of bonds under the 1995 Authorization (the “1995 Bonds”), and subsequently caused the issuance of \$15,675,000 principal amount of its 2005 General Obligation Refunding Bonds, Series A to refund the then-outstanding callable 1995 Bonds (the “2005 Refunding Bonds”). There are currently no outstanding 1995 Bonds, and no portion of the 1995 Authorization currently remains unissued.

On June 25, 2014, the District issued its 2014 General Obligation Refunding Bonds in the aggregate principal amount of \$11,480,000 to refund the then-outstanding 2005 Refunding Bonds (the “2014 Refunding Bonds”). There are currently no outstanding 2005 Refunding Bonds.

The 2014 Authorization was the result of an election held on November 4, 2014 and approved by at least 55% of the votes cast by eligible voters within the District to issue \$90,000,000 maximum principal amount of general obligation bonds. The District issued the Series A Bonds in the amount of \$20,000,000. The Bonds are the second series of bonds issued pursuant to the 2014 Authorization. After the issuance of the Bonds, \$30,000,000* of the 2014 Authorization will remain unissued.

The table on the following page shows future debt service payments on all of the District’s outstanding general obligation bonds, including the Bonds.

* Preliminary, subject to change.

COMBINED ANNUAL GENERAL OBLIGATION BOND DEBT SERVICE
Carpinteria Unified School District

Year Ending August 1	1995 Authorization	2014 Authorization		Total Annual Debt Service
	2014 Refunding Bonds	Series A Bonds	The Bonds	
2019	\$1,121,500.00	\$614,650.00		
2020	1,125,500.00	638,250.00		
2021	1,122,500.00	666,350.00		
2022	1,117,750.00	693,850.00		
2023	1,126,250.00	721,100.00		
2024	1,132,250.00	746,600.00		
2025	1,120,750.00	780,350.00		
2026	1,012,500.00	811,850.00		
2027	817,250.00	841,100.00		
2028	514,500.00	873,100.00		
2029	--	912,600.00		
2030	--	949,100.00		
2031	--	982,600.00		
2032	--	1,024,900.00		
2033	--	1,064,587.50		
2034	--	1,107,400.00		
2035	--	1,152,212.50		
2036	--	1,199,750.00		
2037	--	1,243,750.00		
2038	--	1,293,250.00		
2039	--	1,347,750.00		
2040	--	1,401,750.00		
Total	<u>\$10,210,750.00</u>	<u>\$21,066,850.00</u>		

Source: Carpinteria Unified School District.

TAX MATTERS

In the opinion of Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. In the further opinion of Bond Counsel, interest on the Bonds is exempt from State personal income tax.

The excess of the stated redemption price at maturity of a Bond over the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity is to be sold to the public) constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Bond Owner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by the Bond Owner will increase the Bond Owner's basis in the applicable Bond. In the opinion of Bond Counsel, the amount of original issue discount that accrues to the owner of the Bond is excluded from gross income of such owner for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the opinion of Bond Counsel, the amount of original issue discount that accrues to the Bond Owner of the Bonds is exempt from State personal income tax.

Bond Counsel's opinion as to the exclusion from gross income for federal income tax purposes of interest (and original issue discount) on the Bonds is based upon certain representations of fact and

certifications made by the District and others and is subject to the condition that the District comply with all requirements of the Internal Revenue Code of 1986, as amended (the “Code”), that must be satisfied subsequent to the issuance of the Bonds to assure that interest (and original issue discount) on the Bonds will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause the interest (and original issue discount) on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The District has covenanted to comply with all such requirements.

The amount by which a Bond Owner’s original basis for determining loss on sale or exchange of the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable Bond premium, which must be amortized under Section 171 of the Code; such amortizable Bond premium reduces the Bond Owner’s basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Bond Owner realizing a taxable gain when a Bond is sold by the Owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Owner. Purchasers of the Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable bond premium.

The Internal Revenue Service (the “IRS”) has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the Bonds will be selected for audit by the IRS. It is also possible that the market value of the Bonds might be affected as a result of such an audit of the Bonds (or by an audit of similar bonds). No assurance can be given that in the course of an audit, as a result of an audit, or otherwise, Congress or the IRS might not change the Code (or interpretation thereof) subsequent to the issuance of the Bonds to the extent that it adversely affects the exclusion from gross income of interest (and original issue discount) on the Bonds or their market value.

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SUBSEQUENT TO THE ISSUANCE OF THE BONDS THERE MIGHT BE FEDERAL, STATE, OR LOCAL STATUTORY CHANGES (OR JUDICIAL OR REGULATORY CHANGES TO OR INTERPRETATIONS OF FEDERAL, STATE, OR LOCAL LAW) THAT AFFECT THE FEDERAL, STATE, OR LOCAL TAX TREATMENT OF THE BONDS INCLUDING THE IMPOSITION OF ADDITIONAL FEDERAL INCOME OR STATE TAXES BEING IMPOSED ON OWNERS OF TAX-EXEMPT STATE OR LOCAL OBLIGATIONS, SUCH AS THE BONDS. THESE CHANGES COULD ADVERSELY AFFECT THE MARKET VALUE OR LIQUIDITY OF THE BONDS. NO ASSURANCE CAN BE GIVEN THAT SUBSEQUENT TO THE ISSUANCE OF THE BONDS STATUTORY CHANGES WILL NOT BE INTRODUCED OR ENACTED OR JUDICIAL OR REGULATORY INTERPRETATIONS WILL NOT OCCUR HAVING THE EFFECTS DESCRIBED ABOVE. BEFORE PURCHASING ANY OF THE BONDS, ALL POTENTIAL PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING POSSIBLE STATUTORY CHANGES OR JUDICIAL OR REGULATORY CHANGES OR INTERPRETATIONS, AND THEIR COLLATERAL TAX CONSEQUENCES RELATING TO THE BONDS.

Bond Counsel's opinions may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. Bond Counsel has not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Resolution and the Tax Certificate relating to the Bonds permit certain actions to be taken or to be omitted if a favorable opinion of a bond counsel is provided with respect thereto. Bond Counsel expresses no opinion as to the effect on the exclusion from gross income for federal income tax purposes of interest (or original issue discount) on any Bond if any such action is taken or omitted based upon the advice of counsel other than Bond Counsel.

Although Bond Counsel will render an opinion that interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes provided that the District continues to comply with certain requirements of the Code, the ownership of the Bonds and the accrual or receipt of interest (and original issue discount) with respect to the Bonds may otherwise affect the tax liability of certain persons. Bond Counsel expresses no opinion regarding any such tax consequences. Accordingly, before purchasing any of the Bonds, all potential purchasers should consult their tax advisors with respect to collateral tax consequences relating to the Bonds.

A copy of the proposed form of opinion of Bond Counsel is attached hereto as APPENDIX A.

LIMITATION ON REMEDIES; BANKRUPTCY

General. State law contains certain safeguards to protect the financial solvency of school districts. See "DISTRICT FINANCIAL INFORMATION – Budget Process" herein. If the safeguards are not successful in preventing a school district from becoming insolvent, the State Superintendent, operating through an administrator appointed by the State Superintendent, may be authorized under State law to file a petition under Chapter 9 of the United States Bankruptcy Code (the "Bankruptcy Code") on behalf of the school district for the adjustment of its debts, assuming that the school district meets certain other requirements contained in the Bankruptcy Code necessary for filing a petition under Chapter 9. School districts are not themselves authorized to file a bankruptcy proceeding, and they are not subject to involuntary bankruptcy.

Bankruptcy courts are courts of equity and as such have broad discretionary powers. If the District were to become the debtor in a proceeding under Chapter 9 of the Bankruptcy Code, the automatic stay provisions of Bankruptcy Code Sections 362 and 922 generally would prohibit creditors from taking any action to collect amounts due from the District or to enforce any obligation of the District related to such amounts due, without consent of the District or authorization of the bankruptcy court (although such stays would not operate to block creditor application of pledged special revenues to payment of indebtedness secured by such revenues). In addition, as part of its plan of adjustment in a Chapter 9 bankruptcy case, the District may be able to alter the priority, interest rate, principal amount, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Bonds and other transaction documents related to the Bonds, as long as the bankruptcy court determines that the alterations are fair and equitable. There also may be other possible effects of a bankruptcy of the District that could result in delays or reductions in payments on the Bonds. Moreover, regardless of any specific adverse determinations in any District bankruptcy proceeding, the fact of a District bankruptcy proceeding could have an adverse effect on the liquidity and market price of the Bonds.

Statutory Lien. Pursuant to Government Code Section 53515, the Bonds are secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax, and such lien automatically arises, without the need for any action or authorization by the local agency or its governing board, and is valid and binding from the time the Bonds are executed and delivered. See “THE BONDS – Statutory Lien” herein. Although a statutory lien would not be automatically terminated by the filing of a Chapter 9 bankruptcy petition by the District, the automatic stay provisions of the Bankruptcy Code would apply and payments that become due and owing on the Bonds during the pendency of the Chapter 9 proceeding could be delayed, unless the Bonds are determined to be secured by a pledge of “special revenues” within the meaning of the Bankruptcy Code and the pledged *ad valorem* property taxes are applied to pay the Bonds in a manner consistent with the Bankruptcy Code.

Special Revenues. If the *ad valorem* property tax revenues that are pledged to the payment of the Bonds are determined to be “special revenues” within the meaning of the Bankruptcy Code, then the application in a manner consistent with the Bankruptcy Code of the pledged *ad valorem* property tax revenues should not be subject to the automatic stay. “Special revenues” are defined to include, among others, taxes specifically levied to finance one or more projects or systems of the debtor, but excluding receipts from general property, sales, or income taxes levied to finance the general purposes of the debtor. State law prohibits the use of the tax proceeds for any purpose other than payment of the Bonds and the Bond proceeds can only be used to fund the acquisition or improvement of real property and other capital expenditures included in the proposition, so such tax revenues appear to fit the definition of special revenues. However, there is no binding judicial precedent dealing with the treatment in bankruptcy proceedings of *ad valorem* tax revenues collected for the payments of bonds in the State, so no assurance can be given that a bankruptcy court would not hold otherwise.

Possession of Tax Revenues; Remedies. The County on behalf of the District is expected to be in possession of the annual *ad valorem* property taxes and certain funds to repay the Bonds and may invest these funds in the County Investment Pool, as described in “THE BONDS – Application and Investment of Bond Proceeds” herein and “APPENDIX E – SANTA BARBARA COUNTY INVESTMENT POOL” attached hereto. If the County goes into bankruptcy and has possession of tax revenues (whether collected before or after commencement of the bankruptcy), and if the County does not voluntarily pay such tax revenues to the owners of the Bonds, it is not entirely clear what procedures the owners of the Bonds would have to follow to attempt to obtain possession of such tax revenues, how much time it would take for such procedures to be completed, or whether such procedures would ultimately be successful. Further, should those investments suffer any losses, there may be delays or reductions in payments on the Bonds.

Opinion of Bond Counsel Qualified by Reference to Bankruptcy, Insolvency and Other Laws Relating to or Affecting Creditor's Rights. The proposed form of the approving opinion of Bond Counsel attached hereto as APPENDIX A is qualified by reference to bankruptcy, insolvency and other laws relating to or affecting creditor's rights. Bankruptcy proceedings, if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

LEGAL MATTERS

Legality for Investment in California

Under provisions of the Financial Code, the Bonds are legal investments for commercial banks in the State to the extent that the Bonds, in the informed opinion of the bank, are prudent for the investment of funds of depositors, and, under provisions of the Government Code, are eligible for security for deposits of public moneys in the State.

Expanded Reporting Requirements

On May 17, 2006, the President signed the Tax Increase Prevention and Reconciliation Act of 2005 ("TIPRA"). Under Section 6049 of the Internal Revenue Code of 1986, as amended by TIPRA, interest paid on tax-exempt obligations will be subject to information reporting in a manner similar to interest paid on taxable obligations. The effective date for this provision is for interest paid after December 31, 2005, regardless of when the tax-exempt obligations were issued. The purpose of this change was to assist in relevant information gathering for the IRS relating to other applicable tax provisions. TIPRA provides that backup withholding may apply to such interest payments made after March 31, 2007 to any bondholder who fails to file an accurate Form W-9 or who meets certain other criteria. The information reporting and backup withholding requirements of TIPRA do not affect the excludability of such interest from gross income for federal income tax purposes.

Continuing Disclosure

Current Undertaking. The District has covenanted for the benefit of the Owners and Beneficial Owners of the Bonds to provide certain financial information and operating data relating to the District (the "Annual Report") by not later than nine months following the end of the District's fiscal year (which currently ends June 30), commencing with the report for the 2017-18 fiscal year, and to provide notices of the occurrence of certain listed events. The Annual Report and notices of listed events will be filed by the District in accordance with the requirements of the Rule. The specific nature of the information to be contained in the Annual Report or the notices of listed events is included in "APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE" attached hereto. These covenants have been made in order to assist the Underwriter in complying with the Rule.

Prior Undertakings. The District has not, in the past five years, failed to file in a timely manner the annual reports or notices of listed events as required pursuant to its prior continuing disclosure undertakings.

No Litigation

No litigation is pending or threatened concerning the validity of the Bonds, and a certificate to that effect will be furnished to purchasers at the time of the original delivery of the Bonds. The District is not aware of any litigation pending or threatened questioning the political existence of the District or

contesting the District's ability to receive *ad valorem* property taxes or to collect other revenues or contesting the District's ability to issue and retire the Bonds.

Financial Statements

The financial statements with supplemental information for the year ended June 30, 2017, the independent auditor's report of the District, and the related statements of activities and of cash flows for the year then ended, and the report dated December 12, 2017 of Moss, Levy & Hartzheim, LLP (the "Auditor"), are included in this Official Statement as Appendix B. In connection with the inclusion of the financial statements and the report of the Auditor herein, the District did not request the Auditor to, and the Auditor has not undertaken to, update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditor with respect to any event subsequent to the date of its report.

Legal Opinion

The legal opinion of Bond Counsel, approving the validity of the Bonds, will be supplied to the original purchasers of the Bonds without cost. A copy of the proposed form of such legal opinion is attached to this Official Statement as APPENDIX A.

MISCELLANEOUS

Ratings

S&P and Fitch Ratings, Inc. have assigned ratings of "AA-" and "AAA", respectively, to the Bonds.

Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Standard & Poor's, 55 Water Street, New York, New York 10041 and Fitch Ratings, Inc., 33 Whitehall Street, New York, New York 10004. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the respective rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price for the Bonds.

Generally, rating agencies base their ratings on information and materials furnished to them (which may include information and material from the District which is not included in this Official Statement) and on investigations, studies and assumptions by the rating agency.

The District has covenanted in a Continuing Disclosure Certificate to file on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access website ("EMMA") notices of any rating changes on the Bonds. See "APPENDIX C - FORM OF CONTINUING DISCLOSURE CERTIFICATE" attached hereto. Notwithstanding such covenant, information relating to rating changes on the Bonds may be publicly available from the rating agency prior to such information being provided to the District and prior to the date the District is obligated to file a notice of rating change on EMMA. Purchasers of the Bonds are directed to the rating agency and its website and official media outlets for the most current rating changes with respect to the Bonds after the initial issuance of the Bonds.

Underwriting

Pursuant to the terms of a Notice Inviting Proposals for Purchase of Bonds (the “Notice Inviting Proposals”), _____ (the “Underwriter”) will purchase all of the Bonds for a purchase price of \$_____, which is equal to the initial principal amount of the Bonds of \$_____, plus original issue premium of \$_____, less \$_____ of underwriting discount.

The Notice Inviting Proposals provides that the Underwriter will purchase all of the Bonds, if any are purchased. The initial offering prices stated on the inside cover of this Official Statement may be changed from time to time by the Underwriter. The Underwriter may offer and sell Bonds to certain dealers and others at prices lower than such initial offering prices.

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Additional Information

The purpose of this Official Statement is to supply information to prospective buyers of the Bonds. Quotations from and summaries and explanations of the Bonds, the Resolution providing for issuance of the Bonds, and the constitutional provisions, statutes and other documents referenced herein, do not purport to be complete, and reference is made to said documents, constitutional provisions and statutes for full and complete statements of their provisions.

Certain of the data contained herein has been taken or constructed from District records. Appropriate District officials, acting in their official capacities, have reviewed this Official Statement and have determined that, as of the date hereof, the information contained herein is, to the best of their knowledge and belief, true and correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made herein, in light of the circumstances under which they were made, not misleading. This Official Statement has been approved by the District.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended only as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or owners, beneficial or otherwise, of any of the Bonds.

CARPINTERIA UNIFIED SCHOOL DISTRICT

By: _____
Diana Rigby
Superintendent

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APPENDIX A

FORM OF OPINION OF BOND COUNSEL

Upon issuance and delivery of the Bonds, Stradling Yocca Carlson & Rauth, Bond Counsel, proposes to render its final approving opinion with respect thereto substantially in the following form:

_____, 2018

Board of Trustees
Carpinteria Unified School District

Members of the Board of Trustees:

We have examined a certified copy of the record of the proceedings relative to the issuance and sale of \$_____ Carpinteria Unified School District Election of 2014 General Obligation Bonds, Series B (the “Bonds”). As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based on our examination as bond counsel of existing law, certified copies of such legal proceedings and such other proofs as we deem necessary to render this opinion, we are of the opinion, as of the date hereof and under existing law, that:

1. Such proceedings and proofs show lawful authority for the issuance and sale of the Bonds pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, a greater than fifty-five percent vote of the qualified electors of the Carpinteria Unified School District (the “District”) voting at an election held on November 4, 2014, and a resolution adopted by the Board of Trustees of the District on September 25, 2018 (the “Resolution”).
2. The Bonds constitute valid and binding general obligations of the District, payable as to both principal and interest from the proceeds of a levy of *ad valorem* property taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount.
3. Under existing statutes, regulations, rulings and judicial decisions, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals.
4. Interest on the Bonds is exempt from State of California personal income tax.
5. The excess of the stated redemption price at maturity of a Bond over the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity is to be sold to the public) constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Bondowner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Bondowner will increase the Bondowner’s basis in the applicable Bond. Original issue discount that accrues to the Bondowner is excluded from the gross income of such owner for federal income tax purposes, is not an item of tax preference for purposes of the federal

alternative minimum tax imposed on individuals, and is exempt from State of California personal income tax.

6. The amount by which a Bondowner's original basis for determining loss on sale or exchange in the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable Bond premium, which must be amortized under Section 171 of the Internal Revenue Code of 1986, as amended (the "Code"); such amortizable Bond premium reduces the Bondowner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Bondowner realizing a taxable gain when a Bond is sold by the Bondowner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Bondowner. Purchasers of the Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable Bond premium.

The opinions expressed herein may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Resolution and the Tax Certificate relating to the Bonds permit certain actions to be taken or to be omitted if a favorable opinion of Bond Counsel is provided with respect thereto. No opinion is expressed herein as to the effect on the exclusion from gross income of interest (and original issue discount) for federal income tax purposes with respect to any Bond if any such action is taken or omitted based upon the advice of counsel other than ourselves. Other than expressly stated herein, we express no opinion regarding tax consequences with respect to the Bonds.

The opinions expressed herein as to the exclusion from gross income of interest (and original issue discount) on the Bonds are based upon certain representations of fact and certifications made by the District and others and are subject to the condition that the District complies with all requirements of the Code, that must be satisfied subsequent to the issuance of the Bonds to assure that such interest (and original issue discount) will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest (and original issue discount) on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The District has covenanted to comply with all such requirements.

It is possible that subsequent to the issuance of the Bonds there might be federal, state, or local statutory changes (or judicial or regulatory interpretations of federal, state, or local law) that affect the federal, state, or local tax treatment of the Bonds or the market value of the Bonds. No assurance can be given that subsequent to the issuance of the Bonds such changes or interpretations will not occur.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases and by the limitations on legal remedies against public agencies in the State of California.

Respectfully submitted,

APPENDIX B

2016-17 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT

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**CARPINTERIA UNIFIED SCHOOL DISTRICT
OF SANTA BARBARA COUNTY
CARPINTERIA, CALIFORNIA**

**AUDIT REPORT
June 30, 2017**

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FINANCIAL SECTION

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Moss, Levy & Hartzheim LLP

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Carpinteria Unified School District
Carpinteria, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the Carpinteria Unified School District (District) as of and for the fiscal 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

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

Auditors' Responsibility

Our responsibility is to express 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States and the *2016-2017 Guide for Annual Audits of California K-12 Local Educational Agencies and State Compliance Reporting* published by the California Education Audit Appeals Panel. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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, the business-type activities, each major fund, and the aggregate remaining fund information of the Carpinteria Unified School District, as of June 30, 2017, and the respective changes in financial position and cash flows where applicable thereof, for the fiscal 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 on pages 3 through 15, the budgetary information on pages 57 and 58, the schedule of funding progress for postemployment benefits other than pensions on page 59, the schedule of proportionate share of net pension liability on pages 60 and 61, and the schedule of pension contributions on pages 62 and 63, 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.

Other Information

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Carpinteria Unified School District's basic financial statements. The accompanying combining and individual fund financial statements and schedules, financial, and statistical information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Carpinteria Unified School District. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administration Requirements, Cost Principles and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements of the Carpinteria Unified School District.

The combining and individual fund financial statements and schedules, financial, and statistical information, listed in the table of contents, including the Schedule of Expenditures of Federal Awards are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2017, on our consideration of the Carpinteria Unified School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

Moss, Remy & Haugheim LLP

Santa Maria, California
December 12, 2017

**Carpinteria Unified School District
Management's Discussion and Analysis (Unaudited)
For the year ended June 30, 2017**

An overview of the Carpinteria Unified School District's financial activities for the fiscal year ended June 30, 2017 is provided in this discussion and analysis of the District's financial performance.

This Management Discussion and Analysis (MD&A) should be read in conjunction with the District's financial statements (including notes and supplementary information).

The comprehensive financial statements reflect the requirements of Governmental Accounting Standards Board Statement No. 34 *Basic Financial Statements – And Management's Discussion and Analysis – for State and Local Governments*. The additional financial statements required – the Statement of Net Position and the Statement of Activities are presented for the year ending June 30, 2017.

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, Management Discussion and Analysis. The three sections together provide a comprehensive overview of the District. The basic financial statements are comprised of two types of statements that present financial information from different perspectives: District-wide and by funds.

District-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.

- Basic services funding (i.e., regular and special education) is described in the governmental funds statements. These statements include short-term financing and balances remaining for future spending.
- Enterprise funds, which report the services provided by the District for which costs are primarily financed by fees.
- Financial relationships, for which the District acts solely as an agent or trustee, for the benefit of others to whom the resources belong, are presented in the fiduciary fund statements.

Notes to the financial statements, 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. A comparison of the District's budget for the year is included.

District-wide Statements

The District as a whole is reported in the District-wide statements, and uses accounting methods similar to those used by companies in the private sector. All of the District's assets and liabilities are included in the Statement of Net Position. This statement disclose information as follows:

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

The Statement of Activities reports all of the current year's revenues and expenses regardless of when cash is received or paid.

In the Statement of Net Position and the Statement of Activities, the District's activities are categorized as follows:

- **Governmental activities:**

The basic services provided by the District, such as regular and special education, administration, and transportation are included here. Property taxes and funding from various state, federal and private resources finance most of these activities.

- **Business-type activities:**

The District operates fee-based early childhood education programs. Costs of services are covered by fees supplemented by foundation grants for scholarships.

Fund Financial Statements

More detailed information about the District's most significant funds - not the District as a whole - is provided in the fund financial statements. Funds are the accounting device the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by bond covenants and by state law.
- Other funds are established by the District to control and manage money for particular purposes (such as repaying its long-term debts). Other funds may also account for expenditure of certain revenues (such as federal grants).

The District has three kinds of funds:

Governmental funds:

Most of the District's basic services are included in governmental funds, which generally focus on:

- How cash and other financial assets can readily be converted to cash flows (in and out).

- The balances remaining at year-end that are available for spending.

A detailed short-term view is provided by the governmental fund statements. These help determine whether there are more or fewer financial resources that can be spent in the near future for financing the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information is provided at the bottom of the governmental fund statements that explains the differences (or relationships) between them.

Proprietary funds:

The District uses an enterprise fund to account for the activities of its fee-based early childhood education programs and an internal service fund to account for insurance premiums charged through payroll and remitted to SISC, the health insurance Joint Powers Authority.

Fiduciary funds:

For assets that belong to others, such as the Associated Students Funds, the District acts as the trustee, or fiduciary. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. A separate statement of fiduciary net assets and a statement of changes in fiduciary net assets report the District's fiduciary activities. These activities are excluded from the District-wide financial statements, as the assets cannot be used by the District to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position

Table A – Net Position

	Net Position						
	Governmental Activities		Business-type Activities		Total School District		Total Percentage Change
	2016	2017	2016	2017	2016	2017	2016-2017
Current and other assets	\$ 33,295,047	\$ 29,262,294	\$ 12,390	\$ 666	\$ 33,307,437	\$ 29,262,960	-12.14%
Capital assets	\$ 25,400,156	\$ 28,946,313	-	-	\$ 25,400,156	28,946,313	13.96%
Total Assets	\$ 58,695,203	\$ 58,208,607	\$ 12,390	\$ 666	\$ 58,707,593	\$ 58,209,273	-0.85%
Pensions	3,401,974	6,946,233	127,045	119,084	3,529,019	7,065,317	100.21%
Deferred charge on refunding	1,192,223	1,094,856	-	-	1,192,223	1,094,856	-8.17%
Total Deferred outflows of resources	\$ 4,594,197	\$ 8,041,089	\$ 127,045	\$ 119,084	# \$ 4,721,242	\$ 8,160,173	72.84%
Other liabilities	1,254,041	2,163,438	12,390	666	1,266,431	2,164,104	70.88%
Long-term debt (due within one year)							
Bonds Payable	3,190,000	3,320,000	-	-	3,190,000	3,320,000	4.08%
Bond Premium	204,147	204,147	-	-	204,147	204,147	0.00%
Capital Lease Payable	42,804	50,263	-	-	42,804	50,263	17.43%
Long-term debt (due after one year)							
OPEB Liability	84,441	240,021	-	-	84,441	240,021	184.25%
Bonds Payable	26,835,000	23,515,000	-	-	26,835,000	23,515,000	-12.37%
Bond Premium	3,101,445	2,897,298	-	-	3,101,445	2,897,298	-6.58%
Compensated absences payable	263,394	238,137	-	-	263,394	238,137	-9.59%
Capital Lease Payable	233,237	236,400	-	-	233,237	236,400	1.36%
Net pension liability	21,137,783	24,683,031	789,378	421,038	21,927,161	25,104,069	14.49%
Total Liabilities	\$ 56,346,292	\$ 57,547,735	\$ 801,768	\$ 421,704	# \$ 57,148,060	\$ 57,969,439	1.44%
Pensions	2,060,626	2,235,584	76,953	35,081	2,137,579	2,270,665	6.23%
Total Deferred inflows of resources	\$ 2,060,626	\$ 2,235,584	\$ 76,953	\$ 35,081	\$ 2,137,579	\$ 2,270,665	
Net Position	\$ 4,882,482	\$ 6,466,377	\$ (739,286)	\$ (337,035)	# \$ 4,143,196	\$ 6,129,342	47.94%
Invested in capital assets							
net of related debt	\$ 14,070,291	\$ 18,433,720	\$ -	\$ -	\$ 14,070,291	\$ 18,433,720	31.01%
Restricted	6,732,133	6,154,005	-	-	6,732,133	6,154,005	-8.59%
Unrestricted	(15,919,942)	(18,121,348)	(739,286)	(337,035)	(16,659,228)	(18,458,383)	10.80%
Total Net Position	\$ 4,882,482	\$ 6,466,377	\$ (739,286)	\$ (337,035)	\$ 4,143,196	\$ 6,129,342	47.94%

Note: Totals may not add due to rounding

The District's combined net position increased by \$1,986,146 or 47.94% of the balance on June 30, 2016. This increase is almost entirely the result of increased property taxes. Details of the changes are described: Overall, current and other assets decreased by 12.14% or (\$4,044,477). This decrease is due to the lower levels of cash and cash equivalents held at the Santa Barbara County Treasury and the increase to Capital Assets.

Net capital assets increased by \$3,546,157 which includes depreciation expense of \$1,045,248. This increase was offset by net additions to capital assets of \$4,591,405. These additions included purchases of miscellaneous equipment, land improvements and minor building renovations, and construction in progress.

Deferred outflows of resources consist of pensions and the deferred charge on refunding. The deferred outflows of resources for pensions are reported for the first time as a result of implementing GASB No. 68. The deferred outflows of resources represent actual contributions made by the District for 2016-17 which will not be recognized by CalSTRS and CalPERS until fiscal 2017-18.

Other liabilities consist of accounts payable, unearned revenue, interest payable, and the current portion of long-term debt. These balances change from year to year due to timing of payments. The overall balance increased by \$897,673. The major portion of this increase is the result of an increase in accounts payable. Additionally, there was accrued interest on the general obligation bonds as of June 30, 2016 due to issuance of Series A bonds from Measure U.

Long-term debt consists of liabilities for the general obligation bonds and related premium, compensated absences and the District's share of the CalSTRS and CalPERS net pension liability. The most significant change is the reporting of the District's share of the CalSTRS and CalPERS net pension liability of \$25,104,069 as required by GASB 68. The changes in the general obligation bond occurred because of scheduled principal payments of \$3,190,000. There was no significant change in the liability for compensated absences.

Deferred inflows related to the pension plans represent the net difference between the projected and actual earnings on pension plan investments as reported by CalSTRS and CalPERS.

Table B – Statement of Activities

	Statement of Activities						Total Percentage Change
	Governmental Activities		Business-type Activities		Total School District		
	2016	2017	2016	2017	2016	2017	
Revenues							
Program revenues							
Charges for Services	\$ 242,315	\$ 285,147	\$ 593,029	\$ 358,147	\$ 835,344	\$ 643,294	-22.99%
Operating Grants and Contributions	4,717,997	3,905,294	15,236	7,082	4,733,233	3,912,376	-17.34%
Capital Grants and Contributions			-	-	-	-	0.00%
General revenues							
Property Taxes and Tax Levies	23,392,488	24,579,460	-	-	23,392,488	24,579,460	5.07%
Federal and State Formula Aid	3,379,034	2,579,067	-	-	3,379,034	2,579,067	-23.67%
Other	257,750	601,042	299,332	1,090	557,082	602,132	8.09%
Total Revenues	<u>\$31,989,584</u>	<u>\$ 31,950,010</u>	<u>\$ 907,597</u>	<u>\$ 366,319</u>	<u>\$ 32,897,181</u>	<u>\$32,316,329</u>	-1.77%
Expenses							
Instruction Related	\$18,087,326	\$ 18,383,091	\$ 1,030,947	\$ 371,987	\$ 19,118,273	\$ 18,755,078	-1.90%
Student Support Services	\$ 3,159,238	\$ 3,336,478	-	-	3,159,238	3,336,478	5.61%
Plant Services	3,361,541	3,069,127	-	-	3,361,541	3,069,127	-8.70%
Administration	1,794,671	2,219,986	-	-	1,794,671	2,219,986	23.70%
Other	3,830,590	3,373,679	-	-	3,830,590	3,373,679	-11.93%
Total Expenses	<u>\$30,233,366</u>	<u>\$ 30,382,361</u>	<u>\$ 1,030,947</u>	<u>\$ 371,987</u>	<u>\$ 31,264,313</u>	<u>\$30,754,348</u>	-1.63%
Change in Net Position	<u>\$ 1,756,218</u>	<u>\$ 1,567,649</u>	<u>\$ (123,350)</u>	<u>\$ (5,668)</u>	<u>\$ 1,632,868</u>	<u>\$ 1,561,981</u>	

Note: Totals may not add due to rounding

The District's total revenues for fiscal 2017 decreased by (1.77%) or (\$580,852). See Table B above. Property taxes are the main source of the District's operating revenues, comprising about 76% of total revenue. Another 7.98% of revenues are derived from state and federal aid for specific programs, and the remainder from fees for services, contributions and miscellaneous revenues.

Charges for Services

Charges for services include food services sales and developer fees. These revenues declined by (22.99%) or (\$192,050) due to Carpinteria Children's Project separating from CUSD as a Non-Profit in December of 2016.

Operating Grants and Contributions

Operating grants and contributions include all federal and state revenues as well as locally funded foundation grants. The most significant federal grants fund special education, child nutrition programs (National School

Lunch Program) and programs included in *No Child Left Behind*. State funding includes allocations for special education, state preschool funding, after school programs and child nutrition programs. Beginning in 2014-15 the District has implemented GASB Statements No. 68 and No. 71. As a result, the state's contribution to the retirement plan CalSTRS in the amount of \$856,910 has been reported both as revenue and an off-setting pension expense.

Property Taxes

Overall property taxes increased by 5.07% or \$1,186,972. Taxes levied for general purposes have begun to increase due to the improving economy and increases in assessed values of recently purchased homes. Property tax rates are governed by Proposition 13 and are not determined by the District. Taxes levied for debt service are determined by the County Assessor's office and used for repayment of the District's general obligation bonds.

Federal and State Formula Aid

Effective in 2013-14, the State of California adopted a new funding model for school districts, the Local Control Funding Formula or LCFF. Under this model, school districts calculate a targeted level of funding that consists of: a base grant per student plus supplemental and concentration grants for each student meeting the criteria of being economically disadvantaged, an English Learner or a foster youth. For 2016-17, the state provided additional funding to reduce the gap between the target funding and actual funding received in 2012-2013, the base year for measurement. Similar to the old revenue limit calculation used in previous years, state aid is provided for the difference when LCFF calculated funding exceeds local property taxes collected. During the time of transition, all districts are guaranteed the same level of state aid (Minimum State Aid) as that received in 2012-13.

During 2016-17, the District's property taxes continued to exceed the calculated LCFF funding. As a result, state aid consisted solely of the Minimum State Aid of \$1,205,015. It is anticipated that the District will continue its status as a community funded or Basic Aid district for at least the next few years.

In November 2012, California voters approved Proposition 30 which temporarily increased the sales tax rate and income taxes for high income bracket taxpayers. Much of the revenue generated by these tax increases (Education Protection Account) prevented further reductions in state funding for school districts; however, Basic Aid districts were guaranteed additional revenue of \$200 per each student's average day attendance. The Education Protection Account amounts to \$430,088 for 2016-17 which is similar to 2015-16. Federal and state formula aid decreased by (\$799,967) or 23.67% in 2016-17. As discussed above, ongoing state aid includes the Minimum State Aid and funding under Proposition 30, the Education Protection Account. The decrease in formula aid is mainly related to the decrease in a one-time apportionment of (\$683,043) from the state as a reimbursement for mandated costs and a decrease in MAA funding of (\$53,138).

Other

Other revenues consist primarily of interest income, rental income and developer impact fees. The 2016-17 balance is higher primarily due to higher bond debt levies.

Expenses

Expenses decreased overall by (1.63)%. Approximately 61% of the District's budget is comprised of salaries and benefits. Staff received increases due to contractual movement on salary schedules. Health insurance premiums increased by 3.5% and the District continued to fully pay health insurance for full-time employees and their families. Employees working at least 50% time received a pro-rata contribution to the cost of insurance benefits. In addition, pension expense has been reported in accordance with GASB Statements No. 68 and 71.

Instruction-related expenses decreased by 1.9%. All staff health insurance premiums increased by approximately 3.5%. Most staffing levels remained unchanged.

Student support services include Home-to-School Transportation, food services and other pupil support such as counselors and psychologists. These expenses increased by \$177,240 or 5.61%. In addition to salary and benefit increases, the district contracted for additional services for special education students attending programs outside the district and incurred higher costs for the food services program.

Maintenance and operations decreased by (8.70%) or (\$292,414). All staff health insurance premiums increased by 3.5%. Most staffing levels remained unchanged.

Administration costs increased 23.70% or \$425,315. All staff health insurance premiums increased by 3.5%. Most staffing levels remained unchanged.

Other includes ancillary services (after school programs and athletic programs at the high school), community services (family outreach at Carpinteria Children's Project and civic center use of facilities), interest on long-term debt and other outgo. Overall, these programs decreased by (11.93%) or (\$456,911).

Overall, the change in net position was \$1,986,146 for 2016-17.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**Combined Governmental Funds**

The District ended the year with a net decrease in ending fund balances of (\$4,996,040) for all governmental funds. Four governmental funds ended the year with operating deficits: the General Operating Fund, Cafeteria, the Building Fund and the Special Reserve for Capital Projects. The Building Fund and the Special Reserve Fund for Capital Projects had adequate fund balances to absorb the deficits; however, transfers of \$168,200 were required from the General Fund to offset the operating deficits of the Cafeteria Fund.

Over the course of the year, the District revised the annual operating budget several times. These budget amendments occurred to reflect new events, such as the acquisition of new equipment, new contracts for services and to increase appropriations in order to prevent budget overruns.

The District's final budget for the general fund anticipated that there would be a deficit of approximately (\$918,148). However the actual results showed a net deficit of (\$50,111) for the unrestricted fund and a net deficit of (\$135,678) for the restricted fund for a total net deficit of (\$185,789). The change in budget was largely due to unspent balances and transferring the Special Reserve Fund to the Unrestricted General Fund.

Table C: Summary of Revenues for Combined Governmental Funds

Revenues	FYE 2016 Amount	Percentage of Total	FYE 2017 Amount	Percentage of Total	Increase (Decrease) from FYE 2016	Percent Increase (Decrease)
State apportionments	\$ 1,686,958	5%	\$ 1,635,103	5%	\$ (51,855)	-3%
Property Taxes	19,676,556	61%	20,692,481	65%	1,015,925	5%
Federal	2,155,193	7%	1,930,837	6%	(224,356)	-10%
Other State	3,033,361	9%	2,723,129	9%	(310,232)	-10%
Other Local	5,736,762	18%	4,968,460	16%	(768,302)	-13%
Total Revenue	\$32,288,830	100%	\$31,950,010	100%	\$ (338,820)	-1%

State Apportionments:

The state apportionment for 2016-17 reflects the Minimum State Aid provided to Basic Aid districts as well as Education Protection Account (EPA) funding. Overall funding is essentially unchanged.

Property Taxes:

Property taxes increased by \$1,015,922 or 5% as a result of the improving real estate market in the Carpinteria area.

Federal Revenues:

Federal revenues decreased by (\$224,356) or 10%. The increases resulted from the decrease of one time receipts of \$197,698 in revenues from Educators Effectiveness funding in 2015-16. Other changes were a result of minor changes to final entitlement and grant award amounts.

Other State Revenues

Other state revenues include mandated cost reimbursements, lottery funding, ASES (After school programs), and food reimbursements in the cafeteria fund. In addition, due to the implementation of GASB Statement No. 68, state revenues include the \$856,910 state contribution to CalSTRS.

Other Local Revenues:

Other local revenues consist of food service sales, developer fees, property taxes assessed for repayment of general obligation bonds, interest income and locally funded grants. The decrease in local revenues from

2015-16 is largely due to Carpinteria Children's Project's separation from CUSD at a Non-Profit organization in December of 2016. Other changes include fluctuations in donations and local grants.

Table D: Summary of Expenditures for Combined Governmental Funds

	FYE 2016 Amount	Percentage of Total	FYE 2017 Amount	Percentage of Total	Increase (Decrease) from FYE 2016	Percent Increase (Decrease)
Expenditures by object:						
Certificated salaries	\$10,331,600	33%	\$10,518,781	28%	\$ 187,181	2%
Classified salaries	5,602,160	18%	5,528,423	15%	(73,737)	-1%
Employee benefits	7,244,490	23%	7,807,323	21%	562,833	8%
Books and supplies	1,827,592	6%	1,979,886	5%	152,294	8%
Services, other operating expenses	3,092,735	10%	2,659,351	7%	(433,384)	-14%
Capital outlay	1,501,621	5%	3,925,857	11%	2,424,236	161%
Other outgo	7,384	0%	70,972	0%	63,588	861%
Debt service	1,416,310	5%	4,532,884	12%	3,116,574	220%
Total expense	\$31,023,892	100%	\$37,023,476	100%	\$ 5,999,584	19%

Total expenditures increased by 19% from the prior year.

Certificated salaries increased overall 2%. Overall staffing remained similar to that of 2015-16 except for the expansion of Extended Transitional Kindergarten.

Classified staff costs decreased by (1%). Overall staffing remained similar to that of 2015-16.

Employee benefits increased by 8%. The most significant portion of the increase is the result of the escalating pension increases for both CalSTRS and CalPERS as well as the implementation of GASB 68. In accordance with this statement, the state's contribution made directly to STRS in the amount of \$856,910 has been recorded both as a revenue and an expense. There has also been a 3.5% increase in health insurance.

Expenditures for books and supplies increased by 8%. All schools continue to purchase instructional materials, software and computers. The district purchased Math curriculum, Bridges.

Services and other operating expenses decreased by (14%) or (\$433,384). Decreases include one-time expenditures in 2015-16 for the new financial system and one-time contracts.

Capital outlay increased 161%. This increase includes expenditures for both years consist of miscellaneous purchases of a school bus and land and building improvements. There most significant changes are in the

Building fund with the start of Measure U bond projects.

The changes in other outgo are the result of the increased transfer to the Cafeteria Fund.

Debt service payments for 2016-17 are a function of the Measure U bond schedule and the Bond Interest and Redemption Fund.

Business-type Funds

The District operates fee-based early childhood education programs. These operations are reflected in a separate enterprise fund. Expenditures are funded by parent fees and scholarships from local foundations.

These activities are reflected in the Statement of Activities, Table B.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Table E: Capital Assets at Year end (Net of Depreciation)

	<u>Governmental Activities</u>		<u>Total</u>	
	2016	2017	2016	2017
Land	\$ 2,371,786	\$ 2,371,786	\$ 2,371,786	\$ 2,371,786
Construction in Progress	1,593,690	2,929,022	1,593,690	2,929,022
Buildings & Improvements	38,434,820	41,594,984	38,434,820	41,594,984
Accumulated Depreciation, Building & Improvements	(17,994,271)	(18,931,493)	(17,994,271)	(18,931,493)
Machinery & Equipment	2,394,580	2,471,458	2,394,580	2,471,458
Accumulated Depreciation, Machinery & Equipment	<u>(1,400,449)</u>	<u>(1,489,444)</u>	<u>(1,400,449)</u>	<u>(1,489,444)</u>
Total	<u>\$ 25,400,156</u>	<u>\$ 28,946,313</u>	<u>\$ 25,400,156</u>	<u>\$ 28,946,313</u>

Construction-in-progress consists of planning and architect fees for several future projects. These projects will be financed by general obligation bonds authorized by voters in November 2014.

Debt

Table F: Outstanding Debt, at Year end

	Governmental Activities		Total	
	2016	2017	2016	2017
Bonds	\$ 30,025,000	\$ 26,835,000	\$ 30,025,000	\$ 26,835,000
Bond premium	3,305,592	3,101,445	\$ 3,305,592	\$ 3,101,445
Net Pension Liability	21,137,783	24,683,031	\$ 21,137,783	\$ 24,683,031
Capital Leases	276,041	286,663	\$ 276,041	\$ 286,663
OPEB Liability	84,441	240,021	\$ 84,441	\$ 240,021
Compensated Absences	263,394	238,137	\$ 263,394	\$ 238,137
Total	\$ 55,092,251	\$ 55,384,297	\$ 55,092,251	\$ 55,384,297

In November of 2014, the District passed Measure U, a \$90,000,000 general obligation bond. In November 2015, the first bond draw, Series A, was issued for \$20,000,000. This purchase resulted in a bond premium decrease in 2016 of \$204,147 amortized for 25 years.

The District's share of the CalSTRS and CalPERS net pension liability is reflected for the first time as a result of implementing GASB Statement No. 68. Further details of the impacts are described in Note 1 "Significant Accounting Policies" – New Accounting Pronouncements, Note 10 – Pension plans, and Note 18 – Restatements.

Compensated absences decreased by (\$25,257) due to retirements and separations.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

During 2016-17 enrollment of students increased by approximately 42 compared to that of 2015-16. This increase is due to the expansion of Transitional Kindergarten for one year. Based on enrollment in the fall of 2017, it appears that enrollment will decline for the 2017-18 fiscal year. The District will review data over the next few years to determine enrollment trends. As a "Basic Aid" district, enrollment does not significantly impact revenues.

The District projects a 5.1% increase in property taxes in 2017-18. The economy in Carpinteria continues to be strong and should support continuing property tax increases.

As discussed previously, beginning in fiscal 2013-14, the State of California has implemented a new funding model, the Local Control Funding Model (LCFF). Under this new model, districts calculate a funding goal comprised of a base amount per student. Additional funds are provided for students who are English Learners, economically disadvantaged or in foster homes. Each year, it is anticipated that additional funds will be provided so that all districts reach the calculated funding goal by fiscal 2020. Carpinteria Unified School District will likely remain a Basic Aid district as projected property taxes will continue to exceed actual funding calculated under the new LCFF model.

The District's contribution rates for employee retirement plans will continue to increase over the next few years. For 2016-17, contribution rates to CalSTRS are 12.58% and 13.89% for CalPERS. These rates are estimated to be 19.1% for CalSTRS and 24.9% for CalPERS by 2020-21.

Health insurance premiums for 2015-16 have increased approximately 3.5% resulting in an annual premium of \$18,401. This premium amount continues to be fully paid by the District for all full-time employees and their families. Employees who work 50% or more receive a pro-rata share of paid health insurance benefits. No changes have been made to the health insurance benefits for 2017-18.

Other expenditures are projected to increase due to higher energy and water costs and additional instructional programs for students. In particular, provisions of the Local Control Funding Formula require that the District provide additional or improved services to students who are economically disadvantaged, English Learners or foster youth. These students comprise approximately 68% of enrollment. Many support services have been provided and the District continues to provide additional intervention teachers, math support and counseling services.

District reserves for 2017-18 are projected to exceed the state minimum recommended reserve level of 3% of total operating expenditures and are currently approximately 7.26%. The District's board policy recommends that reserves remain at 10% at a minimum for the current and two subsequent years.

On November 19, 2015, the District finalized its first sale of \$20,000,000 in general obligation bonds under Measure U approved by voters in November 2014. This measure will ultimately provide \$90 million for the renovation of existing facilities, replacement of portable classroom and construction of new science classrooms at the high school.

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 any questions regarding this report or need additional financial information, contact Ms. Maureen Fitzgerald, Assistant Superintendent Business Services, Carpinteria Unified School District, 1400 Linden Avenue, Carpinteria, CA 93013.

CARPINTERIA UNIFIED SCHOOL DISTRICT

STATEMENT OF NET POSITION

JUNE 30, 2017

Assets	Governmental Activities	Business-type Activities	Total
Cash in county treasury	\$ 27,800,735	\$ 86,144	\$ 27,886,879
Revolving cash fund	1,095		1,095
Accounts receivable	1,301,838	65,522	1,367,360
Internal balances	151,000	(151,000)	
Inventories, at cost	7,626		7,626
Land	2,371,786		2,371,786
Construction in progress	2,929,022		2,929,022
Buildings and improvements	41,594,984		41,594,984
Equipment	2,471,458		2,471,458
Less accumulated depreciation	(20,420,937)		(20,420,937)
Total assets	58,208,607	666	58,209,273
Deferred Outflows Of Resources			
Pensions	6,946,233	119,084	7,065,317
Deferred charge on refunding	1,094,856		1,094,856
Total deferred outflows of resources	8,041,089	119,084	8,160,173
Liabilities			
Accounts payable	1,377,112	666	1,377,778
Unearned revenue	285,016		285,016
Interest payable	501,310		501,310
Long-term liabilities:			
Due within one year:			
General obligation bonds payable	3,320,000		3,320,000
Bond premium	204,147		204,147
Capital leases payable	50,263		50,263
Total due within one year	5,737,848	666	5,738,514
Due after one year:			
OPEB liability	240,021		240,021
General obligation bonds payable	23,515,000		23,515,000
Bond premium	2,897,298		2,897,298
Compensated absences payable	238,137		238,137
Net pension liability	24,683,031	421,038	25,104,069
Capital leases payable	236,400		236,400
Total due after one year	51,809,887	421,038	52,230,925
Total liabilities	57,547,735	421,704	57,969,439
Deferred Inflows of Resources			
Pensions	2,235,584	35,081	2,270,665
Total deferred inflows of resources	2,235,584	35,081	2,270,665
Net Position			
Net investment in capital assets	18,433,720		18,433,720
Restricted for:			
Capital projects	860,344		860,344
Debt service	4,433,068		4,433,068
Educational programs	643,970		643,970
Maintenance	216,623		216,623
Unrestricted	(18,121,348)	(337,035)	(18,458,383)
Total net position	\$ 6,466,377	\$ (337,035)	\$ 6,129,342

The accompanying notes are an integral part of this statement.

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CARPINTERIA UNIFIED SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Instruction	\$ 15,018,025	\$ 4,636	\$ 1,666,976	\$ -
Instruction-related services:				
Supervision of instruction	726,211	267	54,204	
Instructional library, media, and technology	299,099	220	31,666	
School site administration	2,339,756	2	106,824	
Pupil services:				
Home-to-school transportation	496,854			
Food services	1,148,578	184,950	757,527	
All other pupil services	1,691,046		129,363	
General administration:				
Data processing	334,005			
All other general administration	1,885,981		80,968	
Plant services	3,069,127	90,783	441,611	
Ancillary services	938,933		626,547	
Community services	199,023	3,778	8,931	
Interest on long-term debt	1,116,131			
Other outgo	74,344	511	677	
Depreciation (unallocated)	1,045,248			
Total governmental activities	30,382,361	285,147	3,905,294	
Business-type Activities:				
Early Childhood Education	371,987	358,147	7,082	
Total business-type activities	371,987	358,147	7,082	
Total government	\$ 30,754,348	\$ 643,294	\$ 3,912,376	\$ -

General revenues:

Taxes and subventions:

Taxes levied for general purposes

Taxes levied for debt service

Federal and state aid not restricted to specific
purposes

Interest and investment earnings

Miscellaneous

Total general revenues

Change in net position

Net position, beginning of fiscal year

Prior period adjustment

Net position, beginning of fiscal year, restated

Net position, end of fiscal year

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (13,346,413)	\$ -	\$ (13,346,413)
(671,740)		(671,740)
(267,213)		(267,213)
(2,232,930)		(2,232,930)
(496,854)		(496,854)
(206,101)		(206,101)
(1,561,683)		(1,561,683)
(334,005)		(334,005)
(1,805,013)		(1,805,013)
(2,536,733)		(2,536,733)
(312,386)		(312,386)
(186,314)		(186,314)
(1,116,131)		(1,116,131)
(73,156)		(73,156)
(1,045,248)		(1,045,248)
(26,191,920)		(26,191,920)
	(6,758)	(6,758)
	(6,758)	(6,758)
(26,191,920)	(6,758)	(26,198,678)
20,692,481		20,692,481
3,886,979		3,886,979
2,579,067		2,579,067
226,520	1,090	227,610
374,522		374,522
27,759,569	1,090	27,760,659
1,567,649	(5,668)	1,561,981
4,882,482	(739,286)	4,143,196
16,246	407,919	424,165
4,898,728	(331,367)	4,567,361
\$ 6,466,377	\$ (337,035)	\$ 6,129,342

CARPINTERIA UNIFIED SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017

	General Fund	Cafeteria Fund
ASSETS:		
Cash in County Treasury	\$ 2,527,612	\$ 298,638
Cash in Revolving Fund	500	595
Accounts Receivable	1,134,505	146,392
Due from Other Funds	800,733	-
Stores Inventories	-	7,626
Total Assets	<u>\$ 4,463,350</u>	<u>\$ 453,251</u>
LIABILITIES AND FUND BALANCES:		
Liabilities:		
Accounts Payable	\$ 361,884	\$ 93,636
Due to Other Funds	100,500	359,615
Unearned Revenue	279,379	-
Total Liabilities	<u>741,763</u>	<u>453,251</u>
Fund Balances:		
Nonspendable	500	8,221
Restricted	643,970	-
Assigned	-	-
Unassigned	3,077,117	(8,221)
Total Fund Balances	<u>3,721,587</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 4,463,350</u>	<u>\$ 453,251</u>

The accompanying notes are an integral part of this statement.

Building Fund	Bond Interest & Redemption Fund	Other Governmental Funds	Total Governmental Funds
\$ 17,656,223	\$ 4,934,378	\$ 1,081,157	\$ 26,498,008
-	-	-	1,095
14,045	-	6,896	1,301,838
-	-	100,500	901,233
-	-	-	7,626
<u>\$ 17,670,268</u>	<u>\$ 4,934,378</u>	<u>\$ 1,188,553</u>	<u>\$ 28,709,800</u>
\$ 886,657	\$ -	\$ 28,933	\$ 1,371,110
-	-	42,108	502,223
-	-	5,637	285,016
<u>886,657</u>	<u>-</u>	<u>76,678</u>	<u>2,158,349</u>
16,609,070	4,934,378	1,076,967	8,721
174,541	-	34,908	23,264,385
-	-	-	209,449
<u>16,783,611</u>	<u>4,934,378</u>	<u>1,111,875</u>	<u>3,068,896</u>
<u>\$ 17,670,268</u>	<u>\$ 4,934,378</u>	<u>\$ 1,188,553</u>	<u>\$ 28,709,800</u>

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

Total fund balances - governmental funds \$ 26,551,451

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

Capital assets at historical cost	\$ 49,367,250
Accumulated depreciation	<u>20,420,937</u>

Net	28,946,313
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In governmental funds, loss on refunding is recognized as an expenditure in the period incurred. In the government-wide statements, loss on refunding is amortized over the life of the debt. 1,094,856

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

OPEB liability	\$ 240,021
General obligation bonds payable	26,835,000
Bond premium	3,101,445
Compensated absences payable	238,137
Net pension liability	24,683,031
Capital leases payable	<u>286,663</u>

Total	(55,384,297)
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In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of net position, it is recognized in the period that it is incurred. (501,310)

Internal service funds are used to conduct certain activities for which costs are charged to other funds on a full cost-recovery basis. Because internal service funds are presumed to operate for the benefit of governmental activities, assets and liabilities of internal service funds are reported with governmental activities in the state of net position. Net position for internal service funds were: 1,048,715

Deferred outflows and inflow of resources relating to pensions: In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.

Deferred inflows of resources relating to pensions	\$ (2,235,584)	
Deferred outflows of resources relating to pensions	<u>6,946,233</u>	<u>4,710,649</u>

Total net position - governmental activities \$ 6,466,377

The accompanying notes are an integral part of this statement.

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

	General Fund	Cafeteria Fund
Revenues:		
LCFF Sources:		
State Apportionment or State Aid	\$ 1,205,015	\$ -
Education Protection Account Funds	430,088	-
Local Sources	20,692,478	-
Federal Revenue	1,224,994	705,843
Other State Revenue	2,576,972	50,742
Other Local Revenue	679,065	185,684
Total Revenues	<u>26,808,612</u>	<u>942,269</u>
Expenditures:		
Current:		
Instruction	14,684,589	-
Instruction - Related Services	3,339,877	-
Pupil Services	2,183,829	1,131,201
Ancillary Services	933,312	-
Community Services	197,858	-
General Administration	2,228,890	-
Plant Services	2,993,497	-
Other Outgo	70,972	-
Capital Outlay	95,909	-
Debt Service:		
Principal	66,804	-
Interest	7,590	-
Total Expenditures	<u>26,803,127</u>	<u>1,131,201</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,485</u>	<u>(188,932)</u>
Other Financing Sources (Uses):		
Transfers In	-	168,200
Transfers Out	(268,700)	-
Proceeds From Capital Lease	77,426	-
Total Other Financing Sources (Uses)	<u>(191,274)</u>	<u>168,200</u>
Net Change in Fund Balances	(185,789)	(20,732)
Fund Balances, July 1	3,907,376	20,732
Fund Balances, June 30	<u>\$ 3,721,587</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

Building Fund	Bond Interest & Redemption Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 1,205,015
-	-	-	430,088
-	-	-	20,692,478
-	-	-	1,930,837
-	10,003	85,412	2,723,129
135,607	3,897,736	70,371	4,968,463
<u>135,607</u>	<u>3,907,739</u>	<u>155,783</u>	<u>31,950,010</u>
-	-	69,710	14,754,299
-	-	2,023	3,341,900
-	-	-	3,315,030
-	-	-	933,312
-	-	-	197,858
-	-	5,108	2,233,998
640,727	-	83,142	3,717,366
-	-	-	70,972
3,795,814	-	34,134	3,925,857
-	3,190,000	-	3,256,804
-	1,268,490	-	1,276,080
<u>4,436,541</u>	<u>4,458,490</u>	<u>194,117</u>	<u>37,023,476</u>
(4,300,934)	(550,751)	(38,334)	(5,073,466)
-	-	100,500	268,700
-	-	-	(268,700)
-	-	-	77,426
<u>-</u>	<u>-</u>	<u>100,500</u>	<u>77,426</u>
(4,300,934)	(550,751)	62,166	(4,996,040)
21,084,545	5,485,129	1,049,709	31,547,491
<u>\$ 16,783,611</u>	<u>\$ 4,934,378</u>	<u>\$ 1,111,875</u>	<u>\$ 26,551,451</u>

CARPINTERIA UNIFIED SCHOOL DISTRICT

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

Total net change in fund balances - governmental funds	\$ (4,996,040)
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which additions to capital assets of \$4,591,405 does not exceed depreciation expense (\$1,045,248) in the period.	3,546,157
In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Payment of bonds principal was \$3,190,000 and capital lease principal of \$66,804.	3,256,804
In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period was:	53,170
In the statement of activities, compensated absences are measured by the amounts earned during the fiscal year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts paid). This fiscal year, vacation used was more than the amounts earned by \$25,257.	25,257
In governmental funds, loss on debt refunding is recognized as an expenditure in the period they are incurred. In the government-wide statements, the loss is amortized over the life of the debt. Loss on refunding amortization for the period was:	(97,367)
In governmental funds, OPEB costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This fiscal year, the difference between OPEB costs and actual employer contributions was:	(155,580)
Internal service funds are used by the District to charge the costs of service to individual funds. The net income (loss) of internal service funds is reported in governmental activities.	720
In governmental funds, if debt is issued at a premium, the premium is recognized as an Other financing Source in the period it is incurred. In the government-wide statements, the premium is amortized as interest over the life of the debt. Amortization of debt issue premium for the period was:	204,147
In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:	(192,193)
In governmental funds, proceeds from debt are recognized as Other Financing Sources. In the government-wide statements, proceeds from debt are reported as increases to liabilities. Amounts recognized in the governmental funds as proceeds from debt were:	<u>(77,426)</u>
Change in net position - governmental activities	\$ <u><u>1,567,649</u></u>

The accompanying notes are an integral part of this statement.

CARPINTERIA UNIFIED SCHOOL DISTRICT

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

JUNE 30, 2017

	Enterprise Fund	Governmental Activities Internal Service Fund
ASSETS:		
Current Assets:		
Cash in County Treasury	\$ 86,144	\$ 1,302,727
Accounts Receivable	65,522	-
Total Current Assets	151,666	1,302,727
Total Assets	151,666	1,302,727
DEFERRED OUTFLOWS OF RESOURCES:		
Pensions	119,084	-
Total Outflows of Resources	119,084	-
LIABILITIES:		
Current Liabilities:		
Accounts Payable	666	6,002
Due to Other Funds	151,000	248,010
Total Current Liabilities	151,666	254,012
Noncurrent Liabilities:		
Net Pension Liability	421,038	-
Total Noncurrent Liabilities	421,038	-
Total Liabilities	572,704	254,012
DEFERRED INFLOWS OF RESOURCES		
Pensions	35,081	-
Total Inflows of Resources	35,081	-
NET POSITION:		
Unrestricted (Deficit)	(337,035)	1,048,715
Total Net Position	\$ (337,035)	\$ 1,048,715

The accompanying notes are an integral part of this statement.

CARPINTERIA UNIFIED SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Enterprise Fund	Governmental Activities Internal Service Fund
Operating Revenues:		
State revenue	\$ 7,082	\$ -
Local revenues	<u>358,147</u>	<u>4,537,067</u>
Total revenues	<u>365,229</u>	<u>4,537,067</u>
Operating Expenses:		
Certificated personnel salaries	203,257	
Classified personnel salaries	57,174	
Employee benefits	98,850	
Books and supplies	8,380	
Services and other operating expenses	<u>4,326</u>	<u>4,539,992</u>
Total expenses	<u>371,987</u>	<u>4,539,992</u>
Operating income (loss)	<u>(6,758)</u>	<u>(2,925)</u>
Non-Operating Revenues (Expenses):		
Interest income	<u>1,090</u>	<u>3,645</u>
Total non-operating revenues (expenses)	<u>1,090</u>	<u>3,645</u>
Change in net position	<u>(5,668)</u>	<u>720</u>
Net position, beginning of fiscal year	(739,286)	1,047,995
Prior period adjustment	407,919	
Net position, beginning of fiscal year, restated	<u>(331,367)</u>	<u>1,047,995</u>
Net position, end of fiscal year	<u>\$ (337,035)</u>	<u>\$ 1,048,715</u>

The accompanying notes are an integral part of this statement.

CARPINTERIA UNIFIED SCHOOL DISTRICT

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Enterprise Fund	Governmental Activities Internal Service Fund
Cash Flows from Operating Activities:		
Cash received from fees	\$ 350,651	\$ 4,537,067
Cash received from operating grants	7,082	
Cash paid for employee services	(549,198)	(4,285,980)
Cash paid for goods and services	(24,430)	
Net cash provided (used) by operating activities	(215,895)	251,087
Cash Flows from Investing Activities:		
Interest received	1,090	3,645
Net increase (decrease) in cash and cash equivalents	(214,805)	254,732
Cash and cash equivalents at July 1, 2016	300,949	1,047,995
Cash and cash equivalents at June 30, 2017	\$ 86,144	\$ 1,302,727

Reconciliation of Operating Income to Net Cash Provided by Operating Activities

Operating income (loss)	\$ (6,758)	\$ (2,925)
(Increase) Decrease in Operating Assets and Deferred Outflows		
Accounts receivable	(7,496)	
Pensions - Deferred Outflows	(14,480)	
Increase (Decrease) in Operating Liabilities and Deferred Inflows:		
Accounts payable	(11,724)	6,002
Due to other funds	(195,585)	248,010
Net pension liability	60,586	
Pensions - Deferred Inflows	(40,438)	
Net cash provided (used) by operating activities	\$ (215,895)	\$ 251,087

The accompanying notes are an integral part of this statement.

CARPINTERIA UNIFIED SCHOOL DISTRICT
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2017

	Agency Fund	Student Body Fund
ASSETS:		
Cash on Hand and in Banks	\$ 151,403	
Total Assets	<u>\$ 151,403</u>	
LIABILITIES:		
Due to Student Groups	\$ 151,403	
Total Liabilities	<u>\$ 151,403</u>	

The accompanying notes are an integral part of this statement.

CARPINTERIA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Policies

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

B. Reporting Entity

The reporting entity is the Carpinteria Unified School District. There are no component units included in this report which meet the reporting entity definition criteria of GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, GASB Statement No. 61, and GASB Statement No. 80.

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 nonfiduciary activities of the District.

The government-wide financial statements are prepared using the economic resources measurement focus. Government-wide financial statements differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds.

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

Fund Financial Statements:

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

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

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the proprietary fund's Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position for proprietary funds presents increases (i.e., revenues) and decreases (i.e., expenses) in the net total assets. The statement of cash flows provides information about how the District finances and meets the cash flow need of its proprietary activities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connections with proprietary funds' principal ongoing operations.

Fiduciary funds are reported using the economic resources measurement focus.

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 and proprietary funds 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 the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, "available" means collectible within the current period or within one year after fiscal 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 fiscal 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.

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 unearned revenue.

Pensions:

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit pension plans (the Plans) of the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. 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.

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, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The District's 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, proprietary fund, and fiduciary funds, as follows:

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Fund Accounting (Continued)

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.

One fund currently defined as a special revenue fund in the California State Accounting Manual (CSAM) did not meet the GASB Statement No. 54 special revenue fund definition. The Special Reserve Fund is not substantially composed of restricted or committed revenue sources. While this fund is authorized by statute and will remain open for internal reporting purposes, this fund functions effectively as an extension of the General Fund, and accordingly has been combined with the General Fund for presentation in these audit financial statements.

The Cafeteria fund is used to account for revenues received and expenditures made to operate the District's cafeterias.

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

The Bond Interest and Redemption Fund is used to account for the accumulation of resources for, and the repayment of, the District's bonds, interest, and related costs.

Nonmajor Governmental Funds:

Special Revenue Funds are established to account for the proceeds from specific revenue sources (other than trusts, major capital projects, or debt service) that are restricted or committed to the financing of particular activities and that compose a substantial portion of the inflows of the fund. Additional resources that are restricted, committed, or assigned to the purpose of the fund may also be reported in the fund. The District maintains two nonmajor special revenue fund:

1. The Child Development Fund is used to account for resources committed to child development programs maintained by the District.
2. The Deferred Maintenance Fund is used for the purpose of major repair or replacement of the District's property.

Capital Projects Funds are used to account for the acquisition and/or construction of governmental capital assets. The District maintains three nonmajor capital projects funds:

1. The Capital Facilities Fund is used to account for resources received from developer impact fees assessed under the provisions of the California Environmental Quality Act (CEQA).
2. The County School Facilities Fund is used to account for resources received from Proposition 1A, to be used for new construction, modernization, and class size reduction.
3. The Special Reserve Fund is used to set aside funds for capital projects.

Major Proprietary Fund:

Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private business enterprises, whereas the intent is that the costs of providing services on a continuing basis be financed or recovered primarily through user charges. The District maintains one major enterprise fund.

The Early Childhood Education Program Fund is used to account for revenues and expenses relating to the District's fee-based early childhood program.

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Fund Accounting (Continued)

Nonmajor Proprietary Fund:

The **Internal Service Funds** are used to account for services rendered on a cost-reimbursement basis within the District. The District maintains one internal service fund: the Self-Insurance Fund, which is used in a similar fashion to a clearing account. Health insurance premiums are recorded through payroll over ten months and are transferred to the internal service fund where premiums are paid over twelve months.

FIDUCIARY FUNDS

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

F. Budgets and Budgetary Accounting

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

These budgets are revised by the District's governing board and District Superintendent during the fiscal year to give consideration to unanticipated income and expenditures.

Formal budgetary integration was employed as a management control device during the fiscal 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 at June 30.

H. Statement of Cash Flows

For the purposes of the statement of cash flows, the enterprise fund considers all highly liquid investments with a maturity of three months or less when purchased, to be cash equivalents.

I. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Equity

1. Deposits and Investments

Cash balances held in banks and in revolving funds are insured up to \$250,000 by the Federal Depository Insurance Corporation. All cash held by the financial institutions is fully insured or collateralized.

In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the Santa Barbara 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 fair value. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

The County is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et. seq.. The funds maintained by the County are either secured by the Federal Depository Insurance Corporation or are collateralized.

Information regarding the amount of dollars invested in derivatives with the Santa Barbara County Treasury was not available.

2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as interfund receivables/payables.

CARPINTERIA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Equity (Continued)

3. Inventories and Prepaid Items

Inventory is recorded using the purchase method in that the cost is recorded as an expenditure at the time individual inventory items are purchased. Inventory is valued at the lower of cost (first-in, first out) or market and consists of expendable supplies held for consumption. 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 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 period incurred.

4. Amortization of Bond Refunding and Bond Premium

The loss on refunding and bond premium is being amortized on the straight line method over the life of the bonds on the government-wide statements.

5. Capital Assets

Capital assets are those purchased or acquired with an original cost of \$5,000 or more and are reported at historical cost or estimated historical cost. Contributed capital assets are reported at fair 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 capital assets or materially extend the capital assets' lives are not capitalized, but are expensed as incurred. Depreciation on all capital assets is computed using the straight-line basis over the following estimated useful lives.

Asset Class	Examples	Estimated Useful Life in Years
Land		N/A
Site improvements	Paving, flagpoles, retaining walls, sidewalks, fencing, outdoor lighting	20
School buildings		50
Portable classrooms		25
HVAC systems	Heating, ventilation, and air conditions systems	20
Roofing		20
Interior construction		25
Carpet replacement		7
Electrical/plumbing		30
Sprinkler/fire system	Fire suppression system	25
Outdoor equipment	Playground, radio towers, fuel tanks, pumps	20
Machinery and tools	Shop and maintenance equipment, tools	15
Kitchen equipment	Appliances	15
Custodial equipment	Floor scrubbers, vacuums, other	15
Science and engineering	Lab equipment, scientific apparatus	10
Furniture and accessories	Classroom and other furniture	20
Business machines	Fax, duplicating and printing equipment	10
Copiers		5
Communication equipment	Mobile, portable radios, non-computerized	10
Computer hardware	PCs, printers, network hardware	5
Computer software	Instructional, other short-term	5 to 10
Computer software	Administrative long-term	10 to 20

CARPINTERIA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Equity (Continued)

5 Capital Assets (Continued)

Asset Class	Examples	Estimated Useful Life in Years
Audio visual equipment	Projectors, cameras (still and digital)	10
Athletic equipment	Gymnastics, football, weight machines, wrestling mats	10
Musical instruments	Pianos, strings, brass, percussion	10
Library books	Collections	5 to 7
Licensed vehicles	Buses, other on-road vehicles	8
Contractors equipment	Major off-road vehicles, front-end loaders, large tractors, mobile air compressor	10
Grounds equipment	Mowers, tractors, attachments	15

6. 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. Unearned revenue is recorded to the extent that cash received on specific projects and programs exceed qualified expenditures.

7. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position," and GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities," the District recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. The District has two items which qualify for reporting in this category; refer to Note 7 and Note 9 for a detailed listing of the deferred outflows of resources the District has recognized.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the District that is applicable to a future reporting period. The District has one item which qualifies for reporting in this category; refer to Note 9 for a detailed list of the deferred inflows of revenues the District recognized.

8. Compensated Absences

All vacation pay plus related payroll taxes are 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 employee 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.

9. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position.

10. Fund Balances

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Equity (Continued)

10. Fund Balances (Continued)

Restricted Fund Balance -- represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance -- represents amounts that can only be used for a specific purpose because of a formal action by the District's governing board. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance -- represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the District.

Unassigned Fund Balance -- represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

11. Property Taxes

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 of the preceding January 1, which is also the lien date. Property taxes on the secured roll are due on November 1 and February 1, and taxes become delinquent after December 10 and April 10, respectively. Property taxes on the unsecured roll are due on the lien date (January 1), and become delinquent if unpaid by August 31.

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 on 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 LCFF sources by the District.

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements:

Statement No. 75	"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"	The provisions of this statement are effective for fiscal years beginning after June 15, 2017.
Statement No. 81	"Irrevocable Split-Interest Agreements"	The provisions of this statement are effective for fiscal years beginning after December 15, 2016.
Statement No. 82	"Pension Issues-an amendment of GASB Statements No. 67, No. 68, and No. 73"	The provisions of this statement are effective for fiscal years beginning after June 15, 2017.
Statement No. 83	"Certain Asset Retirement Obligations"	The provisions of this statement are effective for fiscal years beginning after June 15, 2018.
Statement No. 84	"Fiduciary Activities"	The provisions of this statement are effective for fiscal years beginning after December 15, 2018.
Statement No. 85	"Omnibus 2017"	The provisions of this statement are effective for fiscal years beginning after June 15, 2017.
Statement No. 86	"Certain Debt Extinguishment Issues"	The provisions of this statement are effective for fiscal years beginning after June 15, 2017.
Statement No. 87	"Leases"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.

K. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, as prescribed by the GASB and the American Institute of Certified Public Accountants, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - CASH AND INVESTMENTS

The District's cash and investments at June 30, 2017, consisted of the following:

Cash in banks	\$ 152,498
Cash and investments with the County Treasurer	<u>27,886,879</u>
Total cash and investments	<u>\$ 28,039,377</u>

Cash and investments are presented on the accompanying basic financial statements, as follows:

Cash in county treasury, statement of net position	\$ 27,886,879
Cash in revolving fund, statement of net position	1,095
Cash on hand and in banks, statement of fiduciary assets and liabilities	<u>151,403</u>
Total cash and investments	<u>\$ 28,039,377</u>

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 2 - CASH AND INVESTMENTS (Continued)

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. These principles recognize a three-tiered fair value hierarchy. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District had investments in the Santa Barbara County Investment Pool, however, this external pool is not measured under Level 1, 2 or 3.

Cash in County Treasury

In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the Santa Barbara County Treasury as part of the common investment pool (\$27,886,879 as of June 30, 2017). The fair value of this pool as of that date, as provided by the plan sponsor, was \$27,886,879. The District is considered to be an involuntary participant in the external pool. Interest is deposited in the participating funds. The County is restricted by Government Code Section 53635, pursuant to Section 53601, to invest in time deposits, U.S. government securities, State registered warrants, notes or bonds, State Treasurer's investment pool, bankers' acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse repurchase agreements.

Cash on Hand, in Banks, and in Revolving Fund

Cash balance on hand and in banks (\$151,403 as of June 30, 2017) and in the revolving fund (\$1,095) are insured up to \$250,000 by the Federal Depository Insurance Corporation. All cash held by the financial institution is fully insured or collateralized.

Investments Authorized by the District's Investment Policy

The District's investment policy only authorizes investment in the local government investment pool administered by the County of Santa Barbara. The District's investment policy does not contain any specific provisions intended to limit the District's exposure to interest rate risk, credit risk, and concentration of credit risk.

Disclosures Relating to Interest Rate Risk

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

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Remaining Maturity (in Months)</u>			
		<u>12 Months Or Less</u>	<u>13-24 Months</u>	<u>25-60 Months</u>	<u>More than 60 Months</u>
Santa Barbara County Investment Pool	\$ 27,886,879	\$ 27,886,879	\$ -	\$ -	\$ -
Total	\$ 27,886,879	\$ 27,886,879	\$ -	\$ -	\$ -

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 that stipulated by the California Government Code. There are no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total District's investments.

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 2 - CASH AND INVESTMENTS (Continued)

Disclosures Relating to Credit Risk

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

Disclosures Relating to Credit Risk (Continued)

Investment Type	Carrying Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Fiscal Year End		
				AAA	Aa	Not Rated
Santa Barbara County Investment Pool	\$ 27,886,879	N/A	\$ -	\$ -	\$ -	\$27,886,879
Total	\$ 27,886,879		\$ -	\$ -	\$ -	\$27,886,879

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: 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 fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the District's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2017, none of the District's deposits with financial institutions in excess of the Federal Depository Insurance Corporation limits were held in uncollateralized accounts.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as Santa Barbara County Investment Pool).

NOTE 3 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

Excess of expenditures over appropriations in individual funds are as follows:

<u>Fund</u>	<u>Excess Expenditures</u>
Major Fund:	
General Fund	
Other outgo	\$ 658
Capital outlay	\$ 43,674
Debt service	\$ 32,856

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 4 - RECEIVABLES

Receivables at June 30, 2017, consist of the following:

	General Fund	Cafeteria Fund	Building Fund	Bond Interest and Redemption Fund	Other Governmental Funds	Major Proprietary Fund	Internal Service Fund
Federal Government:							
Federal programs	\$ 588,668	\$ 130,547	\$ -	\$ -	\$ -	\$ -	\$ -
State Government:							
EPA	104,487						
Categorical aid programs	51,474	9,975			4,807		
Lottery	188,495						
Local Sources:							
Fees		5,870			2,089	65,522	
Donations	95,142						
Miscellaneous	106,239		14,045				
	<u>\$ 1,134,505</u>	<u>\$ 146,392</u>	<u>\$ 14,045</u>	<u>\$ -</u>	<u>\$ 6,896</u>	<u>\$ 65,522</u>	<u>\$ -</u>

NOTE 5 - INTERFUND TRANSACTIONS

Interfund transactions are reported as either loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/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 or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Due From/Due to Other Funds

Individual fund interfund receivable and payable balances at June 30, 2017, are as follows:

Fund	Interfund Receivables	Interfund Payables
Major Funds:		
General Fund	\$ 800,733	\$ 100,500
Cafeteria Fund		359,615
Early Childhood Education Fund		151,000
Nonmajor Governmental Funds:		
Child Development Fund		
Deferred Maintenance Fund	100,500	42,108
Nonmajor Proprietary Fund:		
Internal Service Fund		248,010
	<u>\$ 901,233</u>	<u>\$ 901,233</u>

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 5 - INTERFUND TRANSACTIONS (Continued)

Interfund Transfers

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

Interfund transfers for the 2016-2017 fiscal year, are as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General Fund	\$ -	\$ 268,700
Cafeteria Fund	168,200	
Nonmajor Funds:		
Deferred Maintenance Fund	<u>100,500</u>	
	<u>\$ 268,700</u>	<u>\$ 268,700</u>

NOTE 6 – CAPITAL ASSETS AND DEPRECIATION

Capital assets activity for the fiscal year ended June 30, 2017, is shown below:

	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2017</u>
Capital assets, not being depreciated:				
Land	\$ 2,371,786	\$ -	\$ -	\$ 2,371,786
Construction in progress	<u>1,593,690</u>	<u>4,488,693</u>	<u>3,153,361</u>	<u>2,929,022</u>
Total capital assets, not being depreciated	<u>\$ 3,965,476</u>	<u>\$ 4,488,693</u>	<u>\$ 3,153,361</u>	<u>\$ 5,300,808</u>
Capital assets, being depreciated:				
Buildings and improvements	\$ 38,434,820	\$ 3,160,164	\$ -	\$ 41,594,984
Equipment	<u>2,394,580</u>	<u>95,909</u>	<u>19,031</u>	<u>2,471,458</u>
Total capital assets, being depreciated	<u>40,829,400</u>	<u>3,256,073</u>	<u>19,031</u>	<u>44,066,442</u>
Less accumulated depreciation for:				
Buildings and improvements	17,994,271	937,222		18,931,493
Equipment	<u>1,400,449</u>	<u>108,026</u>	<u>19,031</u>	<u>1,489,444</u>
Total accumulated depreciation	<u>19,394,720</u>	<u>1,045,248</u>	<u>19,031</u>	<u>20,420,937</u>
Total capital assets, being depreciated, net	<u>\$ 21,434,680</u>	<u>\$ 2,210,825</u>	<u>\$ -</u>	<u>\$ 23,645,505</u>
Net capital assets	<u>\$ 25,400,156</u>	<u>\$ 6,699,518</u>	<u>\$ 3,153,361</u>	<u>\$ 28,946,313</u>

Depreciation expense was charged to governmental activities, as follows:

Governmental Activities:

Unallocated	<u>\$ 1,045,248</u>
Total depreciation expense	<u>\$ 1,045,248</u>

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 7 – DEFERRED OUTFLOWS OF RESOURCES – REFUNDING OF DEBT

At June 30, 2017, deferred outflows of resources, reported in the statement of net position relating to the defeasance of the 2005 general obligation bonds, consisted of the following:

	Governmental Activities
Deferred charge of refunding	<u>\$ 1,094,856</u>

NOTE 8 - BONDED DEBT

The outstanding general obligation bonded debt of the Carpinteria Unified School District at June 30, 2017, is:

Date Of Issue	Interest Rate	Maturity Date	Amount of Original Issue	Outstanding July 1, 2016	Issued Current Year	Redeemed Current Year	Outstanding June 30, 2017
2014	3.0%-5.0%	2028	\$ 11,480,000	\$ 10,025,000	\$ -	\$ 635,000	\$ 9,390,000
2015	3.0%-5.0%	2040	20,000,000	20,000,000		2,555,000	17,445,000
			<u>\$ 31,480,000</u>	<u>\$ 30,025,000</u>	<u>\$ -</u>	<u>\$ 3,190,000</u>	<u>\$ 26,835,000</u>

The annual requirements to amortize the general obligation bonds payable outstanding as of June 30, 2017, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2018	\$ 3,320,000	\$ 1,136,750	\$ 4,456,750
2019	3,105,000	1,008,250	4,113,250
2020	790,000	927,450	1,717,450
2021	855,000	888,800	1,743,800
2022	920,000	847,725	1,767,725
2023-2027	5,665,000	3,456,625	9,121,625
2028-2032	3,605,000	2,201,025	5,806,025
2033-2037	3,900,000	1,578,275	5,478,275
2038-2041	4,675,000	494,625	5,169,625
	<u>\$ 26,835,000</u>	<u>\$ 12,539,525</u>	<u>\$ 39,374,525</u>

NOTE 9 – PENSION PLANS

State Teachers' Retirement System (CalSTRS)

A. General Information about the Pension Plan

Plan Descriptions – All qualified California full-time and part-time public school teachers from pre-kindergarten through community college and certain other employees of the public school system are eligible to participate in the CalSTRS Pension Plans, multiple-employer, cost-sharing defined benefit plans administered by the California State Teacher's Retirement System (CalSTRS). Benefit provisions under the Plans are established by the Teachers' Retirement Law (California Education Code Section 22000 et seq), as enacted and amended by the California Legislature. The benefit terms of the plans may be amended through legislation CalSTRS 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 CalSTRS website.

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9 – PENSION PLANS (Continued)

State Teachers' Retirement System (CalSTRS) (Continued)

A. General Information about the Pension Plan (Continued)

Benefits Provided – The CALSTRS Defined Benefit Program has two benefit formulas:

CalSTRS 2% at 60: Members first hired on or before December 31, 2012, to perform services that could be creditable to CalSTRS

CalSTRS 2% at 62: Members first hired on or after January 1, 2013, to perform services that could be creditable to CalSTRS

The Defined Benefit Program provides retirement benefits based on members' final compensation, age and years of service credit. In addition, the retirement program provides benefits to members upon disability and to survivors/beneficiaries upon death of eligible members.

After earning five years of credited service, members become 100 percent vested in retirement benefits.

After five years of credited service, a member (prior to age 60 if under Coverage A, no age limit if under Coverage B, as defined in Education Code Sections 24001 and 24101, respectively) is eligible for disability benefits of up to 50.0 percent of final compensation plus 10.0 percent of final compensation for each eligible child, up to a maximum addition of 40.0 percent. The member must have a disability that will exceed a period of 12 or more months to qualify for benefit.

Any compensation for service in excess of one year in a school year due to overtime or working additional assignments is credited to the Defined Benefit Supplement Program so long as it is under the creditable compensation limit. Other compensation, such as allowances, bonuses, cash in-lieu of fringe benefits, limited-period compensation or compensation determined to have been paid to enhance a benefit, are not creditable to any CalSTRS benefit program.

The Plans' provisions and benefits in effect at June 30, 2017, are summarized as follows:

Hire Date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-63	55-65
Monthly benefits, as a % of eligible compensation	2.0% to 2.4%	2.00%
Required employee contributions rates	10.25%	9.205%
Required employer contribution rates	12.58%	12.58%

Specific details for the retirement, disability or death benefit calculations for each of the pension plans are available in the CalSTRS Comprehensive Annual Financial Report (CAFR). The CalSTRS' CAFR is available online at <http://www.calstrs.com/comprehensive-annual-financial-report>.

Contributions – 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 fiscal year ended June 30, 2017, the contributions recognized as part of pension expense was as follows:

Contribution – employer	\$ 1,118,708
Contribution – state	\$ 856,910

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9 – PENSION PLANS (Continued)

State Teachers' Retirement System (CalSTRS) (Continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2017, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ 16,886,027
State's proportionate share of the net pension liability associated with the District	<u>10,468,277</u>
Total	<u>\$ 27,354,304</u>

The District's net pension liability is measured as the proportionate share of the net pension liability. The net pension liability is measured as of June 30, 2016, and the total pension liability 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 plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the District's proportion was 0.0209%, which decreased by .0023% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the District recognized pension expense of \$1,950,948. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 412,003
Changes of assumptions		
Net difference between projected and actual earning on pension plan investments	1,342,668	
Changes in proportion and differences between District contributions and proportionate share of contributions	2,096,688	1,473,763
District contributions subsequent to the measurement date	<u>1,242,986</u>	
Total	<u>\$ 4,682,342</u>	<u>\$ 1,885,766</u>

\$1,242,986 reported as deferred outflows of resources related to contributions subsequent to the measurement date 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:

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9 – PENSION PLANS (Continued)

State Teachers' Retirement System (CalSTRS) (Continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

<u>Fiscal Year</u> <u>Ended June 30</u>	<u>Amount</u>
2018	\$ 107,948
2019	\$ 107,949
2020	\$ 858,997
2021	\$ 582,110
2022	\$ 78,578
2023	\$ (181,992)

Actuarial Assumptions – The total pension liabilities in the June 30, 2016 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
Investment Rate of Return	7.60%
Consumer Price Inflation	3.00%
Wage Growth	3.75%
Post-retirement Benefit Increases	2.00% simple for DB
	Not applicable for DBS/CBB

CalSTRS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are based on RP2000 series tables adjusted to fit CalSTRS experience. RP2000 series tables are an industry standard set of mortality rates published by the Society of Actuaries. See CalSTRS July 1, 2006 – June 30, 2010 Experience Analysis for more information.

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. The best-estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant (Pension Consulting Alliance - PCA) as an input to the process. Based on the model from CalSTRS consulting actuary's (Milliman) investment practice, a best estimate range was determined by assuming the portfolio is re-balanced annually and that annual returns are normally distributed and independent from year to year to develop expected percentiles for the long-term distribution of annualized returns. The assumed asset allocation by PCA is based on board policy for target asset allocation in effect on February 2, 2012, the date the current experience study was approved by the board. Best estimates of 10-year geometric real rates of return and the assumed asset allocation for each major asset class used as input to develop the actuarial investment rate of return are summarized in the following table:

<u>Asset Class</u>	<u>Assumed Asset</u> <u>Allocation</u>	<u>Long-Term*</u> <u>Expected Real</u> <u>Rate of Return</u>
Global Equity	47 %	6.30 %
Private Equity	13 %	9.30 %
Real Estate	13 %	5.20 %
Inflation Sensitive	4 %	3.80 %
Fixed Income	12 %	.30 %
Cash/Liquidity	2 %	-1.00 %
Absolute Return	9 %	2.90 %
	<u>100 %</u>	

*10-year geometric average

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9 – PENSION PLANS (Continued)

State Teachers' Retirement System (CalSTRS) (Continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

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 CalSTRS 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.

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, calculated using the discount rate, 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	\$	24,302,801
Current Discount Rate		7.60%
Net Pension Liability	\$	16,886,027
1% Increase		8.60%
Net Pension Liability	\$	10,726,085

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

C. Payable to the Pension Plan

At June 30, 2017, the District had no amount outstanding for contributions to the pension plan required for the fiscal year ended June 30, 2017.

California Public Employees' Retirement System (CalPERS)

A. General Information About the Pension Plan

Plan Description - The Carpinteria Unified School District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. Plan membership consists of non-teaching and non-certificated employees of public schools (K-12), community college districts, offices of education, charter and private schools (elective) in the State of California. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

Benefits Provided—The CalPERS Defined Benefit Program has two benefit formulas:

CalPERS 2% at 55: Members first hired on or before December 31, 2012, to perform service that could be creditable to CalPERS

CalPERS 2% at 62: Members first hired on or after January 1, 2013, to perform service that could be creditable to CalPERS

The Defined Benefit Program provides retirement benefits based on members' final compensation, age, and years of service credit. In addition, the retirement program provides benefits to members upon disability and to survivors/beneficiaries upon the death of eligible members.

After earning five years of credited service, members become 100 percent vested in retirement benefits.

A family benefit is available if an active member dies and has at least one year of credited service.

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9 – PENSION PLANS (Continued)

California Public Employees' Retirement System (CalPERS) (Continued)

A. General Information About the Pension Plan (Continued)

Members' accumulated contributions are refundable with interest upon separation from CalPERS. The board determines the credited interest rate each fiscal year. For the year ended June 30, 2017, the rate of interest credited to members' accounts was 1 percent.

The member's benefit is reduced dollar for dollar, regardless of age, for the first 180 days after retirement if the member performs activities in the public schools that could be creditable to CalPERS, unless the governing body of the school district takes specified actions with respect to a member who is above normal retirement age.

The Plans' provisions and benefits in effect at June 30, 2017, are summarized as follows:

Hire Date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-63	52-67
Monthly benefits, as a % of eligible compensation	1.17% to 2.5%	1.00% to 2.5%
Required employee contributions rates	7%	6.5%
Required employer contribution rates	13.888%	13.888%

Specific details for retirement, disability or death benefit calculations for each of the pension plans are available in the CalPERS' Comprehensive Annual Financial Report (CAFR). The CalPERS' CAFR is available online at <https://www.calpers.ca.gov/page/forms-publications>.

Contributions – Section 20814 (c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employees be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Funding contributions for both Plans 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 Local Government is required to contribute the difference between the actuarially determined rate of employees.

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

Contribution – employer	\$590,637
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B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2017, the District reported net pension liability for its proportionate shares of the net pension liability was \$8,218,042.

The District's net pension liability is measured as the proportionate share of the net pension liability. The net pension liability is measured as of June 30, 2016, and the total pension liability 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 plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the District's proportion was .0416%, which decreased by .0012% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the District recognized pension expense of \$1,045,342. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9 – PENSION PLANS (Continued)

California Public Employees' Retirement System (CalPERS) (Continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 353,455	\$ -
Changes of assumptions		246,903
Net difference between projected and actual earning on pension plan investments	1,275,175	
Changes in proportion and differences between District contributions and proportionate share of contributions	55,813	137,996
District contributions subsequent to the measurement date	698,532	
	<u>\$ 2,382,975</u>	<u>\$ 384,899</u>

\$698,532 reported as deferred outflows of resources related to contributions subsequent to the measurement date 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 Ended June 30	Amount
2018	\$ 194,264
2019	\$ 192,235
2020	\$ 580,237
2021	\$ 332,808

Actuarial Assumptions – The total pension liabilities in the June 30, 2016 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
Investment Rate of Return	7.50%
Consumer Price Inflation	2.75%
Wage Growth	Varies
Post-retirement Benefit Increases	Up to 2.00% until purchasing power protection Allowance flows purchasing power applies, 2.75% thereafter

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9— PENSION PLANS (Continued)

California Public Employees' Retirement System (CalPERS) (Continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent. To determine whether the municipal bond rate should be used in the calculation of the discount rate for public agency plans (including PERF B), 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 of the plans, the tests revealed the assets would not run out. Therefore, the current 7.65 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund, including PERF B. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

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 February 2018. Any changes to the discount rate will require Board action and proper stockholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB No. 67 and No. 68 calculations through at least the 2017-18 fiscal years. 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-estimated 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 expectation's 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 are net of administrative expenses.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Expected Real Rate of Return Years 1 - 10 (a)</u>	<u>Expected Real Rate of Return Years 11+(b)</u>
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	20.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	1.0%	-0.55%	-1.05%
Total	<u>100.0%</u>		

(a) An expected inflation of 2.5% was used for this period

(b) An expected inflation of 3.0% was used for this period

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9 – PENSION PLANS (Continued)

California Public Employees' Retirement System (CalPERS) (Continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

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, calculated using the discount rate, 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	\$ 12,261,361
Current Discount Rate	7.65%
Net Pension Liability	\$ 8,218,042
1% Increase	8.65%
Net Pension Liability	\$ 4,851,179

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

C. Payable to the Pension Plan

At June 30, 2017, the District had no amount outstanding for contributions to the pension plan required for the fiscal year ended June 30, 2017.

NOTE 10 – CAPITAL LEASES PAYABLE

The District leases three buses valued at \$399,614, under an agreement which provided for title to pass upon expiration of the lease period. Future minimum lease payments are as follows:

Fiscal Year Ending June 30,	Principal
2018	\$ 59,164
2019	59,164
2020	59,164
2021	59,164
2022	59,164
Thereafter	17,541
Total minimum lease payments	\$ 313,361
Less amount representing interest	(26,698)
Present value of net minimum lease payments	\$ 286,663

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 11- LONG-TERM DEBT-SCHEDULE OF CHANGES

A) Governmental Activities

A schedule of changes in long-term debt for the fiscal year ended June 30, 2017, is shown below:

	Balance July 1, 2016	Additions	Deletions	Prior Period Adjustment	Balance June 30, 2017	Due Within One Year
Capital leases payable	\$ 276,041	\$ 77,426	\$ 66,804	\$ -	\$ 286,663	\$ 50,263
Bonds payable	30,025,000		3,190,000		26,835,000	3,320,000
Bonds premium	3,305,592		204,147		3,101,445	204,147
Net pension liability	21,137,783	8,016,134	4,872,858	401,972	24,683,031	
Compensated absences payable	263,394	359,627	384,884		238,137	
OPEB liability	84,441	309,595	154,015		240,021	
	<u>\$ 55,092,251</u>	<u>\$ 8,762,782</u>	<u>\$ 8,872,708</u>	<u>\$ 401,972</u>	<u>\$ 55,384,297</u>	<u>\$ 3,574,410</u>

B) Business-type Activities

A schedule of changes in long-term debt for the fiscal year ended June 30, 2017, is shown below:

	Balance July 1, 2016	Additions	Deletions	Prior Period Adjustment	Balance June 30, 2017	Due Within One Year
Net pension liability	\$ 789,378	\$ 139,045	\$ 105,413	\$ (401,972)	\$ 421,038	\$ -
	<u>\$ 789,378</u>	<u>\$ 139,045</u>	<u>\$ 105,413</u>	<u>\$ (401,972)</u>	<u>\$ 421,038</u>	<u>\$ -</u>

NOTE 12 – NET POSITION

The government-wide, proprietary fund, and fiduciary funds financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net Investment In Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents net position of the District, not restricted for any project or other purpose.

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 13 – FUND BALANCES

Fund balances are composed of the following elements:

	General Fund	Cafeteria Fund	Building Fund	Bond Interest & Redemption Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable						
Revolving cash	\$ 500	\$ 595	\$ -	\$ -	\$ -	\$ 1,095
Stores inventory		7,626				7,626
Restricted						
California Clean Energy Jobs Act	408,927					408,927
Medi-Cal billing option	29,910					29,910
College Readiness Block Grant	75,000					75,000
Other local	130,133					130,133
Deferred maintenance					216,623	216,623
Capital projects			16,609,070		860,344	17,469,414
Debt service				4,934,378		4,934,378
Assigned						
Deferred maintenance					1,171	1,171
Capital projects			174,541		33,737	208,278
Unassigned	3,077,117	(8,221)				3,068,896
Total	<u>\$ 3,721,587</u>	<u>\$ -</u>	<u>\$ 16,783,611</u>	<u>\$ 4,934,378</u>	<u>\$ 1,111,875</u>	<u>\$ 26,551,451</u>

NOTE 14 - JOINT VENTURES

The Carpinteria Unified School District participates in three joint ventures under joint powers agreements (JPA's); the Self-Insurance Program for Employees, and the Self-Insured Schools of California II. The relationship between the Carpinteria Unified School District and the JPA's are such that none of the JPA's are a component unit of the Carpinteria Unified School District for financial reporting purposes.

The JPA's are independently accountable for their fiscal matters. The insurance groups maintain their own accounting records. Budgets are not subject to any approval other than of the respective governing boards. Member districts share surpluses and deficits proportionately to their participation in the JPA.

The Self-Insured Schools of California II (S.I.S.C. II)

S.I.S.C. II arranges for and provides property and liability insurance for its member school districts. The Carpinteria Unified School District pays a premium commensurate with the level of coverage requested.

Self-Insurance Program for Employees (S.I.P.E.)

S.I.P.E. was established to provide the services and other items necessary and appropriate for the development, operation, and maintenance of a self-insurance system for workers' compensation claims against the public educational agencies who are members thereof. The participants consist of the Office of the County Superintendent of Schools, and school districts. Each participant may appoint one representative to the governing board. The governing board is responsible for establishing premium rates and making budgeting decisions.

Self-Insured School of California III (S.I.S.C. III)

S.I.S.C III arranges for and provides health and welfare insurance for its member school districts. The Carpinteria Unified School District pays a premium commensurate with the level of health and welfare insurance provided.

CARPINTERIA UNIFIED SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2017

NOTE 15- COMMITMENTS AND CONTINGENCIES

State and Federal Allowances, Awards and Grants

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

Litigation

According to the District's staff and attorney, there are no contingent liabilities outstanding or lawsuits pending of any real financial consequence.

NOTE 16- POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The District offers medical, dental, and vision benefits to its eligible retirees. The medical plans include three Blue Cross Prudent Buyer PPO options, Kaiser HMO, Blue Shield HMO (CaliforniaCare), and a Kaiser HMO. Prescription drug coverage is provided through Medco Drug Card plan CS 5-15-35, with Behavioral benefits provided through BHP. Delta Dental and MES vision insurance are also offered to both active employees and retirees of the District. All coverages are self-insured on a pooled basis or otherwise provided through the Self-Insured Schools of California (SISC).

Employees who attained age 55 and have completed at least 20 years of full-time service with the District are eligible to retire and receive District-paid medical, prescription drug, behavioral, dental, and vision coverage. The District contribution is limited to a dollar amount based on years of service at retirement, as follows:

<u>Years of Full-time Service</u>	<u>Annual Amount</u>
At least 20 but fewer than 25	\$ 3,500
At least 25 but fewer than 30	\$ 4,000
At least 30	District Cap in Year of Retirement

The District cap is based on the sum of composite premiums for Blue Cross plan 90-E\$20, Delta Dental DD 1500, and MES A\$10, and is currently \$13,519.20 per year. Employees and retirees may select more valuable coverage by self-paying any additional premiums for the upgrade.

Funding Policy

As required by GASB Statement No. 45, an actuary will determine the District's Annual Required Contributions (ARC) at least once every two fiscal years. The ARC is calculated in accordance with certain parameters, and includes (1) the Normal Cost for one year, and (2) a component for amortization of the total unfunded actuarial accrued liability (UAL) over a period not to exceed 30 years.

GASB Statement No. 45 does not require pre-funding of OPEB benefits. Therefore, the District's funding policy is to continue to pay healthcare premiums for retirees as they fall due. The District has elected not to establish an irrevocable trust at this time.

The District's Board reserves the authority to review and amend this funding policy from time to time, in order to ensure that the funding policy continues to best suit the circumstances of the District.

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 16- POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Annual OPEB Cost and Net OPEB Obligation/(Asset)

The following table shows the components of the District's Annual OPEB Cost for the fiscal year ended June 30, 2016 and the past two fiscal years, the amount actually contributed to the plan (including administrative costs), and changes in the District's Net OPEB Obligation/(Asset):

	Fiscal Year Ended June 30, 2017	Fiscal Year Ended June 30, 2016	Fiscal Year Ended June 30, 2015
Annual Required Contributions	\$ 302,977	\$ 302,977	\$ 302,977
Interest on Net OPEB Obligation/(Asset)	3,378	(960)	(2,227)
Adjustment to Annual Required Contributions	3,220	3,220	3,220
Annual OPEB cost (expense)	309,575	305,237	303,970
Contributions made	(154,015) ***	(196,798) **	(272,288) *
Increase in Net OPEB Obligation/(Asset)	155,560	108,439	31,682
Net OPEB Obligation/(Asset) - beginning of year	84,441	(23,998)	(55,680)
Net OPEB Obligation/(Asset) - end of year	<u>\$ 240,001</u>	<u>\$ 84,441</u>	<u>\$ (23,998)</u>

* includes cash contributions of \$188,958, and load for implicit subsidy of \$83,330.

**includes cash contributions of \$136,570 and a load for implicit subsidy of \$60,228.

***includes cash contributions of \$106,880 and a load for implicit subsidy of \$47,135.

The District's Annual OPEB Cost, the percentage of Annual OPEB Cost contributed to the plan, and the Net OPEB Obligation/(Asset) for the fiscal years ended June 30, 2017, June 30, 2016, and June 30, 2015, are as follows:

Fiscal Year Ended	Annual OPEB Cost	Actual Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation/ (Asset)
June 30, 2017	\$ 309,595	\$ 154,015	49.75%	\$ 240,201
June 30, 2016	\$ 305,237	\$ 196,798	64.47%	\$ 84,441
June 30, 2015	\$ 303,970	\$ 272,288	89.58%	\$ (23,998)

Funded Status and Funding Progress

The funded status of the plan as of most recent actuarial valuation, July 1, 2014, was as follows:

Valuation Date	Actuarial Asset Value	Unfunded Liability (Excess Assets)	Funded Ratio	Covered Payroll	UAAL as Percentage of Covered Payroll
July 1, 2014	\$ 0	\$ 2,775,098	0%	\$ 11,140,000	25%

CARPINTERIA UNIFIED SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 16– POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Funded Status and Funding Progress (Continued)

Actuarial valuation of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the Annual Required Contributions to the District are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to basic financial statements, presents multiyear trend information that show whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The Plan's most recent actuarial valuation was performed as of July 1, 2014. In that valuation, the Projected Unit Credit (PUC) Cost Method was used. The actuarial assumptions included a 4 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 8 percent. These assumptions reflect an implicit 3.0 percent general inflation assumption. The District's unfunded actuarial accrued liability is being amortized as a level dollar amount on an open basis over 30 years. The remaining amortization period as of July 1, 2014, was 30 years.

NOTE 17 – DEFICIT NET POSITION

The District's Early Childhood Education Program Fund has a deficit net position of \$(337,035) at June 30, 2017.

NOTE 18 – SUBSEQUENT EVENTS

The District issued \$5,000,000 of Tax and Revenue Anticipation Notes on July 6, 2017, at an interest rate of 3.00 percent.

NOTE 19 – PRIOR YEAR ADJUSTMENT

In the government-wide financial statements, the District understated its deferred outflows of pension relating to CalSTRS by \$418,218 for the governmental activities and \$5,947 in the business-type activities and the enterprise fund financial statements.

A reclassification of beginning net pension liability of \$401,972 was made between the government activities and the business-type activities (enterprise fund).

REQUIRED SUPPLEMENTARY INFORMATION

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CARPINTERIA UNIFIED SCHOOL DISTRICT

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
LCFF Sources:				
State Apportionment or State Aid	\$ 1,205,011	\$ 1,205,011	\$ 1,205,015	\$ 4
Education Protection Account Funds	431,802	434,442	430,088	(4,354)
Local Sources	19,937,460	20,265,665	20,692,478	426,813
Federal Revenue	1,478,948	1,574,847	1,224,994	(349,853)
Other State Revenue	1,775,147	2,060,365	2,576,972	516,607
Other Local Revenue	664,213	792,744	679,065	(113,679)
Total Revenues	<u>25,492,581</u>	<u>26,333,074</u>	<u>26,808,612</u>	<u>475,538</u>
Expenditures:				
Current:				
Certificated Salaries	9,995,897	10,497,824	10,497,336	488
Classified Salaries	4,628,931	4,829,850	4,829,509	341
Employee Benefits	7,144,252	7,484,519	7,483,673	846
Books And Supplies	1,412,020	1,502,916	1,441,493	61,423
Services And Other Operating Expenditures	2,188,798	2,385,946	2,385,263	683
Other Outgo	-	-	658	(658)
Direct Support/Indirect Costs	(4,498)	(4,498)	(5,108)	610
Capital Outlay	62,000	52,235	95,909	(43,674)
Debt Service:				
Principal	50,395	41,538	66,804	(25,266)
Interest	-	-	7,590	(7,590)
Total Expenditures	<u>25,477,795</u>	<u>26,790,330</u>	<u>26,803,127</u>	<u>(12,797)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>14,786</u>	<u>(457,256)</u>	<u>5,485</u>	<u>462,741</u>
Other Financing Sources (Uses):				
Transfers Out	(406,173)	(460,892)	(268,700)	192,192
Proceeds From Capital Lease	-	-	77,426	77,426
Total Other Financing Sources (Uses)	<u>(406,173)</u>	<u>(460,892)</u>	<u>(191,274)</u>	<u>269,618</u>
Net Change in Fund Balance	(391,387)	(918,148)	(185,789)	732,359
Fund Balance, July 1	3,907,376	3,907,376	3,907,376	-
Fund Balance, June 30	<u>\$ 3,515,989</u>	<u>\$ 2,989,228</u>	<u>\$ 3,721,587</u>	<u>\$ 732,359</u>

CARPINTERIA UNIFIED SCHOOL DISTRICT

CAFETERIA FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Federal Revenue	\$ 832,000	\$ 715,881	\$ 705,843	\$ (10,038)
Other State Revenue	63,600	54,436	50,742	(3,694)
Other Local Revenue	188,800	181,804	185,684	3,880
Total Revenues	<u>1,084,400</u>	<u>952,121</u>	<u>942,269</u>	<u>(9,852)</u>
Expenditures:				
Current:				
Classified Salaries	423,045	411,772	395,127	16,645
Employee Benefits	238,703	210,313	198,518	11,795
Books And Supplies	527,350	514,022	514,000	22
Services And Other Operating Expenditures	11,335	23,602	23,556	46
Total Expenditures	<u>1,200,433</u>	<u>1,159,709</u>	<u>1,131,201</u>	<u>28,508</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(116,033)</u>	<u>(207,588)</u>	<u>(188,932)</u>	<u>18,656</u>
Other Financing Sources (Uses):				
Transfers In	116,033	170,252	188,933	18,681
Transfers Out	-	(20,733)	(20,733)	-
Total Other Financing Sources (Uses)	<u>116,033</u>	<u>149,519</u>	<u>168,200</u>	<u>18,681</u>
Net Change in Fund Balance	-	(58,069)	(20,732)	37,337
Fund Balance, July 1	20,732	20,732	20,732	-
Fund Balance, June 30	<u>\$ 20,732</u>	<u>\$ (37,337)</u>	<u>\$ -</u>	<u>\$ 37,337</u>

CARPINTERIA UNIFIED SCHOOL DISTRICT**SCHEDULE OF FUNDING PROGRESS FOR POST EMPLOYMENT BENEFITS
OTHER THAN PENSIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

The following table provides required supplementary information regarding the District's post employment healthcare benefits.

SCHEDULE OF FUNDING PROGRESS

Valuation Date	Actuarial Asset Value	Actuarial Accrued Liability (AAL)	Unfunded Liability (Excess Assets)	Funded Ratio	Annual Covered Payroll	UAAL as a % of Covered Payroll
7/1/2008	\$ -	\$ 2,338,173	\$ 2,338,173	0.0%	\$ 11,140,000	21%
7/1/2010	\$ -	\$ 1,965,768	\$ 1,965,768	0.0%	\$ 11,140,000	18%
7/1/2012	\$ -	\$ 2,430,392	\$ 2,430,392	0.0%	\$ 11,140,000	22%
7/1/2014	\$ -	\$ 2,775,098	\$ 2,775,098	0.0%	\$ 11,140,000	25%

CARPINTERIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
Last 10 Years*
As of June 30, 2017

The following table provides required supplementary information regarding the District's CALPERS Pension Plan.

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability	.0416 %	.0428 %	.0421 %
Proportionate share of the net pension liability	\$ 8,218,042	\$ 6,305,999	\$ 4,767,777
Covered- employee payroll	\$ 4,985,538	\$ 4,573,876	\$ 4,527,976
Proportionate share of the net pension liability as percentage of covered-employee payroll	164.84 %	137.87 %	105.30 %
Plan's total pension liability	\$ 75,663,026,434	\$ 71,651,164,353	\$ 68,292,799,349
Plan's fiduciary net position	\$ 55,912,964,588	\$ 56,911,065,643	\$ 56,940,364,500
Plan fiduciary net position as a percentage of the total pension liability	73.90 %	79.43 %	83.38 %

*- Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

CARPINTERIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
Last 10 Years*
As of June 30, 2017

The following table provides required supplementary information regarding the District's CALSTRS Pension Plan.

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability	.0209 %	.0232 %	.021 %
Proportionate share of the net pension liability	\$ 16,886,027	\$ 15,621,162	\$ 11,947,586
Covered- employee payroll	\$ 10,425,985	\$ 10,431,543	\$ 9,712,776
Proportionate share of the net pension liability as percentage of covered-employee payroll	161.96 %	149.75 %	123.01 %
Plan's total pension liability	\$ 269,994,690,000	\$ 259,146,248,000	\$ 248,910,844,000
Plan's fiduciary net position	\$ 189,113,486,995	\$ 191,822,335,995	\$ 190,474,016,000
Plan fiduciary net position as a percentage of the total pension liability	70.04 %	74.02 %	76.52 %

*- Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

CARPINTERIA UNIFIED SCHOOL DISTRICT

SCHEDULE OF PENSION CONTRIBUTIONS

Last 10 Years*

As of June 30, 2017

The following table provides required supplementary information regarding the District's CALPERS Pension Plan.

	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 698,532	\$ 590,637	\$ 561,470
Contribution in relation to the actuarially determined contributions	698,532	590,637	561,470
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered- employee payroll	\$ 5,029,752	\$ 4,985,538	\$ 4,573,876
Contributions as a percentage of covered-employee payroll	13.888 %	11.847 %	12.276 %

Notes to Schedule

Valuation Date: 6/30/2014

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry Age

Asset valuation method 5-year smoothed market

Amortization method The unfunded actuarial accrued liability is amortized over an open 17 year period as a level percentage of payroll

Discount rate 7.75%

Amortization growth rate 3.75%

Price Inflation 3.25%

Salary increases 3.75% plus merit component based on employee classification and years of service

Mortality Sex distinct RP-2000 Combined Mortality projected to 2010 using Scale AA with a 2 year setback for males and a 4 year setback for females

Valuation Date: 6/30/2015

Discount rate 7.65%

*- Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

CARPINTERIA UNIFIED SCHOOL DISTRICT

SCHEDULE OF PENSION CONTRIBUTIONS

Last 10 Years*

As of June 30, 2016

The following table provides required supplementary information regarding the District's CALSTRS Pension Plan.

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution (actuarially determined)	\$ 1,242,986	\$ 1,118,708	\$ 926,321
Contribution in relation to the actuarially determined contributions	<u>1,242,986</u>	<u>1,118,708</u>	<u>926,321</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered- employee payroll	\$ 9,880,652	\$ 10,425,985	\$ 10,431,543
Contributions as a percentage of covered-employee payroll	12.58 %	10.73 %	8.88 %

Notes to Schedule

Valuation Date: 6/30/2014

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry Age

Asset valuation method Excepted value with 33% adjustment to market value

Amortization method The unfunded actuarial accrued liability is amortized over an open 30 year period as a level percentage of payroll

Discount rate 7.60%

Amortization growth rate 3.75%

Price Inflation 3.00%

Salary increases 3.75%

Mortality Sex distinct RP-2000 Combined Mortality projected to 2010 using Scale AA with a 2 year setback for males and a 4 year setback for females

*- Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

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SUPPLEMENTARY INFORMATION SECTION

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

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS:			
Cash in County Treasury	\$ 189,165	\$ 891,992	\$ 1,081,157
Accounts Receivable	4,807	2,089	6,896
Due from Other Funds	100,500	-	100,500
Total Assets	<u>\$ 294,472</u>	<u>\$ 894,081</u>	<u>\$ 1,188,553</u>
LIABILITIES AND FUND BALANCES:			
Liabilities:			
Accounts Payable	\$ 28,933	\$ -	\$ 28,933
Due to Other Funds	42,108	-	42,108
Unearned Revenue	5,637	-	5,637
Total Liabilities	<u>76,678</u>	<u>-</u>	<u>76,678</u>
Fund Balances:			
Restricted	216,623	860,344	1,076,967
Assigned	1,171	33,737	34,908
Total Fund Balances	<u>217,794</u>	<u>894,081</u>	<u>1,111,875</u>
Total Liabilities and Fund Balances	<u>\$ 294,472</u>	<u>\$ 894,081</u>	<u>\$ 1,188,553</u>

CARPINTERIA UNIFIED SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Other State Revenue	\$ 85,412	\$ -	\$ 85,412
Other Local Revenue	1,164	69,207	70,371
Total Revenues	<u>86,576</u>	<u>69,207</u>	<u>155,783</u>
Expenditures:			
Current:			
Instruction	69,710	-	69,710
Instruction - Related Services	2,023	-	2,023
General Administration	5,108	-	5,108
Plant Services	64,248	18,894	83,142
Capital Outlay	-	34,134	34,134
Total Expenditures	<u>141,089</u>	<u>53,028</u>	<u>194,117</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(54,513)</u>	<u>16,179</u>	<u>(38,334)</u>
Other Financing Sources (Uses):			
Transfers In	100,500	-	100,500
Total Other Financing Sources (Uses)	<u>100,500</u>	<u>-</u>	<u>100,500</u>
Net Change in Fund Balances	45,987	16,179	62,166
Fund Balances, July 1	171,807	877,902	1,049,709
Fund Balances, June 30	<u>\$ 217,794</u>	<u>\$ 894,081</u>	<u>\$ 1,111,875</u>

CARPINTERIA UNIFIED SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2017

	Child Development Fund	Deferred Maintenance Fund	Total Nonmajor Special Revenue Funds
ASSETS:			
Cash in County Treasury	\$ 71,871	\$ 117,294	\$ 189,165
Accounts Receivable	4,807	-	4,807
Due from Other Funds	-	100,500	100,500
Total Assets	<u>\$ 76,678</u>	<u>\$ 217,794</u>	<u>\$ 294,472</u>
LIABILITIES AND FUND BALANCES:			
Liabilities:			
Accounts Payable	\$ 28,933	\$ -	\$ 28,933
Due to Other Funds	42,108	-	42,108
Unearned Revenue	5,637	-	5,637
Total Liabilities	<u>76,678</u>	<u>-</u>	<u>76,678</u>
Fund Balances:			
Restricted	-	216,623	216,623
Assigned	-	1,171	1,171
Total Fund Balances	<u>-</u>	<u>217,794</u>	<u>217,794</u>
Total Liabilities and Fund Balances	<u>\$ 76,678</u>	<u>\$ 217,794</u>	<u>\$ 294,472</u>

CARPINTERIA UNIFIED SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Child Development Fund	Deferred Maintenance Fund	Total Nonmajor Special Revenue Funds
Revenues:			
Other State Revenue	\$ 85,412	\$ -	\$ 85,412
Other Local Revenue	-	1,164	1,164
Total Revenues	<u>85,412</u>	<u>1,164</u>	<u>86,576</u>
Expenditures:			
Current:			
Instruction	69,710	-	69,710
Instruction - Related Services	2,023	-	2,023
General Administration	5,108	-	5,108
Plant Services	8,788	55,460	64,248
Total Expenditures	<u>85,629</u>	<u>55,460</u>	<u>141,089</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(217)</u>	<u>(54,296)</u>	<u>(54,513)</u>
Other Financing Sources (Uses):			
Transfers In	-	100,500	100,500
Total Other Financing Sources (Uses)	<u>-</u>	<u>100,500</u>	<u>100,500</u>
Net Change in Fund Balances	(217)	46,204	45,987
Fund Balances, July 1	217	171,590	171,807
Fund Balances, June 30	<u>\$ -</u>	<u>\$ 217,794</u>	<u>\$ 217,794</u>

CARPINTERIA UNIFIED SCHOOL DISTRICT

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2017

	Capital Facilities Fund	County School Facilities Fund	Special Reserve Fund	Total Nonmajor Capital Projects Funds
ASSETS:				
Cash in County Treasury	\$ 865,767	\$ 79	\$ 26,146	\$ 891,992
Accounts Receivable	2,089	-	-	2,089
Total Assets	<u>\$ 867,856</u>	<u>\$ 79</u>	<u>\$ 26,146</u>	<u>\$ 894,081</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances:				
Restricted	860,265	79	-	860,344
Assigned	7,591	-	26,146	33,737
Total Fund Balances	<u>867,856</u>	<u>79</u>	<u>26,146</u>	<u>894,081</u>
Total Liabilities and Fund Balances	<u>\$ 867,856</u>	<u>\$ 79</u>	<u>\$ 26,146</u>	<u>\$ 894,081</u>

CARPINTERIA UNIFIED SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Capital Facilities Fund	County School Facilities Fund	Special Reserve Fund	Total Nonmajor Capital Projects Funds
Revenues:				
Other Local Revenue	\$ 69,061	\$ -	\$ 146	\$ 69,207
Total Revenues	<u>69,061</u>	<u>-</u>	<u>146</u>	<u>69,207</u>
Expenditures:				
Current:				
Plant Services	18,894	-	-	18,894
Capital Outlay	34,134	-	-	34,134
Total Expenditures	<u>53,028</u>	<u>-</u>	<u>-</u>	<u>53,028</u>
Net Change in Fund Balances	16,033	-	146	16,179
Fund Balances, July 1	851,823	79	26,000	877,902
Fund Balances, June 30	<u>\$ 867,856</u>	<u>\$ 79</u>	<u>\$ 26,146</u>	<u>\$ 894,081</u>

CARPINTERIA UNIFIED SCHOOL DISTRICT
CHILD DEVELOPMENT FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Other State Revenue	\$ 104,816	\$ 85,412	\$ (19,404)
Total Revenues	<u>104,816</u>	<u>85,412</u>	<u>(19,404)</u>
Expenditures:			
Current:			
Certificated Salaries	22,507	21,449	1,058
Classified Salaries	11,318	11,290	28
Employee Benefits	11,657	9,820	1,837
Books And Supplies	15,982	5,124	10,858
Services And Other Operating Expenditures	55,454	32,838	22,616
Direct Support/Indirect Costs	5,108	5,108	-
Total Expenditures	<u>122,026</u>	<u>85,629</u>	<u>36,397</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(17,210)</u>	<u>(217)</u>	<u>16,993</u>
Other Financing Sources (Uses):			
Transfers In	16,000	-	(16,000)
Total Other Financing Sources (Uses)	<u>16,000</u>	<u>-</u>	<u>(16,000)</u>
Net Change in Fund Balance	(1,210)	(217)	993
Fund Balance, July 1	217	217	-
Fund Balance, June 30	<u>\$ (993)</u>	<u>\$ -</u>	<u>\$ 993</u>

CARPINTERIA UNIFIED SCHOOL DISTRICT
DEFERRED MAINTENANCE FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Other Local Revenue	\$ 200	\$ 1,164	\$ 964
Total Revenues	<u>200</u>	<u>1,164</u>	<u>964</u>
Expenditures:			
Current:			
Services And Other Operating Expenditures	<u>99,883</u>	<u>55,460</u>	<u>44,423</u>
Total Expenditures	<u>99,883</u>	<u>55,460</u>	<u>44,423</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(99,683)</u>	<u>(54,296)</u>	<u>45,387</u>
Other Financing Sources (Uses):			
Transfers In	<u>100,500</u>	<u>100,500</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>100,500</u>	<u>100,500</u>	<u>-</u>
Net Change in Fund Balance	817	46,204	45,387
Fund Balance, July 1	<u>171,590</u>	<u>171,590</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 172,407</u>	<u>\$ 217,794</u>	<u>\$ 45,387</u>

CARPINTERIA UNIFIED SCHOOL DISTRICT
CAPITAL FACILITIES FUND
CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Other Local Revenue	\$ 52,000	\$ 69,061	\$ 17,061
Total Revenues	<u>52,000</u>	<u>69,061</u>	<u>17,061</u>
Expenditures:			
Current:			
Classified Salaries	13,045	13,041	4
Employee Benefits	4,976	4,977	(1)
Books And Supplies	900	876	24
Services And Other Operating Expenditures	1,500	-	1,500
Capital Outlay	35,000	34,134	866
Total Expenditures	<u>55,421</u>	<u>53,028</u>	<u>2,393</u>
Net Change in Fund Balance	(3,421)	16,033	19,454
Fund Balance, July 1	851,823	851,823	-
Fund Balance, June 30	<u>\$ 848,402</u>	<u>\$ 867,856</u>	<u>\$ 19,454</u>

CARPINTERIA UNIFIED SCHOOL DISTRICT
COUNTY SCHOOL FACILITIES FUND
CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Total Revenues	\$ -	\$ -	\$ -
Expenditures:			
Total Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund Balance, July 1	79	79	-
Fund Balance, June 30	<u>\$ 79</u>	<u>\$ 79</u>	<u>\$ -</u>

CARPINTERIA UNIFIED SCHOOL DISTRICT
SPECIAL RESERVE FUND FOR CAPITAL OUTLAY PROJECTS
CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Other Local Revenue	\$ -	\$ 146	\$ 146
Total Revenues	-	146	146
Expenditures:			
Total Expenditures	-	-	-
Net Change in Fund Balance	-	146	146
Fund Balance, July 1	26,000	26,000	-
Fund Balance, June 30	<u>\$ 26,000</u>	<u>\$ 26,146</u>	<u>\$ 146</u>

CARPINTERIA UNIFIED SCHOOL DISTRICT
ORGANIZATION
JUNE 30, 2017

During the fiscal year under review, the District operated four elementary schools, a middle school, two alternative high schools, and a comprehensive high school. There were no changes in the District boundaries during the current fiscal year.

BOARD OF TRUSTEES

<u>MEMBER</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>
Andy Sheaffer	President	2018
Michelle Robertson	Vice President/ Clerk	2018
Jaclyn Fabre	Member	2018
Maureen Foley Claffey	Member	2020
Rogelio Delgado	Member	2020

DISTRICT ADMINISTRATION

Diana Rigby, Superintendent

Maureen Fitzgerald, Assistant Superintendent/Business Services

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

	<u>Second Period Report</u>	<u>Annual Report</u>
Elementary:		
Kindergarten through three	694.69	695.71
Grades four through six	512.56	511.70
Grades seven and eight	<u>317.42</u>	<u>315.15</u>
Elementary totals	<u>1,524.67</u>	<u>1,522.56</u>
Secondary:		
Regular class	<u>632.63</u>	<u>632.79</u>
Regular totals	<u>632.63</u>	<u>632.79</u>
ADA totals	<u><u>2,157.30</u></u>	<u><u>2,155.35</u></u>

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

There were no audit findings which resulted in necessary revisions to attendance.

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

Grade Level	Ed. Code 46207 Minutes Requirement	2016-2017 Actual Minutes	Number of days Traditional Calendar	Status
Kindergarten	36,000	43,200	180	In compliance
Grade 1	50,400	52,909	180	In compliance
Grade 2	50,400	52,909	180	In compliance
Grade 3	50,400	52,920	180	In compliance
Grade 4	54,000	54,505	180	In compliance
Grade 5	54,000	54,505	180	In compliance
Grade 6	54,000	59,850	180	In compliance
Grade 7	54,000	59,850	180	In compliance
Grade 8	54,000	59,850	180	In compliance
Grade 9	64,800	65,235	180	In compliance
Grade 10	64,800	65,235	180	In compliance
Grade 11	64,800	65,235	180	In compliance
Grade 12	64,800	65,235	180	In compliance

Districts must maintain their instructional minutes as defined in Education Code Section 46207.

The District has received incentive funding for increasing instructional time as provided by the Incentive 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 met or exceed its targeted funding.

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

<u>General Fund</u> (note 1)	(Budget) (note 3) <u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Revenues and other financial sources	<u>\$ 27,146,428</u>	<u>\$ 27,003,426</u>	<u>\$ 27,461,718</u>	<u>\$ 24,561,629</u>
Expenditures	27,469,959	26,803,127	26,432,827	25,170,995
Other uses and transfers out	<u>243,946</u>	<u>268,700</u>	<u>632,165</u>	<u>657,649</u>
Total outgo	<u>27,713,905</u>	<u>27,071,827</u>	<u>27,064,992</u>	<u>25,828,644</u>
Change in fund balance	<u>(567,477)</u>	<u>(68,401)</u>	<u>396,726</u>	<u>(1,267,015)</u>
Ending fund balance	<u>\$ 3,154,110</u>	<u>\$ 3,721,587</u>	<u>\$ 3,789,988</u>	<u>\$ 3,393,262</u>
Available reserves (note 2)	<u>\$ 2,515,039</u>	<u>\$ 3,077,117</u>	<u>\$ 2,677,468</u>	<u>\$ 2,368,701</u>
Reserved for economic uncertainties	<u>\$ 831,417</u>	<u>\$ 809,832</u>	<u>\$ 793,189</u>	<u>\$ -</u>
Unassigned fund balance	<u>\$ 1,683,622</u>	<u>\$ 2,267,285</u>	<u>\$ 1,766,893</u>	<u>\$ 2,368,701</u>
Available reserves as a percentage of total outgo	9.1%	11.4%	9.9%	9.2%
Total long-term debt	\$ 52,230,925	\$ 55,805,335	\$ 55,092,251	\$ 29,423,778
Average daily attendance at P-2	2,157	2,157	2,139	2,147

This schedule discloses the District's financial trends by displaying past fiscal years' data along with current fiscal 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.

The General Fund balance has increased by \$328,325 over the past two fiscal years. The fiscal year 2017-18 budget projects a decrease of \$567,477. For a District this size, the State recommends available reserves of at least 3% of total general fund expenditures, transfers out, and other uses (total outgo).

The District has incurred an operating deficit in two of the past three fiscal years, and anticipates incurring an operating deficit in the 2017-18 fiscal year. Total long-term debt has increased by \$26,381,557 over the past two fiscal years.

Average daily attendance has increased by 10 over the past two fiscal years. No change in ADA is anticipated during the fiscal year 2017-18.

Notes:

1. General Fund amounts do not include activity related to the consolidation of the Special Reserve Fund as required by GASB Statement No. 54.
2. Available reserves consist of all unassigned fund balances and reserved for economic uncertainties contained within the General Fund and the Special Reserve Fund.
3. Budget 2018 is included for analytical purposes only and has not been subjected to audit.

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

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster</u>	<u>Federal Catalog Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
U.S. Department of Education:			
Passed through the California			
Department of Education:			
Title I	84.010	14329	\$ 412,263
Special Education	84.027	13379	350,905
Special Education - IDEA	84.173	13430	13,656
Special Education - IDEA Preschool	84.027 A	13682	32,728
			<u>397,289</u>
Vocational Education	84.048	14894	784
Improving Teacher Quality	84.367	14341	52,676
Immigrant Education	84.365	15146	5,619
			<u>81,486</u>
Title III	84.365	14346	
21st Century	84.287	14349	171,611
Advanced Placement	84.330 B	14381	11,034
U.S. Department of Agriculture:			
Passed through the California			
Department of Education:			
National School Lunch	10.555	13396	492,810
National School Breakfast	10.553	13525	155,410
			<u>648,220</u>
Team Nutrition	10.574	01188	45,091
Summer School Program	10.559	13157	12,532
Passed through the County of			
Santa Barbara:			
Forest Reserve	10.665	10044	122
Health and Human Services:			
Direct Programs:			
Medical Billing	93.778	10013	92,110
Total expenditures of federal awards			\$ <u>1,930,837</u>

The accompanying note is an integral part of this schedule.

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

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Carpinteria Unified School 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 (CFR) Part 200, Uniform Administrative Requirements*, Cost Principles 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. The District has not elected to use the ten percent de minimus cost rate as covered in Section 200.414 Indirect (F&A) costs of Uniform Guidance.

CARPINTERIA UNIFIED SCHOOL DISTRICT

RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH AUDITED FINANCIAL STATEMENTS JUNE 30, 2017

	<u>General Fund</u>	<u>Building Fund</u>	<u>Bond Interest and Redemption Fund</u>	<u>Child Development Fund</u>
June 30, 2017, annual financial and budget report fund balance/net position	\$ 3,721,587	\$ 16,783,611	\$ 4,934,378	\$ -
Understatement of deferred outflows				
Understatement of deferred inflows				
Understatement of net pension liability				
June 30, 2017, audited financial statements fund balances/net position	<u>\$ 3,721,587</u>	<u>\$ 16,783,611</u>	<u>\$ 4,934,378</u>	<u>\$ -</u>
	<u>Capital Facilities Fund</u>	<u>County School Facilities Fund</u>	<u>(Capital Projects) Special Reserve Fund</u>	<u>Self Insurance Fund</u>
June 30, 2017, annual financial and budget report fund balances/net position	<u>\$ 867,856</u>	<u>\$ 79</u>	<u>\$ 26,146</u>	<u>\$ 1,302,787</u>
June 30, 2017, audited financial statements fund balances/net position	<u>\$ 867,856</u>	<u>\$ 79</u>	<u>\$ 26,146</u>	<u>\$ 1,302,787</u>

This schedule provides the information necessary to reconcile the fund balances of all funds and the total liabilities balance as reported on the audited financial statements.

Cafeteria Fund	Deferred Maintenance Fund	(Special Revenue) Special Reserve Fund	Enterprise Fund
\$ -	\$ 217,794	\$ -	\$ -
			119,084
			(35,081)
			(421,038)
\$ -	\$ 217,794	\$ -	\$ (337,035)

	Long-Term Debt
June 30, 2017, annual financial and budget report total liabilities	\$ 9,875,611
Understatement of bonds payable	17,445,000
Understatement of capital leases payable	53,426
Understatement of net pension liability	25,104,069
Understatement of OPEB liability	240,021
Overstatement of compensated absences payable	(14,237)
Understatement of bond premium	3,101,445
June 30, 2017, audited financial statements long-term debt total liabilities	\$ 55,805,335



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

Board of Trustees
Carpinteria Unified School District
Carpinteria, California

We have audited, in accordance with the 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Carpinteria 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, and have issued our report thereon dated December 12, 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 entity'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2017-1 that we consider to be significant deficiencies.

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*.

Carpinteria Unified School District's Response to Findings

Carpinteria Unified School District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Carpinteria Unified School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moss, Remy & Haugheim LLP

Santa Maria, California
December 12, 2017



INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Board of Trustees
Carpinteria Unified School District
Carpinteria, California

Report on State Compliance

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

Management's Responsibility for State Compliance

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 of Carpinteria Unified School District's state 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 *2016-2017 Guide for Annual Audits of California K-12 Local Educational Agencies and State Compliance Reporting*, published by the California Education Audit Appeals Panel. Those standards and 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 direct and material effect on the state programs noted below occurred. An audit includes examining, on a test basis, evidence about Carpinteria 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. Our audit does not provide a legal determination of Carpinteria Unified School District's compliance with those requirements.

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

<u>Compliance Requirements</u>	<u>Procedures in Audit Guide Performed</u>
LOCAL EDUCATION AGENCIES OTHER THAN CHARTER SCHOOLS:	
Attendance accounting:	
Attendance reporting	Yes
Teacher certification and misassignments	Yes
Kindergarten continuance	Yes
Independent study	Not applicable
Continuation education	Not applicable
Instructional Time	Yes
Instructional Materials	Yes
Ratios of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	Not applicable

Compliance Requirements**Procedures in Audit Guide
Performed**

GANN Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	Not applicable
Middle or Early College High Schools	Not applicable
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 Jobs Act	Yes
After School Education and Safety Program:	
After School	Yes
Before School	Yes
General Requirements	Yes
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not applicable
Immunizations	Yes

CHARTER SCHOOLS:

Attendance	Not applicable
Mode of Instruction	Not applicable
Nonclassroom-Based Instruction/Independent Study	Not applicable
Determination of Funding for Nonclassroom-Based Instruction	Not applicable
Annual Instruction Minutes -- Classroom Based	Not applicable
Charter School Facility Grant Program	Not applicable

Opinion on State Compliance

In our opinion, the Carpinteria Unified School District complied, in all material respects, with the compliance requirements referred to above that are applicable to the statutory requirements listed in the schedule above for the fiscal year ended June 30, 2017.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance with the statutory requirements for programs noted above, which are required to be reported in accordance with 2016-2017 Guide for Annual Audits of California K-12 Local Education Agencies and State Compliance Reporting, published by the Education Audit Appeals Panel and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2017-2. Our opinion is not modified with respect to this matter.

Carpinteria Unified School District Response to Findings

Carpinteria Unified School District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Carpinteria Unified School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion of all the effectiveness of the entity's internal control or on compliance outside of the items tested as noted above. This report is an integral part of an audit performed in accordance with *2016-2017 Guide for Annual Audits of California K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel in considering the entity's compliance. Accordingly, this communication is not suitable for any other purpose.

Moss, Remy & Hargheim LLP

Santa Maria, California
December 12, 2017

The term "not applicable" is used above to mean either Carpinteria Unified School District did not offer the program during the current fiscal year or the program applies to a different type of local education agency.



Moss, Levy & Hartzheim LLP

Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Trustees
Carpinteria Unified School District
Carpinteria, California
Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Carpinteria 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 Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the 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 the Carpinteria 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 Carpinteria Unified School District's compliance.

Opinion on Each Major Federal Program

In our opinion, Carpinteria 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 major federal program for the fiscal year ended June 30, 2016.

Report on Internal Control

Management of Carpinteria 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 Carpinteria 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 the 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 of the effectiveness of Carpinteria 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Moss, Remy & Haugheim LLP

Santa Maria, California
December 12, 2017

FINDINGS AND RECOMMENDATIONS SECTION

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CARPINTERIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
JUNE 30, 2016

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

_____ Yes X No

Significant deficiencies identified not considered
to be material weaknesses?

X Yes _____ None reported

Noncompliance material to financial statements noted?

_____ Yes X No

Federal Awards

Internal control over major programs:

Material weaknesses identified?

_____ Yes X No

Significant deficiencies identified not considered
to be material weaknesses?

_____ Yes X None reported

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

Unmodified

Any audit findings disclosed that are required to be
reported in accordance with the Uniform Guidance,
Section 200.516

_____ Yes X No

Identification of major programs

CFDA Number (s)

84.010

Name of Federal Program or Cluster
Title 1

Dollar threshold used to distinguish between Type A
and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee:

X Yes _____ No

State Awards

Any audit findings disclosed that are required to be
reported in accordance with Standards and Procedures
for Audits of California K-12 Local Education Agencies?

X Yes _____ No

Type of auditors' report issued on compliance
for state programs:

Unmodified

CARPINTERIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
JUNE 30, 2017

Section II – Financial Statement Findings

FINDING 2017-1
ACCRUED VACATION

Criteria:

Employees should accrue vacation time each pay period according to the rules of the MOU.

Condition:

In testing accrued vacation, we found four instances of employees having been granted the wrong amount of vacation time.

Effect:

Employees were granted more vacation time than they were owed.

Cause:

Calculation errors in the new payroll system.

Recommendation:

The District should carefully review the payroll system to ensure that employees are accruing the correct amount of vacation time going forward.

Corrective Action Plan:

The District has worked with the County Education Office and the financial software company to review and correct any vacation accrual formulas. All accrual formulas that were not calculating correctly have been corrected.

CARPINTERIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
JUNE 30, 2017

Section III – Federal Award Findings and Questioned Costs

There were no federal award findings or question costs.

CARPINTERIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
JUNE 30, 2017

Section IV – State Compliance

FINDING 2017-2
K-3 GRADE SPAN ADJUSTMENT
40000

Criteria:

In accordance with Education Code Section 42238.02, school districts should be making progress toward maintaining an average class enrollment of not more than 24 pupils for each school site in grades Kindergarten and Grades 1-3 unless a collective bargaining agreement alternative average class enrollment for each school site in those grades is agreed to by the school district.

Condition:

In testing grade span adjustment, it was determined that one of the school sites did not make the necessary progress towards having 24 or less pupils per class.

Effect:

The average class size at one of the school sites was over the maximum of 24 pupils.

Average class enrollment	24.25
Maximum class size	24.00
Deficiency	(0.25)

Questioned Costs:

None.

Recommendation:

The District should carefully review class sizes in order to ensure that the school site is making adequate progress towards the goal of 24 pupils per class.

Corrective Action Plan:

The District will monitor enrollment by grade span for compliance. This finding does not have implications for Basic Aid districts as we do not receive any LCFF-Grade Span Adjustment funds.

CARPINTERIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS
JUNE 30, 2017

Section II – Financial Statement Findings

There were no financial statement findings or question costs.

CARPINTERIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS
JUNE 30, 2017

Section III – Federal Award Findings and Questioned Costs

There were no federal award findings or question costs.

CARPINTERIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS
JUNE 30, 2017

Section IV – State Compliance

FINDING 2016-1
CLASSROOM TEACHER SALARIES
61000

Criteria:

In accordance with Education Code Section 41372, unified school districts must have at least 55 percent of education expense be for teacher salaries.

Condition:

During our examination of expenses, it was noted the District did not meet the applicable minimum percentage.

Cause:

District oversight.

Effect:

The District did not spend enough for the minimum classroom teacher salaries by \$16,626.

Minimum percentage required:	55.00%
Percentage spent by the District:	54.93%
Percentage below the minimum:	0.07%
District's Current Expense of Education after reductions:	\$ 23,751,181
Deficiency Amount:	\$16,626

Questioned Costs:

\$16,626.

Recommendation:

The District should monitor the expenditures for the year and ensure the minimum percentage is met.

District's Corrective Action Plan:

An Application for the Exemption for Classroom Teacher Salaries was submitted and approved by the Governing Board on October 19, 2016 with the reason that payment of classroom teacher salaries are in excess of those paid by other comparable districts. The application was submitted and approved by Santa Barbara County Education Office.

Current Status:

Implemented

FINDING 2016-2
ATTENDANCE
10000

Criteria:

In accordance with Education Code Section 46000, attendance shall be recorded and kept according to regulations prescribed by the State Board of Education. The Annual reports of attendance submitted to the California Department of Education must reconcile to the supporting documents.

Condition:

In testing attendance, it was noted that the District's P-2 submitted to the California Department of Education did not reconcile to the supporting documents.

Effect:

The District over-reported average daily attendance at P-2 by 1.20.

CARPINTERIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS
JUNE 30, 2017

Class	P-2		
	Submitted	Revised	Difference
K-3	672.82	672.72	(0.10)
4-6	517.58	517.34	(0.24)
7-8	308.02	307.68	(0.34)
9-12	640.26	639.74	(0.52)
Total	2,138.68	2,137.48	(1.20)

Cause:

The District made a revision to the attendance after P-2 was submitted, but an amended P-2 report was not submitted.

Questioned Costs:

\$7,722.

Recommendation:

When the District makes a revision to the attendance subsequent to the submission of an attendance report, staff should review the submitted report and decide whether a revised report needs to be submitted.

Corrective Action Plan:

A Revised P2 was completed and submitted to the California Department of Education.

Current Status:

Implemented

FINDING 2016-3
K-3 GRADE SPAN ADJUSTMENT
40000

Criteria:

In accordance with Education Code Section 42238.02, school districts should be making progress toward maintaining an average class enrollment of not more than 24 pupils for each school site in grades Kindergarten and Grades 1-3 unless a collective bargaining agreement alternative average class enrollment for each school site in those grades is agreed to by the school district.

Condition:

In testing grade span adjustment, it was determined that one of the school sites did not make the necessary progress towards having 24 or less pupils per class.

Effect:

The average class size at one of the school sites was over the maximum of 24 pupils.

Average class enrollment	24.66
Maximum class size	24.00
Deficiency	(0.66)

Cause:

District oversight.

Questioned Costs:

\$314,062.

Recommendation:

The District should carefully review class sizes in order to ensure that the school site is making adequate progress towards the goal of 24 pupils per class.

Corrective Action Plan:

The district will monitor enrollment by grade span for compliance. This finding does not have implications for Basic Aid districts as we do not receive any LCFF-Grade Span Adjustment funds.

Current Status:

Not implemented, see Finding 2017-2.

Appendix B – Adopted Budget

G = General Ledger Data; S = Supplemental Data

Form	Description	Data Supplied For:	
		2016-17 Estimated Actuals	2017-18 Budget
01	General Fund/County School Service Fund	GS	GS
09	Charter Schools Special Revenue Fund		
10	Special Education Pass-Through Fund		
11	Adult Education Fund		
12	Child Development Fund	G	G
13	Cafeteria Special Revenue Fund	G	G
14	Deferred Maintenance Fund	G	G
15	Pupil Transportation Equipment Fund		
17	Special Reserve Fund for Other Than Capital Outlay Projects	G	G
18	School Bus Emissions Reduction Fund		
19	Foundation Special Revenue Fund		
20	Special Reserve Fund for Postemployment Benefits		
21	Building Fund	G	G
25	Capital Facilities Fund	G	G
30	State School Building Lease-Purchase Fund		
35	County School Facilities Fund	G	G
40	Special Reserve Fund for Capital Outlay Projects	G	G
49	Capital Project Fund for Blended Component Units		
51	Bond Interest and Redemption Fund	G	G
52	Debt Service Fund for Blended Component Units		
53	Tax Override Fund		
56	Debt Service Fund		
57	Foundation Permanent Fund		
61	Cafeteria Enterprise Fund		
62	Charter Schools Enterprise Fund		
63	Other Enterprise Fund	G	G
66	Warehouse Revolving Fund		
67	Self-Insurance Fund	G	G
71	Retiree Benefit Fund		
73	Foundation Private-Purpose Trust Fund		
76	Warrant/Pass-Through Fund		
95	Student Body Fund		
76A	Changes in Assets and Liabilities (Warrant/Pass-Through)		
95A	Changes in Assets and Liabilities (Student Body)		
A	Average Daily Attendance	S	S
ASSET	Schedule of Capital Assets		
CASH	Cashflow Worksheet		
CB	Budget Certification		S
CC	Workers' Compensation Certification		S
CEA	Current Expense Formula/Minimum Classroom Comp. - Actuals	G	
CEB	Current Expense Formula/Minimum Classroom Comp. - Budget		G
CHG	Change Order Form		
DEBT	Schedule of Long-Term Liabilities		
ICR	Indirect Cost Rate Worksheet	GS	
L	Lottery Report	G	
MYP	Multiyear Projections - General Fund		GS

G = General Ledger Data; S = Supplemental Data

Form	Description	Data Supplied For:	
		2016-17 Estimated Actuals	2017-18 Budget
NCMOE	No Child Left Behind Maintenance of Effort	GS	
SEA	Special Education Revenue Allocations		
SEAS	Special Education Revenue Allocations Setup (SELPA Selection)		
SIAA	Summary of Interfund Activities - Actuals	G	
SIAB	Summary of Interfund Activities - Budget		G
01CS	Criteria and Standards Review	GS	GS

ANNUAL BUDGET REPORT:
July 1, 2017 Budget Adoption

Insert "X" in applicable boxes:

- ☒ This budget was developed using the state-adopted Criteria and Standards. It includes the expenditures necessary to implement the Local Control and Accountability Plan (LCAP) or annual update to the LCAP that will be effective for the budget year. The budget was filed and adopted subsequent to a public hearing by the governing board of the school district pursuant to Education Code sections 33129, 42127, 52060, 52061, and 52062.
- ☒ If the budget includes a combined assigned and unassigned ending fund balance above the minimum recommended reserve for economic uncertainties, at its public hearing, the school district complied with the requirements of subparagraphs (B) and (C) of paragraph (2) of subdivision (a) of Education Code Section 42127.

Budget available for inspection at:

Public Hearing:

Place: Carpinteria Unified School District Office
Date: June 09, 2017

Place: Carpinteria City Hall
Date: June 27, 2017
Time: 05:30 PM

Adoption Date: June 28, 2017

Signed: _____
Clerk/Secretary of the Governing Board
(Original signature required)

Contact person for additional information on the budget reports:

Name: Maureen Fitzgerald Telephone: 805-684-4511
Title: Chief Business Officer E-mail: mfitzgerald@cusd.net

Criteria and Standards Review Summary

The following summary is automatically completed based on data provided in the Criteria and Standards Review (Form 01CS). Criteria and standards that are "Not Met," and supplemental information and additional fiscal indicators that are "Yes," may indicate areas of potential concern for fiscal solvency purposes and should be carefully reviewed.

CRITERIA AND STANDARDS			Met	Not Met
1	Average Daily Attendance	Budgeted (funded) ADA has not been overestimated by more than the standard for the prior fiscal year, or two or more of the previous three fiscal years.	X	

CRITERIA AND STANDARDS (continued)			Met	Not Met
2	Enrollment	Enrollment has not been overestimated by more than the standard for the prior fiscal year, or two or more of the previous three fiscal years.	X	
3	ADA to Enrollment	Projected second period (P-2) ADA to enrollment ratio is consistent with historical ratios for the budget and two subsequent fiscal years.	X	
4	Local Control Funding Formula (LCFF) Revenue	Projected change in LCFF revenue is within the standard for the budget and two subsequent fiscal years.		X
5	Salaries and Benefits	Projected ratios of total unrestricted salaries and benefits to total unrestricted general fund expenditures are consistent with historical ratios for the budget and two subsequent fiscal years.	X	
6a	Other Revenues	Projected operating revenues (e.g., federal, other state, and other local) are within the standard for the budget and two subsequent fiscal years.		X
6b	Other Expenditures	Projected operating expenditures (e.g., books and supplies, and services and other operating) are within the standard for the budget and two subsequent fiscal years.	X	
7	Ongoing and Major Maintenance Account	If applicable, required contribution to the ongoing and major maintenance account (i.e., restricted maintenance account) is included in the budget.		X
8	Deficit Spending	Unrestricted deficit spending, if any, has not exceeded the standard for two or more of the last three fiscal years.	X	
9	Fund Balance	Unrestricted general fund beginning balance has not been overestimated by more than the standard for two or more of the last three fiscal years.	X	
10	Reserves	Projected available reserves (e.g., reserve for economic uncertainties, unassigned/unappropriated amounts) meet minimum requirements for the budget and two subsequent fiscal years.	X	

SUPPLEMENTAL INFORMATION			No	Yes
S1	Contingent Liabilities	Are there known or contingent liabilities (e.g., financial or program audits, litigation, state compliance reviews) that may impact the budget?	X	
S2	Using One-time Revenues to Fund Ongoing Expenditures	Are there ongoing general fund expenditures in excess of one percent of the total general fund expenditures that are funded with one-time resources?	X	
S3	Using Ongoing Revenues to Fund One-time Expenditures	Are there large non-recurring general fund expenditures that are funded with ongoing general fund revenues?	X	
S4	Contingent Revenues	Are any projected revenues for the budget or two subsequent fiscal years contingent on reauthorization by the local government, special legislation, or other definitive act (e.g., parcel taxes, forest reserves)?	X	
S5	Contributions	Have contributions from unrestricted to restricted resources, or transfers to or from the general fund to cover operating deficits, changed by more than the standard for the budget or two subsequent fiscal years?		X

SUPPLEMENTAL INFORMATION (continued)			No	Yes
S6	Long-term Commitments	Does the district have long-term (multiyear) commitments or debt agreements? • If yes, have annual payments for the budget or two subsequent fiscal years increased over prior year's (2016-17) annual payment?		X
			X	
S7a	Postemployment Benefits Other than Pensions	Does the district provide postemployment benefits other than pensions (OPEB)? • If yes, are they lifetime benefits? • If yes, do benefits continue beyond age 65? • If yes, are benefits funded by pay-as-you-go?		X
			X	
			X	
				X
S7b	Other Self-insurance Benefits	Does the district provide other self-insurance benefits (e.g., workers' compensation)?		X
S8	Status of Labor Agreements	Are salary and benefit negotiations still open for: • Certificated? (Section S8A, Line 1) • Classified? (Section S8B, Line 1) • Management/supervisor/confidential? (Section S8C, Line 1)	X X X	
S9	Local Control and Accountability Plan (LCAP)	• Did or will the school district's governing board adopt an LCAP or approve an update to the LCAP effective for the budget year? • Approval date for adoption of the LCAP or approval of an update to the LCAP:		X
			Jun 28, 2017	
S10	LCAP Expenditures	Does the school district's budget include the expenditures necessary to implement the LCAP or annual update to the LCAP as described in the Local Control and Accountability Plan and Annual Update Template, Section 3: Actions, Services, and Expenditures?		X

ADDITIONAL FISCAL INDICATORS			No	Yes
A1	Negative Cash Flow	Do cash flow projections show that the district will end the budget year with a negative cash balance in the general fund?	X	
A2	Independent Position Control	Is personnel position control independent from the payroll system?	X	
A3	Declining Enrollment	Is enrollment decreasing in both the prior fiscal year and budget year?	X	
A4	New Charter Schools Impacting District Enrollment	Are any new charter schools operating in district boundaries that are impacting the district's enrollment, either in the prior fiscal year or budget year?	X	
A5	Salary Increases Exceed COLA	Has the district entered into a bargaining agreement where any of the budget or subsequent fiscal years of the agreement would result in salary increases that are expected to exceed the projected state funded cost-of-living adjustment?	X	

ADDITIONAL FISCAL INDICATORS (continued)			No	Yes
A6	Uncapped Health Benefits	Does the district provide uncapped (100% employer paid) health benefits for current or retired employees?		X
A7	Independent Financial System	Is the district's financial system independent from the county office system?	X	
A8	Fiscal Distress Reports	Does the district have any reports that indicate fiscal distress? If yes, provide copies to the COE, pursuant to EC 42127.6(a).	X	
A9	Change of CBO or Superintendent	Have there been personnel changes in the superintendent or chief business official (CBO) positions within the last 12 months?		X

ANNUAL CERTIFICATION REGARDING SELF-INSURED WORKERS' COMPENSATION CLAIMS

Pursuant to EC Section 42141, if a school district, either individually or as a member of a joint powers agency, is self-insured for workers' compensation claims, the superintendent of the school district annually shall provide information to the governing board of the school district regarding the estimated accrued but unfunded cost of those claims. The governing board annually shall certify to the county superintendent of schools the amount of money, if any, that it has decided to reserve in its budget for the cost of those claims.

To the County Superintendent of Schools:

(☐) Our district is self-insured for workers' compensation claims as defined in Education Code Section 42141(a):

Total liabilities actuarially determined:	\$	
Less: Amount of total liabilities reserved in budget:	\$	
Estimated accrued but unfunded liabilities:	\$	0.00

(☒) This school district is self-insured for workers' compensation claims through a JPA, and offers the following information:
District participates in SIPE

(☐) This school district is not self-insured for workers' compensation claims.

Signed _____
Clerk/Secretary of the Governing Board
(Original signature required)

Date of Meeting: Jun 27, 2017

For additional information on this certification, please contact:

Name: Maureen Fitzgerald

Title: Chief Business Officer

Telephone: 805-684-4511

E-mail: mfitzgerald@cusd.net

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals			2017-18 Budget			% Diff Column C & F
			Unrestricted (A)	Restricted (B)	Total Fund col. A + B (C)	Unrestricted (D)	Restricted (E)	Total Fund col. D + E (F)	
A. REVENUES									
1) LCFF Sources		8010-8099	21,905,118.00	426,700.00	22,331,818.00	22,922,100.00	439,940.00	23,362,040.00	4.6%
2) Federal Revenue		8100-8299	0.00	1,148,147.10	1,148,147.10	4,180.00	1,138,588.00	1,142,768.00	-0.5%
3) Other State Revenue		0300-6599	951,652.00	1,208,713.02	2,060,365.02	402,010.00	1,396,619.86	1,798,629.86	-12.7%
4) Other Local Revenue		0600-8799	381,575.00	411,169.21	792,744.21	366,388.00	129,478.72	525,866.72	-33.7%
5) TOTAL, REVENUES			23,138,345.00	3,194,729.33	26,333,074.33	23,724,678.00	3,104,626.58	26,829,304.58	1.9%
B. EXPENDITURES									
1) Certificated Salaries		1000-1999	8,854,912.73	1,501,910.78	10,356,823.51	9,072,959.58	1,802,351.83	10,875,311.41	5.0%
2) Classified Salaries		2000-2999	3,108,411.78	1,655,437.77	4,763,849.55	3,265,550.67	1,622,739.71	4,888,290.38	2.6%
3) Employee Benefits		3000-3999	5,327,584.60	1,894,954.84	7,222,539.44	5,850,499.66	2,105,770.57	7,956,269.23	10.3%
4) Books and Supplies		4000-4999	785,200.00	717,715.68	1,502,915.77	733,250.72	368,904.57	1,102,155.29	-26.7%
5) Services and Other Operating Expenditures		5000-5999	1,769,644.72	478,300.82	2,247,945.54	2,019,771.00	580,889.91	2,580,660.91	14.8%
6) Capital Outlay		6000-6999	5,000.00	47,235.00	52,235.00	0.00	0.00	0.00	-100.0%
7) Other Outgo (excluding Transfers of Indirect Costs)		7100-7299							
		7400-7499	41,538.22	0.00	41,538.22	59,166.00	0.00	59,166.00	42.4%
8) Other Outgo - Transfers of Indirect Costs		7300-7399	(57,623.00)	53,125.00	(4,498.00)	(47,014.28)	47,014.26	0.00	-100.0%
9) TOTAL, EXPENDITURES			19,834,649.14	6,348,679.89	26,183,329.03	20,962,188.37	6,507,770.85	27,469,959.22	4.9%
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)			3,303,695.86	(3,153,950.56)	149,745.30	2,762,489.63	(3,403,144.27)	(640,654.64)	-527.8%
D. OTHER FINANCING SOURCES/USES									
1) Interfund Transfers									
a) Transfers In		8900-8929	117,000.00	0.00	117,000.00	0.00	0.00	0.00	-100.0%
b) Transfers Out		7600-7629	185,251.76	274,639.70	460,891.46	143,946.40	100,000.00	243,946.40	-47.1%
2) Other Sources/Uses									
a) Sources		8930-8979	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
b) Uses		7630-7699	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
3) Contributions		8980-8999	(3,029,992.26)	3,029,992.26	0.00	(3,497,744.27)	3,497,744.27	0.00	0.0%
4) TOTAL, OTHER FINANCING SOURCES/USES			(3,099,244.02)	2,755,352.56	(343,891.46)	(3,641,690.67)	3,397,744.27	(243,946.40)	-29.1%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals			2017-18 Budget			% Diff Column C & F
			Unrestricted (A)	Restricted (B)	Total Fund col. A + B (C)	Unrestricted (D)	Restricted (E)	Total Fund col. D + E (F)	
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)			204,451.84	(398,596.00)	(194,146.16)	(879,201.04)	(5,400.00)	(884,601.04)	355.6%
F. FUND BALANCE, RESERVES									
1) Beginning Fund Balance									
a) As of July 1 - Unaudited		9791	3,010,339.66	779,648.68	3,789,988.34	3,214,791.70	381,050.68	3,595,842.38	-5.1%
b) Audit Adjustments		9793	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
c) As of July 1 - Audited (F1a + F1b)			3,010,339.66	779,648.68	3,789,988.34	3,214,791.70	381,050.68	3,595,842.38	-5.1%
d) Other Restatements		9795	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
e) Adjusted Beginning Balance (F1c + F1d)			3,010,339.66	779,648.68	3,789,988.34	3,214,791.70	381,050.68	3,595,842.38	-5.1%
2) Ending Balance, June 30 (E + F1e)			3,214,791.70	381,050.68	3,595,842.38	2,335,590.66	375,650.88	2,711,241.54	-24.6%
Components of Ending Fund Balance									
a) Nonspendable									
Revolving Cash		9711	500.00	0.00	500.00	500.00	0.00	500.00	0.0%
Stores		9712	14,909.95	0.00	14,909.95	14,910.00	0.00	14,910.00	0.0%
Prepaid Expenditures		9713	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
All Others		9710	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
b) Restricted		9740	0.00	381,050.68	381,050.68	0.00	381,050.68	381,050.68	0.0%
c) Committed									
Stabilization Arrangements		9750	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Other Commitments		9760	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
d) Assigned									
Other Assignments		9780	32,834.00	0.00	32,834.00	32,834.00	0.00	32,834.00	0.0%
Principals Reserve	0000	9780				32,834.00		32,834.00	
Principals Reserve	0000	9780	32,834.00		32,834.00				
e) Unassigned/unappropriated									
Reserve for Economic Uncertainties		9789	799,327.00	0.00	799,327.00	831,417.00	0.00	831,417.00	4.0%
Unassigned/unappropriated Amount		9790	2,367,220.75	0.00	2,367,220.75	1,455,929.66	(5,400.00)	1,450,529.66	-38.7%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals			2017-18 Budget			% Diff Column C & F
			Unrestricted (A)	Restricted (B)	Total Fund col. A + B (C)	Unrestricted (D)	Restricted (E)	Total Fund col. D + E (F)	
G. ASSETS									
1) Cash									
a) in County Treasury		9110	8,789,355.61	(2,095,765.85)	6,093,509.76				
1) Fair Value Adjustment to Cash in County Treasury		9111	0.00	0.00	0.00				
b) in Banks		9120	0.00	0.00	0.00				
c) in Revolving Fund		9130	500.00	0.00	500.00				
d) with Fiscal Agent		9135	0.00	0.00	0.00				
e) collections awaiting deposit		9140	0.00	0.00	0.00				
2) Investments		9150	0.00	0.00	0.00				
3) Accounts Receivable		9200	3,350.08	362,394.40	365,745.38				
4) Due from Grantor Government		9290	0.00	0.00	0.00				
5) Due from Other Funds		9310	709,000.00	0.00	709,000.00				
6) Stores		9320	14,909.95	0.00	14,909.95				
7) Prepaid Expenditures		9330	0.00	0.00	0.00				
8) Other Current Assets		9340	0.00	0.00	0.00				
9) TOTAL, ASSETS			9,517,116.54	(2,313,371.45)	7,203,745.09				
H. DEFERRED OUTFLOWS OF RESOURCES									
1) Deferred Outflows of Resources		9490	0.00	0.00	0.00				
2) TOTAL, DEFERRED OUTFLOWS			0.00	0.00	0.00				
I. LIABILITIES									
1) Accounts Payable		9500	(4,417.46)	38.85	(4,378.63)				
2) Due to Grantor Governments		9590	0.00	0.00	0.00				
3) Due to Other Funds		9610	0.00	0.00	0.00				
4) Current Loans		9640	2,905,777.89	0.00	2,905,777.89				
5) Unearned Revenue		9650	0.00	71,939.44	71,939.44				
6) TOTAL, LIABILITIES			2,901,360.41	71,978.29	2,973,338.70				
J. DEFERRED INFLOWS OF RESOURCES									
1) Deferred Inflows of Resources		9690	0.00	0.00	0.00				
2) TOTAL, DEFERRED INFLOWS			0.00	0.00	0.00				
K. FUND EQUITY									
Ending Fund Balance, June 30 (G9 + H2) - (I5 + J2)			6,815,756.13	(2,385,349.74)	4,230,406.39				

			2016-17 Estimated Actuals			2017-18 Budget			
Description	Resource Codes	Object Codes	Unrestricted (A)	Restricted (B)	Total Fund col. A + B (C)	Unrestricted (D)	Restricted (E)	Total Fund col. D + E (F)	% Diff Column C & F
LCFF SOURCES									
Principal Apportionment									
State Aid - Current Year		8011	1,205,011.00	0.00	1,205,011.00	1,205,011.00	0.00	1,205,011.00	0.0%
Education Protection Account State Aid - Current Year		8012	434,442.00	0.00	434,442.00	434,442.00	0.00	434,442.00	0.0%
State Aid - Prior Years		8019	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Tax Relief Subventions									
Homeowners' Exemptions		8021	103,306.00	0.00	103,306.00	103,306.00	0.00	103,306.00	0.0%
Timber Yield Tax		8022	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Other Subventions/In-Lieu Taxes		8029	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
County & District Taxes									
Secured Roll Taxes		8041	19,188,348.00	0.00	19,188,348.00	20,205,330.00	0.00	20,205,330.00	5.3%
Unsecured Roll Taxes		8042	812,070.00	0.00	812,070.00	812,070.00	0.00	812,070.00	0.0%
Prior Years' Taxes		8043	161,941.00	0.00	161,941.00	161,941.00	0.00	161,941.00	0.0%
Supplemental Taxes		8044	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Education Revenue Augmentation Fund (ERAF)		8045	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Community Redevelopment Funds (SB 617/699/1992)		0047	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Penalties and Interest from Delinquent Taxes		8046	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Miscellaneous Funds (EC 41604)									
Royalties and Bonuses		8081	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Other In-Lieu Taxes		8082	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Less: Non-LCFF (50%) Adjustment		8089	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Subtotal, LCFF Sources			21,905,118.00	0.00	21,905,118.00	22,922,100.00	0.00	22,922,100.00	4.6%
LCFF Transfers									
Unrestricted LCFF Transfers - Current Year	0000	8091	0.00		0.00	0.00		0.00	0.0%
All Other LCFF Transfers - Current Year	All Other	0091	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers to Charter Schools in Lieu of Property Taxes		8096	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Property Taxes Transfers		8097	0.00	426,700.00	426,700.00	0.00	439,940.00	439,940.00	3.1%
LCFF/Revenue Limit Transfers - Prior Years		8099	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, LCFF SOURCES			21,905,118.00	426,700.00	22,331,818.00	22,922,100.00	439,940.00	23,362,040.00	4.6%
FEDERAL REVENUE									
Maintenance and Operations		8110	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Special Education Entitlement		8181	0.00	348,029.00	348,029.00	0.00	349,029.00	349,029.00	0.3%
Special Education Discretionary Grants		8182	0.00	47,437.01	47,437.01	0.00	46,063.00	46,063.00	-2.9%
Child Nutrition Programs		8220	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Donated Food Commodities		8221	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Forest Reserve Funds		8260	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Flood Control Funds		8270	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Wildlife Reserve Funds		8280	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
FEMA		8281	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Interagency Contracts Between LEAs		8285	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Pass-Through Revenues from Federal Sources		8287	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Title I, Part A, Basic	3010	8290		403,871.00	403,871.00		410,036.00	410,036.00	1.5%
Title I, Part D, Local Delinquent Programs	3025	8290		0.00	0.00		0.00	0.00	0.0%
Title II, Part A, Educator Quality	4035	8290		52,634.00	52,634.00		52,580.00	52,580.00	-0.1%
Title III, Part A, Immigrant Education Program	4201	8290		2,504.00	2,504.00		5,250.00	5,250.00	109.7%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals			2017-18 Budget			% Diff Column C & F
			Unrestricted (A)	Restricted (B)	Total Fund col. A + B (C)	Unrestricted (D)	Restricted (E)	Total Fund col. D + E (F)	
Title III, Part A, English Learner Program	4203	8290		75,630.00	75,630.00		75,630.00	75,630.00	0.0%
Title V, Part B, Public Charter Schools Grant Program (PCSGP) (NCLB)	4610	8290		0.00	0.00		0.00	0.00	0.0%
	3012-3020, 3030-3199, 4036-4128, 5510	8290							
Other NCLB / Every Student Succeeds Act		8290		200,000.00	200,000.00		200,000.00	200,000.00	0.0%
Career and Technical Education	3500-3599	8290		18,042.00	18,042.00		0.00	0.00	-100.0%
All Other Federal Revenue	All Other	8290	0.00	0.00	0.00	4,180.00	0.00	4,180.00	New
TOTAL FEDERAL REVENUE			0.00	1,148,147.10	1,148,147.10	4,180.00	1,138,588.00	1,142,768.00	-0.5%
OTHER STATE REVENUE									
Other State Apportionments									
ROC/P Entitlement Prior Years	6360	8319		0.00	0.00		0.00	0.00	0.0%
Special Education Master Plan Current Year	6500	8311		(90,636.00)	(90,636.00)		179,503.00	179,503.00	-298.0%
Prior Years	6500	8319		(1,847.00)	(1,847.00)		0.00	0.00	-100.0%
All Other State Apportionments - Current Year	All Other	8311	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
All Other State Apportionments - Prior Years	All Other	8319	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Child Nutrition Programs		8520	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Mandated Costs Reimbursements		8550	535,812.00	0.00	535,812.00	70,306.00	0.00	70,306.00	-85.2%
Lottery - Unrestricted and Instructional Materials		8580	315,840.00	92,460.00	408,300.00	322,704.00	100,846.00	423,549.00	3.7%
Tax Relief Subventions Restricted Levies - Other									
Homeowners' Exemptions		8575	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Other Subventions/In-Lieu Taxes		8576	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Pass-Through Revenues from State Sources		8587	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
After School Education and Safety (ASES)	6010	8590		446,976.81	446,976.81		440,000.00	440,000.00	-1.6%
Charter School Facility Grant	6030	8590		0.00	0.00		0.00	0.00	0.0%
Drug/Alcohol/Tobacco Funds	6660, 8690	8590		0.00	0.00		0.00	0.00	0.0%
California Clean Energy Jobs Act	6230	8590		0.00	0.00		0.00	0.00	0.0%
Career Technical Education Incentive Grant Program	6387	8590		132,966.00	132,966.00		72,821.74	72,821.74	-45.2%
American Indian Early Childhood Education	7210	8590		0.00	0.00		0.00	0.00	0.0%
Specialized Secondary	7370	8590		0.00	0.00		0.00	0.00	0.0%
Quality Education Investment Act	7400	8590		0.00	0.00		0.00	0.00	0.0%
Common Core State Standards Implementation	7405	8590		0.00	0.00		0.00	0.00	0.0%
All Other State Revenue	All Other	8590	0.00	628,793.21	628,793.21	0.00	603,450.12	603,450.12	-4.0%
TOTAL OTHER STATE REVENUE			851,652.00	1,208,713.02	2,060,365.02	402,010.00	1,396,619.86	1,798,629.86	-12.7%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals			2017-18 Budget			% Diff Column C & F
			Unrestricted (A)	Restricted (B)	Total Fund col. A + B (C)	Unrestricted (D)	Restricted (E)	Total Fund col. D + E (F)	
OTHER LOCAL REVENUE									
Other Local Revenue									
County and District Taxes									
Other Restricted Levies									
Secured Roll		8615	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Unsecured Roll		8616	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Prior Years' Taxes		8617	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Supplemental Taxes		8618	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Non-Ad Valorem Taxes									
Parcel Taxes		8621	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Other		8622	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Community Redevelopment Funds Not Subject to LCFF Deduction									
		8625	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Penalties and Interest from Delinquent Non-LCFF Taxes									
		8629	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Sales									
Sale of Equipment/Supplies		8631	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Sale of Publications		8632	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Food Service Sales		8634	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Sales		8639	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Leases and Rentals		8650	224,260.00	0.00	224,260.00	215,448.00	0.00	215,448.00	-3.9%
Interest		8660	43,000.00	0.00	43,000.00	57,000.00	0.00	57,000.00	32.6%
Net Increase (Decrease) in the Fair Value of Investments									
		8662	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Fees and Contracts									
Adult Education Fees		8671	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Non-Resident Students		8672	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Transportation Fees From Individuals		8675	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Interagency Services		8677	24,000.00	0.00	24,000.00	24,000.00	67,827.06	91,827.06	282.6%
Mitigation/Developer Fees		8681	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Fees and Contracts		8689	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Other Local Revenue									
Plus: Misc Funds Non-LCFF (50%) Adjustment		8691	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Pass-Through Revenues From Local Sources									
		8697	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Local Revenue		8699	90,315.00	411,169.21	501,484.21	99,940.00	61,651.66	161,591.66	-67.8%
Tuition		8710	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers In		8781-8783	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers of Apportionments									
Special Education SELPA Transfers									
From Districts or Charter Schools	6500	8791		0.00	0.00		0.00	0.00	0.0%
From County Offices	6500	8792		0.00	0.00		0.00	0.00	0.0%
From JPAs	6500	8793		0.00	0.00		0.00	0.00	0.0%
ROC/P Transfers									
From Districts or Charter Schools	6360	8791		0.00	0.00		0.00	0.00	0.0%
From County Offices	6360	8792		0.00	0.00		0.00	0.00	0.0%
From JPAs	6360	8793		0.00	0.00		0.00	0.00	0.0%
Other Transfers of Apportionments									
From Districts or Charter Schools	All Other	8791	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
From County Offices	All Other	8792	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
From JPAs	All Other	8793	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers In from All Others		8799	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, OTHER LOCAL REVENUE			381,575.00	411,169.21	792,744.21	396,388.00	129,478.72	525,866.72	-33.7%
TOTAL, REVENUES			23,139,345.00	3,194,729.33	26,333,074.33	23,724,678.00	3,104,620.58	26,829,304.58	1.9%

			2016-17 Estimated Actuals			2017-18 Budget			
Description	Resource Codes	Object Codes	Unrestricted (A)	Restricted (B)	Total Fund col. A + B (C)	Unrestricted (D)	Restricted (E)	Total Fund col. D + E (F)	% Diff Column C & F
CERTIFICATED SALARIES									
Certificated Teachers' Salaries		1100	7,175,699.41	916,927.33	8,092,626.74	7,462,600.72	987,593.93	8,440,194.65	4.3%
Certificated Pupil Support Salaries		1200	558,536.69	443,184.56	1,001,721.25	575,849.32	643,472.97	1,219,322.29	21.7%
Certificated Supervisors' and Administrators' Salaries		1300	1,120,676.63	141,799.89	1,262,476.52	1,004,235.93	123,294.93	1,127,530.86	-10.7%
Other Certificated Salaries		1900	0.00	0.00	0.00	40,273.61	48,000.00	88,273.61	New
TOTAL, CERTIFICATED SALARIES			9,854,912.73	1,501,910.78	10,356,823.51	9,072,959.58	1,602,351.83	10,675,311.41	5.0%
CLASSIFIED SALARIES									
Classified Instructional Salaries		2100	382,823.18	956,161.53	1,319,084.71	386,315.44	1,082,069.52	1,468,384.96	11.3%
Classified Support Salaries		2200	756,446.11	269,026.23	1,025,472.34	828,359.25	224,222.55	1,052,581.80	2.6%
Classified Supervisors' and Administrators' Salaries		2300	435,080.51	300,816.54	735,897.05	591,503.09	70,840.47	668,343.56	-9.3%
Clerical, Technical and Office Salaries		2400	1,133,798.26	92,550.35	1,226,348.61	1,024,794.52	48,095.00	1,072,889.52	-12.5%
Other Classified Salaries		2900	419,563.72	30,883.12	450,446.84	434,570.37	191,512.17	626,082.54	37.2%
TOTAL, CLASSIFIED SALARIES			3,108,411.78	1,655,437.77	4,763,849.55	3,265,550.67	1,622,739.71	4,888,290.38	2.6%
EMPLOYEE BENEFITS									
STRS		3101-3102	1,044,527.63	716,704.93	1,761,232.56	1,299,556.81	786,382.20	2,067,939.01	17.4%
PERS		3201-3202	386,170.48	224,435.70	610,606.18	417,447.12	222,376.35	639,823.47	4.8%
OASDI/Medicare/Alternative		3301-3302	363,870.63	151,816.67	515,687.30	388,270.52	164,145.67	552,416.18	7.1%
Health and Welfare Benefits		3401-3402	3,050,970.86	705,483.55	3,756,454.41	3,261,951.25	840,802.05	4,108,753.30	9.4%
Unemployment Insurance		3501-3502	6,007.85	1,550.26	7,558.11	6,089.73	1,678.55	7,768.28	2.8%
Workers' Compensation		3601-3602	359,557.68	94,953.51	454,511.19	368,721.76	102,373.73	471,095.49	3.6%
OPEB, Allocated		3701-3702	116,459.47	10.02	116,469.49	116,459.47	10.02	116,469.49	0.0%
OPEB, Active Employees		3751-3752	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Other Employee Benefits		3901-3902	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, EMPLOYEE BENEFITS			5,327,564.60	1,894,954.84	7,222,519.44	5,059,486.68	2,105,770.57	7,964,267.23	10.3%
BOOKS AND SUPPLIES									
Approved Textbooks and Core Curricula Materials		4100	110,557.79	275,989.39	386,547.18	90,000.00	100,045.00	190,045.00	-50.6%
Books and Other Reference Materials		4200	140.00	0.00	140.00	140.00	0.00	140.00	0.0%
Materials and Supplies		4300	642,782.30	436,521.29	1,079,303.59	610,018.72	262,059.57	873,578.29	-19.1%
Noncapitalized Equipment		4400	31,710.00	5,205.00	36,915.00	32,500.00	5,100.00	37,600.00	1.9%
Food		4700	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, BOOKS AND SUPPLIES			785,200.09	717,715.68	1,502,915.77	733,258.72	368,904.57	1,102,163.29	-26.7%
SERVICES AND OTHER OPERATING EXPENDITURES									
Subagreements for Services		5100	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Travel and Conferences		5200	50,600.79	50,048.98	111,257.87	68,114.00	41,841.17	109,955.17	-1.2%
Dues and Memberships		5300	18,084.88	357.78	18,442.78	22,613.00	0.00	22,613.00	22.6%
Insurance		5400 - 5450	123,885.35	3,934.58	127,819.93	167,005.00	4,000.00	171,005.00	33.8%
Operations and Housekeeping Services		5500	624,073.35	0.00	624,073.35	711,550.00	0.00	711,550.00	14.0%
Rentals, Leases, Repairs, and Noncapitalized Improvements		5600	131,347.43	67,814.78	199,162.21	142,992.00	70,400.00	213,392.00	7.1%
Transfers of Direct Costs		5710	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers of Direct Costs - Interfund		5750	288.00	0.00	288.00	1,800.00	0.00	1,800.00	525.0%
Professional/Consulting Services and Operating Expenditures		5800	779,728.90	343,259.42	1,122,988.32	810,697.00	444,748.74	1,255,445.74	11.8%
Communications		5900	41,627.92	2,285.38	43,913.30	95,000.00	0.00	95,000.00	116.3%
TOTAL, SERVICES AND OTHER OPERATING EXPENDITURES			1,769,644.72	478,300.82	2,247,945.54	2,019,771.00	560,389.91	2,580,760.91	14.8%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals			2017-18 Budget			% Diff Column C & F
			Unrestricted (A)	Restricted (B)	Total Fund col. A + B (C)	Unrestricted (D)	Restricted (E)	Total Fund col. D + E (F)	
CAPITAL OUTLAY									
Land		6100	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Land Improvements		6170	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Buildings and Improvements of Buildings		6200	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Books and Media for New School Libraries or Major Expansion of School Libraries		6300	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Equipment		6400	5,000.00	47,235.00	52,235.00	0.00	0.00	0.00	-100.0%
Equipment Replacement		6500	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, CAPITAL OUTLAY			5,000.00	47,235.00	52,235.00	0.00	0.00	0.00	-100.0%
OTHER OUTGO (excluding Transfers of Indirect Costs)									
Tuition									
Tuition for Instruction Under Interdistrict Attendance Agreements		7110	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
State Special Schools		7130	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Tuition, Excess Costs, and/or Deficit Payments Payments to Districts or Charter Schools		7141	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Payments to County Offices		7142	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Payments to JPAs		7143	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers of Pass-Through Revenues									
To Districts or Charter Schools		7211	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
To County Offices		7212	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
To JPAs		7213	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Special Education SELPA Transfers of Apportionments									
To Districts or Charter Schools	6500	7221		0.00	0.00		0.00	0.00	0.0%
To County Offices	6500	7222		0.00	0.00		0.00	0.00	0.0%
To JPAs	6500	7223		0.00	0.00		0.00	0.00	0.0%
ROC/P Transfers of Apportionments									
To Districts or Charter Schools	6360	7221		0.00	0.00		0.00	0.00	0.0%
To County Offices	6360	7222		0.00	0.00		0.00	0.00	0.0%
To JPAs	6360	7223		0.00	0.00		0.00	0.00	0.0%
Other Transfers of Apportionments	All Other	7221-7223	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers		7281-7283	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers Out to All Others		7299	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Debt Service									
Debt Service - Interest		7438	0.00	0.00	0.00	8,262.00	0.00	8,262.00	New
Other Debt Service - Principal		7439	41,538.22	0.00	41,538.22	50,884.00	0.00	50,884.00	22.5%
TOTAL, OTHER OUTGO (excluding Transfers of Indirect Costs)			41,538.22	0.00	41,538.22	59,166.00	0.00	59,166.00	42.4%
OTHER OUTGO - TRANSFERS OF INDIRECT COSTS									
Transfers of Indirect Costs		7310	(53,125.00)	53,125.00	0.00	(47,014.26)	47,014.26	0.00	0.0%
Transfers of Indirect Costs - Interfund		7350	(4,498.00)	0.00	(4,498.00)	0.00	0.00	0.00	-100.0%
TOTAL, OTHER OUTGO - TRANSFERS OF INDIRECT COSTS			(57,623.00)	53,125.00	(4,498.00)	(47,014.26)	47,014.26	0.00	-100.0%
TOTAL, EXPENDITURES			19,834,649.14	6,348,679.89	26,183,329.03	20,962,188.37	6,507,770.85	27,469,959.22	4.9%

			2016-17 Estimated Actuals			2017-18 Budget			
Description	Resource Codes	Object Codes	Unrestricted (A)	Restricted (B)	Total Fund col. A + B (C)	Unrestricted (D)	Restricted (E)	Total Fund col. D + E (F)	% Diff Column C & F
INTERFUND TRANSFERS									
INTERFUND TRANSFERS IN									
From: Special Reserve Fund		6912	117,000.00	0.00	117,000.00	0.00	0.00	0.00	-100.0%
From: Bond Interest and Redemption Fund		6914	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Other Authorized Interfund Transfers In		6919	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
(a) TOTAL, INTERFUND TRANSFERS IN			117,000.00	0.00	117,000.00	0.00	0.00	0.00	-100.0%
INTERFUND TRANSFERS OUT									
To: Child Development Fund		7611	16,000.00	0.00	16,000.00	0.00	0.00	0.00	-100.0%
To: Special Reserve Fund		7612	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
To: State School Building Fund/ County School Facilities Fund		7613	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
To: Cafeteria Fund		7616	170,251.76	0.00	170,251.76	143,946.40	0.00	143,946.40	-15.5%
Other Authorized Interfund Transfers Out		7619	0.00	274,639.70	274,639.70	0.00	100,000.00	100,000.00	-63.6%
(b) TOTAL, INTERFUND TRANSFERS OUT			186,251.76	274,639.70	460,891.46	143,946.40	100,000.00	243,946.40	-47.1%
OTHER SOURCES/USES									
SOURCES									
State Apportionments									
Emergency Apportionments		8931	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Proceeds									
Proceeds from Sale/Lease-Purchase of Land/Buildings		8953	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Other Sources									
Transfers from Funds of Lapsed/Reorganized LEAs		8965	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Long-Term Debt Proceeds									
Proceeds from Certificates of Participation		8971	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Proceeds from Capital Leases		8972	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Proceeds from Lease Revenue Bonds		8973	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Financing Sources		8979	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
(c) TOTAL, SOURCES			0.00	0.00	0.00	0.00	0.00	0.00	0.0%
USES									
Transfers of Funds from Lapsed/Reorganized LEAs		7651	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Financing Uses		7699	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
(d) TOTAL, USES			0.00	0.00	0.00	0.00	0.00	0.00	0.0%
CONTRIBUTIONS									
Contributions from Unrestricted Revenues		8980	(3,029,992.26)	3,029,992.26	0.00	(3,497,744.27)	3,497,744.27	0.00	0.0%
Contributions from Restricted Revenues		8990	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
(e) TOTAL, CONTRIBUTIONS			(3,029,992.26)	3,029,992.26	0.00	(3,497,744.27)	3,497,744.27	0.00	0.0%
TOTAL, OTHER FINANCING SOURCES/USES									
(a - b + c - d + e)			(3,099,244.02)	2,755,352.56	(343,891.46)	(3,641,690.67)	3,397,744.27	(243,946.40)	-29.1%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
A. REVENUES					
1) LCFF Sources		8010-8099	0.00	0.00	0.0%
2) Federal Revenue		8100-8299	0.00	0.00	0.0%
3) Other State Revenue		8300-8599	104,816.00	0.00	-100.0%
4) Other Local Revenue		8600-8799	0.00	0.00	0.0%
5) TOTAL, REVENUES			104,816.00	0.00	-100.0%
B. EXPENDITURES					
1) Certificated Salaries		1000-1999	22,507.01	0.00	-100.0%
2) Classified Salaries		2000-2999	10,717.74	0.00	-100.0%
3) Employee Benefits		3000-3999	11,657.34	0.00	-100.0%
4) Books and Supplies		4000-4999	15,982.22	0.00	-100.0%
5) Services and Other Operating Expenditures		5000-5999	55,453.69	0.00	-100.0%
6) Capital Outlay		6000-6999	0.00	0.00	0.0%
7) Other Outgo (excluding Transfers of Indirect Costs)		7100-7299, 7400-7499	0.00	0.00	0.0%
8) Other Outgo - Transfers of Indirect Costs		7300-7399	4,498.00	0.00	-100.0%
9) TOTAL, EXPENDITURES			120,816.00	0.00	-100.0%
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)			(16,000.00)	0.00	-100.0%
D. OTHER FINANCING SOURCES/USES					
1) Interfund Transfers					
a) Transfers In		8900-8929	16,000.00	0.00	-100.0%
b) Transfers Out		7600-7629	0.00	0.00	0.0%
2) Other Sources/Uses					
a) Sources		8930-8979	0.00	0.00	0.0%
b) Uses		7630-7699	0.00	0.00	0.0%
3) Contributions		8980-8999	0.00	0.00	0.0%
4) TOTAL, OTHER FINANCING SOURCES/USES			16,000.00	0.00	-100.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)			0.00	0.00	0.0%
F. FUND BALANCE, RESERVES					
1) Beginning Fund Balance					
a) As of July 1 - Unaudited		9791	216.95	216.95	0.0%
b) Audit Adjustments		9793	0.00	0.00	0.0%
c) As of July 1 - Audited (F1a + F1b)			216.95	216.95	0.0%
d) Other Restatements		9795	0.00	0.00	0.0%
e) Adjusted Beginning Balance (F1c + F1d)			216.95	216.95	0.0%
2) Ending Balance, June 30 (E + F1e)			216.95	216.95	0.0%
Components of Ending Fund Balance					
a) Nonspendable					
Revolving Cash		9711	0.00	0.00	0.0%
Stores		9712	0.00	0.00	0.0%
Prepaid Expenditures		9713	0.00	0.00	0.0%
All Others		9719	0.00	0.00	0.0%
b) Restricted		9740	216.95	216.95	0.0%
c) Committed					
Stabilization Arrangements		9750	0.00	0.00	0.0%
Other Commitments		9760	0.00	0.00	0.0%
d) Assigned					
Other Assignments		9780	0.00	0.00	0.0%
e) Unassigned/Unappropriated					
Reserve for Economic Uncertainties		9789	0.00	0.00	0.0%
Unassigned/Unappropriated Amount		9790	0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
G. ASSETS					
1) Cash					
a) in County Treasury		9110	64,735.30		
1) Fair Value Adjustment to Cash in County Treasury		9111	0.00		
b) in Banks		9120	0.00		
c) in Revolving Fund		9130	0.00		
d) with Fiscal Agent		9135	0.00		
e) collections awaiting deposit		9140	0.00		
2) Investments		9150	0.00		
3) Accounts Receivable		9200	0.00		
4) Due from Grantor Government		9290	0.00		
5) Due from Other Funds		9310	0.00		
6) Stores		9320	0.00		
7) Prepaid Expenditures		9330	0.00		
8) Other Current Assets		9340	0.00		
9) TOTAL, ASSETS			64,735.30		
H. DEFERRED OUTFLOWS OF RESOURCES					
1) Deferred Outflows of Resources		9490	0.00		
2) TOTAL, DEFERRED OUTFLOWS			0.00		
I. LIABILITIES					
1) Accounts Payable		9500	205.19		
2) Due to Grantor Governments		9590	0.00		
3) Due to Other Funds		9610	37,000.00		
4) Current Loans		9640			
5) Unearned Revenue		9650	5,637.30		
6) TOTAL, LIABILITIES			42,842.49		
J. DEFERRED INFLOWS OF RESOURCES					
1) Deferred Inflows of Resources		9690	0.00		
2) TOTAL, DEFERRED INFLOWS			0.00		
K. FUND EQUITY					
Ending Fund Balance, June 30 (G9 + H2) - (I6 + J2)			21,892.81		

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
FEDERAL REVENUE					
Child Nutrition Programs		8220	0.00	0.00	0.0%
Interagency Contracts Between LEAs		8285	0.00	0.00	0.0%
Title I, Part A, Basic	3010	8290	0.00	0.00	0.0%
All Other Federal Revenue	All Other	8290	0.00	0.00	0.0%
TOTAL, FEDERAL REVENUE			0.00	0.00	0.0%
OTHER STATE REVENUE					
Child Nutrition Programs		8520	0.00	0.00	0.0%
Child Development Apportionments		8530	0.00	0.00	0.0%
Pass-Through Revenues from State Sources		8587	0.00	0.00	0.0%
State Preschool	6105	8590	103,000.00	0.00	-100.0%
All Other State Revenue	All Other	8590	1,816.00	0.00	-100.0%
TOTAL, OTHER STATE REVENUE			104,816.00	0.00	-100.0%
OTHER LOCAL REVENUE					
Other Local Revenue					
Sales					
Sale of Equipment/Supplies		8631	0.00	0.00	0.0%
Food Service Sales		8634	0.00	0.00	0.0%
Interest		8660	0.00	0.00	0.0%
Net Increase (Decrease) in the Fair Value of Investments		8662	0.00	0.00	0.0%
Fees and Contracts					
Child Development Parent Fees		8673	0.00	0.00	0.0%
Interagency Services		8677	0.00	0.00	0.0%
All Other Fees and Contracts		8689	0.00	0.00	0.0%
Other Local Revenue					
All Other Local Revenue		8699	0.00	0.00	0.0%
All Other Transfers In from All Others		8799	0.00	0.00	0.0%
TOTAL, OTHER LOCAL REVENUE			0.00	0.00	0.0%
TOTAL, REVENUES			104,816.00	0.00	-100.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
CERTIFICATED SALARIES					
Certificated Teachers' Salaries		1100	20,827.41	0.00	-100.0%
Certificated Pupil Support Salaries		1200	0.00	0.00	0.0%
Certificated Supervisors' and Administrators' Salaries		1300	1,679.60	0.00	-100.0%
Other Certificated Salaries		1900	0.00	0.00	0.0%
TOTAL, CERTIFICATED SALARIES			22,507.01	0.00	-100.0%
CLASSIFIED SALARIES					
Classified Instructional Salaries		2100	5,419.78	0.00	-100.0%
Classified Support Salaries		2200	5,297.96	0.00	-100.0%
Classified Supervisors' and Administrators' Salaries		2300	0.00	0.00	0.0%
Clerical, Technical and Office Salaries		2400	0.00	0.00	0.0%
Other Classified Salaries		2800	0.00	0.00	0.0%
TOTAL, CLASSIFIED SALARIES			10,717.74	0.00	-100.0%
EMPLOYEE BENEFITS					
STRS		3101-3102	2,752.10	0.00	-100.0%
PERS		3201-3202	3,580.79	0.00	-100.0%
OASDI/Medicare/Alternative		3301-3302	2,076.31	0.00	-100.0%
Health and Welfare Benefits		3401-3402	2,216.17	0.00	-100.0%
Unemployment Insurance		3501-3502	16.56	0.00	-100.0%
Workers' Compensation		3601-3602	1,015.41	0.00	-100.0%
OPEB, Allocated		3701-3702	0.00	0.00	0.0%
OPEB, Active Employees		3751-3752	0.00	0.00	0.0%
Other Employee Benefits		3901-3902	0.00	0.00	0.0%
TOTAL, EMPLOYEE BENEFITS			11,657.34	0.00	-100.0%
BOOKS AND SUPPLIES					
Approved Textbooks and Core Curricula Materials		4100	0.00	0.00	0.0%
Books and Other Reference Materials		4200	0.00	0.00	0.0%
Materials and Supplies		4300	15,982.22	0.00	-100.0%
Noncapitalized Equipment		4400	0.00	0.00	0.0%
Food		4700	0.00	0.00	0.0%
TOTAL, BOOKS AND SUPPLIES			15,982.22	0.00	-100.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
SERVICES AND OTHER OPERATING EXPENDITURES					
Subagreements for Services		5100	0.00	0.00	0.0%
Travel and Conferences		5200	50.00	0.00	-100.0%
Dues and Memberships		5300	0.00	0.00	0.0%
Insurance		5400-5450	0.00	0.00	0.0%
Operations and Housekeeping Services		5500	0.00	0.00	0.0%
Rentals, Leases, Repairs, and Noncapitalized Improvements		5600	1,300.00	0.00	-100.0%
Transfers of Direct Costs		5710	0.00	0.00	0.0%
Transfers of Direct Costs - Interfund		5750	0.00	0.00	0.0%
Professional/Consulting Services and Operating Expenditures		5800	54,103.69	0.00	-100.0%
Communications		5900	0.00	0.00	0.0%
TOTAL, SERVICES AND OTHER OPERATING EXPENDITURES			55,453.69	0.00	-100.0%
CAPITAL OUTLAY					
Land		6100	0.00	0.00	0.0%
Land Improvements		6170	0.00	0.00	0.0%
Buildings and Improvements of Buildings		6200	0.00	0.00	0.0%
Equipment		6400	0.00	0.00	0.0%
Equipment Replacement		6500	0.00	0.00	0.0%
TOTAL, CAPITAL OUTLAY			0.00	0.00	0.0%
OTHER OUTGO (excluding Transfers of Indirect Costs)					
Other Transfers Out					
All Other Transfers Out to All Others		7299	0.00	0.00	0.0%
Debt Service					
Debt Service - Interest		7438	0.00	0.00	0.0%
Other Debt Service - Principal		7439	0.00	0.00	0.0%
TOTAL, OTHER OUTGO (excluding Transfers of Indirect Costs)			0.00	0.00	0.0%
OTHER OUTGO - TRANSFERS OF INDIRECT COSTS					
Transfers of Indirect Costs - Interfund		7350	4,498.00	0.00	-100.0%
TOTAL, OTHER OUTGO - TRANSFERS OF INDIRECT COSTS			4,498.00	0.00	-100.0%
TOTAL EXPENDITURES			120,816.00	0.00	-100.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
INTERFUND TRANSFERS					
INTERFUND TRANSFERS IN					
From: General Fund		8911	16,000.00	0.00	-100.0%
Other Authorized Interfund Transfers In		8919	0.00	0.00	0.0%
(a) TOTAL, INTERFUND TRANSFERS IN			16,000.00	0.00	-100.0%
INTERFUND TRANSFERS OUT					
Other Authorized Interfund Transfers Out		7619	0.00	0.00	0.0%
(b) TOTAL, INTERFUND TRANSFERS OUT			0.00	0.00	0.0%
OTHER SOURCES/USES					
SOURCES					
Other Sources					
Transfers from Funds of Lapsed/Reorganized LEAs		8965	0.00	0.00	0.0%
Long-Term Debt Proceeds					
Proceeds from Certificates of Participation		8971	0.00	0.00	0.0%
Proceeds from Capital Leases		8972	0.00	0.00	0.0%
All Other Financing Sources		8979	0.00	0.00	0.0%
(c) TOTAL, SOURCES			0.00	0.00	0.0%
USES					
Transfers of Funds from Lapsed/Reorganized LEAs		7651	0.00	0.00	0.0%
All Other Financing Uses		7699	0.00	0.00	0.0%
(d) TOTAL, USES			0.00	0.00	0.0%
CONTRIBUTIONS					
Contributions from Unrestricted Revenues		8980	0.00	0.00	0.0%
Contributions from Restricted Revenues		8990	0.00	0.00	0.0%
(e) TOTAL, CONTRIBUTIONS			0.00	0.00	0.0%
TOTAL, OTHER FINANCING SOURCES/USES (a - b + c - d + e)			16,000.00	0.00	-100.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
A. REVENUES					
1) LCFF Sources		8010-8099	0.00	0.00	0.0%
2) Federal Revenue		8100-8299	715,881.03	786,278.00	9.8%
3) Other State Revenue		8300-8599	54,436.44	57,411.00	5.5%
4) Other Local Revenue		8600-8799	181,804.00	180,000.00	-1.0%
5) TOTAL, REVENUES			952,121.47	1,023,689.00	7.5%
B. EXPENDITURES					
1) Certificated Salaries		1000-1999	0.00	0.00	0.0%
2) Classified Salaries		2000-2999	411,771.52	392,109.31	-4.8%
3) Employee Benefits		3000-3999	210,313.26	235,993.24	12.2%
4) Books and Supplies		4000-4999	497,918.89	509,100.00	2.2%
5) Services and Other Operating Expenditures		5000-5999	23,102.09	30,432.85	31.7%
6) Capital Outlay		6000-6999	0.00	0.00	0.0%
7) Other Outgo (excluding Transfers of Indirect Costs)		7100-7299, 7400-7499	0.00	0.00	0.0%
8) Other Outgo - Transfers of Indirect Costs		7300-7399	0.00	0.00	0.0%
9) TOTAL, EXPENDITURES			1,143,105.76	1,167,635.40	2.1%
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)			(190,984.29)	(143,946.40)	-24.6%
D. OTHER FINANCING SOURCES/USES					
1) Interfund Transfers					
a) Transfers In		8900-8929	170,251.76	143,946.40	-15.5%
b) Transfers Out		7600-7629	0.00	0.00	0.0%
2) Other Sources/Uses					
a) Sources		8930-8979	0.00	0.00	0.0%
b) Uses		7630-7699	0.00	0.00	0.0%
3) Contributions		8980-8999	0.00	0.00	0.0%
4) TOTAL, OTHER FINANCING SOURCES/USES			170,251.76	143,946.40	-15.5%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)			(20,732.53)	0.00	-100.0%
F. FUND BALANCE, RESERVES					
1) Beginning Fund Balance					
a) As of July 1 - Unaudited		9791	20,732.53	0.00	-100.0%
b) Audit Adjustments		9793	0.00	0.00	0.0%
c) As of July 1 - Audited (F1a + F1b)			20,732.53	0.00	-100.0%
d) Other Restatements		9795	0.00	0.00	0.0%
e) Adjusted Beginning Balance (F1c + F1d)			20,732.53	0.00	-100.0%
2) Ending Balance, June 30 (E + F1e)			0.00	0.00	0.0%
Components of Ending Fund Balance					
a) Nonspendable					
Revolving Cash		9711	595.00	0.00	-100.0%
Stores		9712	7,399.95	0.00	-100.0%
Prepaid Expenditures		9713	0.00	0.00	0.0%
All Others		9719	0.00	0.00	0.0%
b) Restricted		9740	103.66	103.66	0.0%
c) Committed					
Stabilization Arrangements		9750	0.00	0.00	0.0%
Other Commitments		9760	0.00	0.00	0.0%
d) Assigned					
Other Assignments		9780	12,737.58	20,732.53	62.8%
Cafeteria Special Revenue Fund	0000	9780		20,732.53	
Cafeteria Special Revenue Fund	0000	9780	12,737.58		
e) Unassigned/Unappropriated					
Reserve for Economic Uncertainties		9789	0.00	0.00	0.0%
Unassigned/Unappropriated Amount		9790	(20,836.19)	(20,836.19)	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
G. ASSETS					
1) Cash					
a) in County Treasury		9110	178,277.98		
1) Fair Value Adjustment to Cash in County Treasury		9111	0.00		
b) in Banks		9120	0.00		
c) in Revolving Fund		9130	585.00		
d) with Fiscal Agent		9135	0.00		
e) collections awaiting deposit		9140	0.00		
2) Investments		9150	0.00		
3) Accounts Receivable		9200	0.00		
4) Due from Grantor Government		9290	0.00		
5) Due from Other Funds		9310	0.00		
6) Stores		9320	7,399.95		
7) Prepaid Expenditures		9330	0.00		
8) Other Current Assets		9340	0.00		
9) TOTAL, ASSETS			186,272.93		
H. DEFERRED OUTFLOWS OF RESOURCES					
1) Deferred Outflows of Resources		9490	0.00		
2) TOTAL, DEFERRED OUTFLOWS			0.00		
I. LIABILITIES					
1) Accounts Payable		9500	(3,826.72)		
2) Due to Grantor Governments		9590	0.00		
3) Due to Other Funds		9610	521,000.00		
4) Current Loans		9640			
5) Unearned Revenue		9650	0.00		
6) TOTAL, LIABILITIES			517,173.28		
J. DEFERRED INFLOWS OF RESOURCES					
1) Deferred Inflows of Resources		9690	0.00		
2) TOTAL, DEFERRED INFLOWS			0.00		
K. FUND EQUITY					
Ending Fund Balance, June 30 (G9 + H2) - (I6 + J2)			(330,900.35)		

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
FEDERAL REVENUE					
Child Nutrition Programs		8220	715,881.03	786,278.00	9.8%
Donated Food Commodities		8221	0.00	0.00	0.0%
All Other Federal Revenue		8290	0.00	0.00	0.0%
TOTAL, FEDERAL REVENUE			715,881.03	786,278.00	9.8%
OTHER STATE REVENUE					
Child Nutrition Programs		8520	54,436.44	57,411.00	5.5%
All Other State Revenue		8590	0.00	0.00	0.0%
TOTAL, OTHER STATE REVENUE			54,436.44	57,411.00	5.5%
OTHER LOCAL REVENUE					
Other Local Revenue					
Sales					
Sale of Equipment/Supplies		8631	0.00	0.00	0.0%
Food Service Sales		8634	181,500.00	180,000.00	-0.8%
Leases and Rentals		8650	0.00	0.00	0.0%
Interest		8660	304.00	0.00	-100.0%
Net Increase (Decrease) in the Fair Value of Investments		8662	0.00	0.00	0.0%
Fees and Contracts					
Interagency Services		8677	0.00	0.00	0.0%
Other Local Revenue					
All Other Local Revenue		8699	0.00	0.00	0.0%
TOTAL, OTHER LOCAL REVENUE			181,804.00	180,000.00	-1.0%
TOTAL, REVENUES			952,121.47	1,023,689.00	7.5%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
CERTIFICATED SALARIES					
Certificated Supervisors' and Administrators' Salaries		1300	0.00	0.00	0.0%
Other Certificated Salaries		1900	0.00	0.00	0.0%
TOTAL, CERTIFICATED SALARIES			0.00	0.00	0.0%
CLASSIFIED SALARIES					
Classified Support Salaries		2200	349,363.56	325,076.76	-7.0%
Classified Supervisors' and Administrators' Salaries		2300	62,407.96	67,032.55	7.4%
Clerical, Technical and Office Salaries		2400	0.00	0.00	0.0%
Other Classified Salaries		2900	0.00	0.00	0.0%
TOTAL, CLASSIFIED SALARIES			411,771.52	392,109.31	-4.8%
EMPLOYEE BENEFITS					
STRS		3101-3102	0.00	0.00	0.0%
PERS		3201-3202	50,977.40	50,512.04	-0.9%
OASDI/Medicare/Alternative		3301-3302	30,933.03	29,474.38	-4.7%
Health and Welfare Benefits		3401-3402	115,823.42	144,149.23	24.5%
Unemployment Insurance		3501-3502	202.15	192.63	-4.7%
Workers' Compensation		3601-3602	12,377.26	11,664.96	-5.8%
OPEB, Allocated		3701-3702	0.00	0.00	0.0%
OPEB, Active Employees		3751-3752	0.00	0.00	0.0%
Other Employee Benefits		3901-3902	0.00	0.00	0.0%
TOTAL, EMPLOYEE BENEFITS			210,313.26	235,993.24	12.2%
BOOKS AND SUPPLIES					
Books and Other Reference Materials		4200	0.00	0.00	0.0%
Materials and Supplies		4300	5,269.86	5,100.00	-3.2%
Noncapitalized Equipment		4400	0.00	4,000.00	New
Food		4700	492,649.03	500,000.00	1.5%
TOTAL, BOOKS AND SUPPLIES			497,918.89	509,100.00	2.2%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
SERVICES AND OTHER OPERATING EXPENDITURES					
Subagreements for Services		5100	0.00	0.00	0.0%
Travel and Conferences		5200	2,070.00	2,200.00	6.3%
Dues and Memberships		5300	0.00	0.00	0.0%
Insurance		5400-5450	0.00	0.00	0.0%
Operations and Housekeeping Services		5500	0.00	0.00	0.0%
Rentals, Leases, Repairs, and Noncapitalized Improvements		5600	0.00	0.00	0.0%
Transfers of Direct Costs		5710	0.00	0.00	0.0%
Transfers of Direct Costs - Interfund		5750	(1,788.00)	(1,800.00)	0.7%
Professional/Consulting Services and Operating Expenditures		5800	22,420.09	30,032.85	34.0%
Communications		5900	400.00	0.00	-100.0%
TOTAL, SERVICES AND OTHER OPERATING EXPENDITURES			23,102.09	30,432.85	31.7%
CAPITAL OUTLAY					
Buildings and Improvements of Buildings		6200	0.00	0.00	0.0%
Equipment		6400	0.00	0.00	0.0%
Equipment Replacement		6500	0.00	0.00	0.0%
TOTAL, CAPITAL OUTLAY			0.00	0.00	0.0%
OTHER OUTGO (excluding Transfers of Indirect Costs)					
Debt Service					
Debt Service - Interest		7438	0.00	0.00	0.0%
Other Debt Service - Principal		7439	0.00	0.00	0.0%
TOTAL, OTHER OUTGO (excluding Transfers of Indirect Costs)			0.00	0.00	0.0%
OTHER OUTGO - TRANSFERS OF INDIRECT COSTS					
Transfers of Indirect Costs - Interfund		7350	0.00	0.00	0.0%
TOTAL, OTHER OUTGO - TRANSFERS OF INDIRECT COSTS			0.00	0.00	0.0%
TOTAL, EXPENDITURES			1,143,105.76	1,167,635.40	2.1%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
INTERFUND TRANSFERS					
INTERFUND TRANSFERS IN					
From: General Fund		8916	170,251.76	143,946.40	-15.5%
Other Authorized Interfund Transfers In		8919	0.00	0.00	0.0%
(a) TOTAL, INTERFUND TRANSFERS IN			170,251.76	143,946.40	-15.5%
INTERFUND TRANSFERS OUT					
Other Authorized Interfund Transfers Out		7619	0.00	0.00	0.0%
(b) TOTAL, INTERFUND TRANSFERS OUT			0.00	0.00	0.0%
OTHER SOURCES/USES					
SOURCES					
Other Sources					
Transfers from Funds of Lapsed/Reorganized LEAs		8965	0.00	0.00	0.0%
Long-Term Debt Proceeds					
Proceeds from Capital Leases		8972	0.00	0.00	0.0%
All Other Financing Sources		8979	0.00	0.00	0.0%
(c) TOTAL, SOURCES			0.00	0.00	0.0%
USES					
Transfers of Funds from Lapsed/Reorganized LEAs		7651	0.00	0.00	0.0%
All Other Financing Uses		7699	0.00	0.00	0.0%
(d) TOTAL, USES			0.00	0.00	0.0%
CONTRIBUTIONS					
Contributions from Unrestricted Revenues		8980	0.00	0.00	0.0%
Contributions from Restricted Revenues		8990	0.00	0.00	0.0%
(e) TOTAL, CONTRIBUTIONS			0.00	0.00	0.0%
TOTAL, OTHER FINANCING SOURCES/USES (a - b + c - d + e)					
			170,251.76	143,946.40	-15.5%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
A. REVENUES					
1) LCFF Sources		8010-8099	0.00	0.00	0.0%
2) Federal Revenue		8100-8299	0.00	0.00	0.0%
3) Other State Revenue		8300-8599	0.00	0.00	0.0%
4) Other Local Revenue		8600-8799	200.00	0.00	-100.0%
5) TOTAL REVENUES			200.00	0.00	-100.0%
B. EXPENDITURES					
1) Certificated Salaries		1000-1999	0.00	0.00	0.0%
2) Classified Salaries		2000-2999	0.00	0.00	0.0%
3) Employee Benefits		3000-3999	0.00	0.00	0.0%
4) Books and Supplies		4000-4999	0.00	0.00	0.0%
5) Services and Other Operating Expenditures		5000-5999	99,883.00	0.00	-100.0%
6) Capital Outlay		6000-6999	0.00	0.00	0.0%
7) Other Outgo (excluding Transfers of Indirect Costs)		7100-7299, 7400-7499	0.00	0.00	0.0%
8) Other Outgo - Transfers of Indirect Costs		7300-7399	0.00	0.00	0.0%
9) TOTAL EXPENDITURES			99,883.00	0.00	-100.0%
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)			(99,683.00)	0.00	-100.0%
D. OTHER FINANCING SOURCES/USES					
1) Interfund Transfers					
a) Transfers In		8900-8929	100,500.00	100,000.00	-0.5%
b) Transfers Out		7600-7629	0.00	0.00	0.0%
2) Other Sources/Uses					
a) Sources		8930-8979	0.00	0.00	0.0%
b) Uses		7630-7699	0.00	0.00	0.0%
3) Contributions		8980-8999	0.00	0.00	0.0%
4) TOTAL OTHER FINANCING SOURCES/USES			100,500.00	100,000.00	-0.5%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)			817.00	100,000.00	12139.9%
F. FUND BALANCE, RESERVES					
1) Beginning Fund Balance					
a) As of July 1 - Unaudited		9791	171,589.76	172,406.76	0.5%
b) Audit Adjustments		9793	0.00	0.00	0.0%
c) As of July 1 - Audited (F1a + F1b)			171,589.76	172,406.76	0.5%
d) Other Restatements		9795	0.00	0.00	0.0%
e) Adjusted Beginning Balance (F1c + F1d)			171,589.76	172,406.76	0.5%
2) Ending Balance, June 30 (E + F1e)			172,406.76	272,406.76	58.0%
Components of Ending Fund Balance					
a) Nonspendable					
Revolving Cash		9711	0.00	0.00	0.0%
Stores		9712	0.00	0.00	0.0%
Prepaid Expenditures		9713	0.00	0.00	0.0%
All Others		9719	0.00	0.00	0.0%
b) Restricted		9740	172,400.41	272,400.41	58.0%
c) Committed					
Stabilization Arrangements		9750	0.00	0.00	0.0%
Other Commitments		9760	0.00	0.00	0.0%
d) Assigned					
Other Assignments		9780	6.35	6.35	0.0%
Deferred Maintenance Fund	0000	9780		6.35	
Deferred Maintenance Fund	0000	9780	6.35		
e) Unassigned/Unappropriated					
Reserve for Economic Uncertainties		9789	0.00	0.00	0.0%
Unassigned/Unappropriated Amount		9790	0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
G. ASSETS					
1) Cash					
a) in County Treasury		9110	117,294.42		
1) Fair Value Adjustment to Cash in County Treasury		9111	0.00		
b) in Banks		9120	0.00		
c) in Revolving Fund		9130	0.00		
d) with Fiscal Agent		9135	0.00		
e) collections awaiting deposit		9140	0.00		
2) Investments		9150	0.00		
3) Accounts Receivable		9200	0.00		
4) Due from Grantor Government		9290	0.00		
5) Due from Other Funds		9310	0.00		
6) Stores		9320	0.00		
7) Prepaid Expenditures		9330	0.00		
8) Other Current Assets		9340	0.00		
9) TOTAL, ASSETS			117,294.42		
H. DEFERRED OUTFLOWS OF RESOURCES					
1) Deferred Outflows of Resources		9490	0.00		
2) TOTAL, DEFERRED OUTFLOWS			0.00		
I. LIABILITIES					
1) Accounts Payable		9500	0.00		
2) Due to Grantor Governments		9590	0.00		
3) Due to Other Funds		9610	0.00		
4) Current Loans		9640			
5) Unearned Revenue		9650	0.00		
6) TOTAL, LIABILITIES			0.00		
J. DEFERRED INFLOWS OF RESOURCES					
1) Deferred Inflows of Resources		9690	0.00		
2) TOTAL, DEFERRED INFLOWS			0.00		
K. FUND EQUITY					
Ending Fund Balance, June 30 (G9 + H2) - (I6 + J2)			117,294.42		

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
LCFF SOURCES					
LCFF Transfers					
LCFF Transfers - Current Year		8091	0.00	0.00	0.0%
LCFF/Revenue Limit Transfers - Prior Years		8099	0.00	0.00	0.0%
TOTAL, LCFF SOURCES			0.00	0.00	0.0%
OTHER STATE REVENUE					
All Other State Revenue		8590	0.00	0.00	0.0%
TOTAL, OTHER STATE REVENUE			0.00	0.00	0.0%
OTHER LOCAL REVENUE					
Other Local Revenue					
Community Redevelopment Funds Not Subject to LCFF Deduction		8625	0.00	0.00	0.0%
Sales					
Sale of Equipment/Supplies		8631	0.00	0.00	0.0%
Interest		8660	200.00	0.00	-100.0%
Net Increase (Decrease) in the Fair Value of Investments		8682	0.00	0.00	0.0%
Other Local Revenue					
All Other Local Revenue		8699	0.00	0.00	0.0%
All Other Transfers In from All Others		8799	0.00	0.00	0.0%
TOTAL, OTHER LOCAL REVENUE			200.00	0.00	-100.0%
TOTAL REVENUES			200.00	0.00	-100.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
CLASSIFIED SALARIES					
Classified Support Salaries		2200	0.00	0.00	0.0%
Other Classified Salaries		2900	0.00	0.00	0.0%
TOTAL, CLASSIFIED SALARIES			0.00	0.00	0.0%
EMPLOYEE BENEFITS					
STRS		3101-3102	0.00	0.00	0.0%
PERS		3201-3202	0.00	0.00	0.0%
OASDI/Medicare/Alternative		3301-3302	0.00	0.00	0.0%
Health and Welfare Benefits		3401-3402	0.00	0.00	0.0%
Unemployment Insurance		3501-3502	0.00	0.00	0.0%
Workers' Compensation		3601-3602	0.00	0.00	0.0%
OPEB, Allocated		3701-3702	0.00	0.00	0.0%
OPEB, Active Employees		3751-3752	0.00	0.00	0.0%
Other Employee Benefits		3901-3902	0.00	0.00	0.0%
TOTAL, EMPLOYEE BENEFITS			0.00	0.00	0.0%
BOOKS AND SUPPLIES					
Books and Other Reference Materials		4200	0.00	0.00	0.0%
Materials and Supplies		4300	0.00	0.00	0.0%
Noncapitalized Equipment		4400	0.00	0.00	0.0%
TOTAL, BOOKS AND SUPPLIES			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
SERVICES AND OTHER OPERATING EXPENDITURES					
Subagreements for Services		5100	0.00	0.00	0.0%
Travel and Conferences		5200	0.00	0.00	0.0%
Rentals, Leases, Repairs, and Noncapitalized Improvements		5600	44,143.00	0.00	-100.0%
Transfers of Direct Costs		5710	0.00	0.00	0.0%
Transfers of Direct Costs - Interfund		5750	0.00	0.00	0.0%
Professional/Consulting Services and Operating Expenditures		5800	55,740.00	0.00	-100.0%
TOTAL, SERVICES AND OTHER OPERATING EXPENDITURES			99,883.00	0.00	-100.0%
CAPITAL OUTLAY					
Land Improvements		6170	0.00	0.00	0.0%
Buildings and Improvements of Buildings		6200	0.00	0.00	0.0%
Equipment		6400	0.00	0.00	0.0%
Equipment Replacement		6500	0.00	0.00	0.0%
TOTAL, CAPITAL OUTLAY			0.00	0.00	0.0%
OTHER OUTGO (excluding Transfers of Indirect Costs)					
Debt Service					
Debt Service - Interest		7438	0.00	0.00	0.0%
Other Debt Service - Principal		7439	0.00	0.00	0.0%
TOTAL, OTHER OUTGO (excluding Transfers of Indirect Costs)			0.00	0.00	0.0%
TOTAL EXPENDITURES			99,883.00	0.00	-100.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
INTERFUND TRANSFERS					
INTERFUND TRANSFERS IN					
Other Authorized Interfund Transfers In		8919	100,500.00	100,000.00	-0.5%
(a) TOTAL, INTERFUND TRANSFERS IN			100,500.00	100,000.00	-0.5%
INTERFUND TRANSFERS OUT					
Other Authorized Interfund Transfers Out		7619	0.00	0.00	0.0%
(b) TOTAL, INTERFUND TRANSFERS OUT			0.00	0.00	0.0%
OTHER SOURCES/USES					
SOURCES					
Other Sources					
Transfers from Funds of Lapsed/Reorganized LEAs		8965	0.00	0.00	0.0%
Long-Term Debt Proceeds					
Proceeds from Capital Leases		8972	0.00	0.00	0.0%
All Other Financing Sources		8979	0.00	0.00	0.0%
(c) TOTAL, SOURCES			0.00	0.00	0.0%
USES					
Transfers of Funds from Lapsed/Reorganized LEAs		7651	0.00	0.00	0.0%
All Other Financing Uses		7699	0.00	0.00	0.0%
(d) TOTAL, USES			0.00	0.00	0.0%
CONTRIBUTIONS					
Contributions from Unrestricted Revenues		8980	0.00	0.00	0.0%
Contributions from Restricted Revenues		8990	0.00	0.00	0.0%
(e) TOTAL, CONTRIBUTIONS			0.00	0.00	0.0%
TOTAL, OTHER FINANCING SOURCES/USES (a - b + c - d + e)			100,500.00	100,000.00	-0.5%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
A. REVENUES					
1) LCFF Sources		8010-8099	0.00	0.00	0.0%
2) Federal Revenue		8100-8299	0.00	0.00	0.0%
3) Other State Revenue		8300-8599	0.00	0.00	0.0%
4) Other Local Revenue		8600-8799	0.00	0.00	0.0%
5) TOTAL REVENUES			0.00	0.00	0.0%
B. EXPENDITURES					
1) Certificated Salaries		1000-1999	0.00	0.00	0.0%
2) Classified Salaries		2000-2999	0.00	0.00	0.0%
3) Employee Benefits		3000-3999	0.00	0.00	0.0%
4) Books and Supplies		4000-4999	0.00	0.00	0.0%
5) Services and Other Operating Expenditures		5000-5999	0.00	0.00	0.0%
6) Capital Outlay		6000-6999	0.00	0.00	0.0%
7) Other Outgo (excluding Transfers of Indirect Costs)		7100-7299, 7400-7499	0.00	0.00	0.0%
8) Other Outgo - Transfers of Indirect Costs		7300-7399	0.00	0.00	0.0%
9) TOTAL EXPENDITURES			0.00	0.00	0.0%
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)			0.00	0.00	0.0%
D. OTHER FINANCING SOURCES/USES					
1) Interfund Transfers					
a) Transfers In		8900-8929	0.00	0.00	0.0%
b) Transfers Out		7600-7629	117,000.00	0.00	-100.0%
2) Other Sources/Uses					
a) Sources		8930-8979	0.00	0.00	0.0%
b) Uses		7630-7699	0.00	0.00	0.0%
3) Contributions		8980-8999	0.00	0.00	0.0%
4) TOTAL OTHER FINANCING SOURCES/USES			(117,000.00)	0.00	-100.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)			(117,000.00)	0.00	-100.0%
F. FUND BALANCE, RESERVES					
1) Beginning Fund Balance					
a) As of July 1 - Unaudited		9791	117,388.02	388.02	-99.7%
b) Audit Adjustments		9793	0.00	0.00	0.0%
c) As of July 1 - Audited (F1a + F1b)			117,388.02	388.02	-99.7%
d) Other Restatements		9795	0.00	0.00	0.0%
e) Adjusted Beginning Balance (F1c + F1d)			117,388.02	388.02	-99.7%
2) Ending Balance, June 30 (E + F1e)			388.02	388.02	0.0%
Components of Ending Fund Balance					
a) Nonspendable					
Revolving Cash		9711	0.00	0.00	0.0%
Stores		9712	0.00	0.00	0.0%
Prepaid Expenditures		9713	0.00	0.00	0.0%
All Others		9719	0.00	0.00	0.0%
b) Restricted		9740	0.00	0.00	0.0%
c) Committed					
Stabilization Arrangements		9750	0.00	0.00	0.0%
Other Commitments		9760	0.00	0.00	0.0%
d) Assigned					
Other Assignments		9780	388.02	388.02	0.0%
Special Reserve Fund	0000	9780		388.02	
Special Reserve Fund	0000	9780	388.02		
e) Unassigned/Unappropriated					
Reserve for Economic Uncertainties		9789	0.00	0.00	0.0%
Unassigned/Unappropriated Amount		9790	0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
G. ASSETS					
1) Cash					
a) in County Treasury		9110	118,183.46		
1) Fair Value Adjustment to Cash in County Treasury		9111	0.00		
b) in Banks		9120	0.00		
c) in Revolving Fund		9130	0.00		
d) with Fiscal Agent		9135	0.00		
e) collections awaiting deposit		9140	0.00		
2) Investments		9150	0.00		
3) Accounts Receivable		9200	0.00		
4) Due from Grantor Government		9290	0.00		
5) Due from Other Funds		9310	0.00		
6) Stores		9320	0.00		
7) Prepaid Expenditures		9330	0.00		
8) Other Current Assets		9340	0.00		
9) TOTAL, ASSETS			118,183.46		
H. DEFERRED OUTFLOWS OF RESOURCES					
1) Deferred Outflows of Resources		9490	0.00		
2) TOTAL, DEFERRED OUTFLOWS			0.00		
I. LIABILITIES					
1) Accounts Payable		9500	0.00		
2) Due to Grantor Governments		9590	0.00		
3) Due to Other Funds		9610	0.00		
4) Current Loans		9640			
5) Unearned Revenue		9650	0.00		
6) TOTAL, LIABILITIES			0.00		
J. DEFERRED INFLOWS OF RESOURCES					
1) Deferred Inflows of Resources		9690	0.00		
2) TOTAL, DEFERRED INFLOWS			0.00		
K. FUND EQUITY					
Ending Fund Balance, June 30 (G9 + H2) - (I6 + J2)			118,183.46		

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
OTHER LOCAL REVENUE					
Other Local Revenue					
Sales					
Sale of Equipment/Supplies		8631	0.00	0.00	0.0%
Interest		8660	0.00	0.00	0.0%
Net Increase (Decrease) in the Fair Value of Investments		8652	0.00	0.00	0.0%
TOTAL OTHER LOCAL REVENUE			0.00	0.00	0.0%
TOTAL REVENUES			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
INTERFUND TRANSFERS					
INTERFUND TRANSFERS IN					
From: General Fund/CSSF		8912	0.00	0.00	0.0%
Other Authorized Interfund Transfers In		8919	0.00	0.00	0.0%
(a) TOTAL, INTERFUND TRANSFERS IN			0.00	0.00	0.0%
INTERFUND TRANSFERS OUT					
To: General Fund/CSSF		7612	117,000.00	0.00	-100.0%
To: State School Building Fund/ County School Facilities Fund		7613	0.00	0.00	0.0%
Other Authorized Interfund Transfers Out		7619	0.00	0.00	0.0%
(b) TOTAL, INTERFUND TRANSFERS OUT			117,000.00	0.00	-100.0%
OTHER SOURCES/USES					
SOURCES					
Other Sources					
Transfers from Funds of Lapsed/Reorganized LEAs		8965	0.00	0.00	0.0%
(c) TOTAL, SOURCES			0.00	0.00	0.0%
USES					
Transfers of Funds from Lapsed/Reorganized LEAs		7651	0.00	0.00	0.0%
(d) TOTAL, USES			0.00	0.00	0.0%
CONTRIBUTIONS					
Contributions from Restricted Revenues		8990	0.00	0.00	0.0%
(e) TOTAL, CONTRIBUTIONS			0.00	0.00	0.0%
TOTAL, OTHER FINANCING SOURCES/USES (a - b + c - d + e)			(117,000.00)	0.00	-100.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
A. REVENUES					
1) LCFF Sources		8010-8099	0.00	0.00	0.0%
2) Federal Revenue		8100-8299	0.00	0.00	0.0%
3) Other State Revenue		8300-8599	0.00	0.00	0.0%
4) Other Local Revenue		8600-8799	65,400.00	0.00	-100.0%
5) TOTAL, REVENUES			65,400.00	0.00	-100.0%
B. EXPENDITURES					
1) Certificated Salaries		1000-1999	0.00	0.00	0.0%
2) Classified Salaries		2000-2999	228,831.13	281,049.50	22.8%
3) Employee Benefits		3000-3999	107,930.83	117,770.71	9.1%
4) Books and Supplies		4000-4999	7,500.00	16,000.00	113.3%
5) Services and Other Operating Expenditures		5000-5999	148,641.00	139,436.00	-6.2%
6) Capital Outlay		6000-6999	1,889,279.00	10,653,855.00	463.9%
7) Other Outgo (excluding Transfers of Indirect Costs)		7100-7299, 7400-7499	0.00	0.00	0.0%
8) Other Outgo - Transfers of Indirect Costs		7300-7399	0.00	0.00	0.0%
9) TOTAL, EXPENDITURES			2,382,181.96	11,208,111.21	370.5%
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)			(2,316,781.96)	(11,208,111.21)	383.8%
D. OTHER FINANCING SOURCES/USES					
1) Interfund Transfers					
a) Transfers In		8900-8929	0.00	0.00	0.0%
b) Transfers Out		7600-7629	0.00	0.00	0.0%
2) Other Sources/Uses					
a) Sources		8930-8979	0.00	0.00	0.0%
b) Uses		7630-7699	0.00	0.00	0.0%
3) Contributions		8980-8999	0.00	0.00	0.0%
4) TOTAL, OTHER FINANCING SOURCES/USES			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)			(2,316,781.96)	(11,208,111.21)	383.8%
F. FUND BALANCE, RESERVES					
1) Beginning Fund Balance					
a) As of July 1 - Unaudited		9791	21,084,545.10	18,767,763.14	-11.0%
b) Audit Adjustments		9793	0.00	0.00	0.0%
c) As of July 1 - Audited (F1a + F1b)			21,084,545.10	18,767,763.14	-11.0%
d) Other Restatements		9795	0.00	0.00	0.0%
e) Adjusted Beginning Balance (F1c + F1d)			21,084,545.10	18,767,763.14	-11.0%
2) Ending Balance, June 30 (E + F1e)			18,767,763.14	7,559,651.93	-59.7%
Components of Ending Fund Balance					
a) Nonspendable					
Revolving Cash		9711	0.00	0.00	0.0%
Stores		9712	0.00	0.00	0.0%
Prepaid Expenditures		9713	0.00	0.00	0.0%
All Others		9719	0.00	0.00	0.0%
b) Restricted		9740	18,718,429.23	7,510,318.02	-59.9%
c) Committed					
Stabilization Arrangements		9750	0.00	0.00	0.0%
Other Commitments		9760	0.00	0.00	0.0%
d) Assigned					
Other Assignments		9780	49,333.91	49,333.91	0.0%
Building Fund	0000	9780		49,333.91	
Building Fund	0000	9780	49,333.91		
e) Unassigned/Unappropriated					
Reserve for Economic Uncertainties		9789	0.00	0.00	0.0%
Unassigned/Unappropriated Amount		9790	0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
G. ASSETS					
1) Cash					
a) in County Treasury		9110	18,084,891.90		
1) Fair Value Adjustment to Cash in County Treasury		9111	0.00		
b) in Banks		9120	0.00		
c) in Revolving Fund		9130	0.00		
d) with Fiscal Agent		9135	0.00		
e) collections awaiting deposit		9140	0.00		
2) Investments		9150	0.00		
3) Accounts Receivable		9200	0.00		
4) Due from Grantor Government		9290	0.00		
5) Due from Other Funds		9310	0.00		
6) Stores		9320	0.00		
7) Prepaid Expenditures		9330	0.00		
8) Other Current Assets		9340	0.00		
9) TOTAL, ASSETS			18,084,891.90		
H. DEFERRED OUTFLOWS OF RESOURCES					
1) Deferred Outflows of Resources		9490	0.00		
2) TOTAL, DEFERRED OUTFLOWS			0.00		
I. LIABILITIES					
1) Accounts Payable		9500	19.91		
2) Due to Grantor Governments		9590	0.00		
3) Due to Other Funds		9610	0.00		
4) Current Loans		9640	0.00		
5) Unearned Revenue		9650	0.00		
6) TOTAL, LIABILITIES			19.91		
J. DEFERRED INFLOWS OF RESOURCES					
1) Deferred Inflows of Resources		9690	0.00		
2) TOTAL, DEFERRED INFLOWS			0.00		
K. FUND EQUITY					
Ending Fund Balance, June 30 (G9 + H2) - (I6 + J2)			18,084,871.99		

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
FEDERAL REVENUE					
FEMA		8281	0.00	0.00	0.0%
All Other Federal Revenue		8290	0.00	0.00	0.0%
TOTAL, FEDERAL REVENUE			0.00	0.00	0.0%
OTHER STATE REVENUE					
Tax Relief Subventions Restricted Levies - Other					
Homeowners' Exemptions		8575	0.00	0.00	0.0%
Other Subventions/In-Lieu Taxes		8576	0.00	0.00	0.0%
All Other State Revenue		8590	0.00	0.00	0.0%
TOTAL, OTHER STATE REVENUE			0.00	0.00	0.0%
OTHER LOCAL REVENUE					
Other Local Revenue County and District Taxes					
Other Restricted Levies Secured Roll		8615	0.00	0.00	0.0%
Unsecured Roll		8616	0.00	0.00	0.0%
Prior Years' Taxes		8617	0.00	0.00	0.0%
Supplemental Taxes		8618	0.00	0.00	0.0%
Non-Ad Valorem Taxes Parcel Taxes		8621	0.00	0.00	0.0%
Other		8622	0.00	0.00	0.0%
Community Redevelopment Funds Not Subject to LCFF Deduction		8625	0.00	0.00	0.0%
Penalties and Interest from Delinquent Non-LCFF Taxes		8629	0.00	0.00	0.0%
Sales Sale of Equipment/Supplies		8631	0.00	0.00	0.0%
Leases and Rentals		8650	0.00	0.00	0.0%
Interest		8660	65,400.00	0.00	-100.0%
Net Increase (Decrease) in the Fair Value of Investments		8662	0.00	0.00	0.0%
Other Local Revenue					
All Other Local Revenue		8699	0.00	0.00	0.0%
All Other Transfers In from All Others		8799	0.00	0.00	0.0%
TOTAL, OTHER LOCAL REVENUE			65,400.00	0.00	-100.0%
TOTAL, REVENUES			65,400.00	0.00	-100.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
CLASSIFIED SALARIES					
Classified Support Salaries		2200	2,508.87	2,628.96	4.8%
Classified Supervisors' and Administrators' Salaries		2300	104,079.65	105,897.81	1.7%
Clerical, Technical and Office Salaries		2400	122,242.61	172,522.73	41.1%
Other Classified Salaries		2900	0.00	0.00	0.0%
TOTAL, CLASSIFIED SALARIES			228,831.13	281,049.50	22.8%
EMPLOYEE BENEFITS					
STRS		3101-3102	0.00	0.00	0.0%
PERS		3201-3202	31,778.35	32,088.16	1.0%
OASDI/Medicare/Alternative		3301-3302	16,840.37	21,157.55	25.6%
Health and Welfare Benefits		3401-3402	52,229.78	56,065.12	7.3%
Unemployment Insurance		3501-3502	113.81	1,396.94	1127.4%
Workers' Compensation		3601-3602	6,968.52	7,062.94	1.4%
OPEB, Allocated		3701-3702	0.00	0.00	0.0%
OPEB, Active Employees		3751-3752	0.00	0.00	0.0%
Other Employee Benefits		3901-3902	0.00	0.00	0.0%
TOTAL, EMPLOYEE BENEFITS			107,930.83	117,770.71	9.1%
BOOKS AND SUPPLIES					
Books and Other Reference Materials		4200	0.00	0.00	0.0%
Materials and Supplies		4300	6,000.00	10,000.00	66.7%
Noncapitalized Equipment		4400	1,500.00	6,000.00	300.0%
TOTAL, BOOKS AND SUPPLIES			7,500.00	16,000.00	113.3%
SERVICES AND OTHER OPERATING EXPENDITURES					
Subagreements for Services		5100	0.00	0.00	0.0%
Travel and Conferences		5200	1,500.00	4,000.00	166.7%
Insurance		5400-5450	0.00	0.00	0.0%
Operations and Housekeeping Services		5500	0.00	0.00	0.0%
Rentals, Leases, Repairs, and Noncapitalized Improvements		5600	91,141.00	19,436.00	-78.7%
Transfers of Direct Costs		5710	0.00	0.00	0.0%
Transfers of Direct Costs - Interfund		5750	0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
Professional/Consulting Services and Operating Expenditures		5800	55,000.00	115,000.00	109.1%
Communications		5900	1,000.00	1,000.00	0.0%
TOTAL, SERVICES AND OTHER OPERATING EXPENDITURES			148,641.00	139,436.00	-6.2%
CAPITAL OUTLAY					
Land		6100	0.00	0.00	0.0%
Land Improvements		6170	0.00	0.00	0.0%
Buildings and Improvements of Buildings		6200	1,889,279.00	10,653,855.00	463.9%
Books and Media for New School Libraries or Major Expansion of School Libraries		6300	0.00	0.00	0.0%
Equipment		6400	0.00	0.00	0.0%
Equipment Replacement		6500	0.00	0.00	0.0%
TOTAL, CAPITAL OUTLAY			1,889,279.00	10,653,855.00	463.9%
OTHER OUTGO (excluding Transfers of Indirect Costs)					
Other Transfers Out					
All Other Transfers Out to All Others		7299	0.00	0.00	0.0%
Debt Service					
Repayment of State School Building Fund Aid - Proceeds from Bonds		7435	0.00	0.00	0.0%
Debt Service - Interest		7438	0.00	0.00	0.0%
Other Debt Service - Principal		7439	0.00	0.00	0.0%
TOTAL, OTHER OUTGO (excluding Transfers of Indirect Costs)			0.00	0.00	0.0%
TOTAL, EXPENDITURES			2,382,181.96	11,208,111.21	370.5%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
INTERFUND TRANSFERS					
INTERFUND TRANSFERS IN					
Other Authorized Interfund Transfers In		3919	0.00	0.00	0.0%
(a) TOTAL INTERFUND TRANSFERS IN			0.00	0.00	0.0%
INTERFUND TRANSFERS OUT					
To: State School Building Fund/ County School Facilities Fund		7613	0.00	0.00	0.0%
Other Authorized Interfund Transfers Out		7619	0.00	0.00	0.0%
(b) TOTAL INTERFUND TRANSFERS OUT			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
OTHER SOURCES/USES					
SOURCES					
Proceeds					
Proceeds from Sale of Bonds		8951	0.00	0.00	0.0%
Proceeds from Sale/Lease- Purchase of Land/Buildings		8953	0.00	0.00	0.0%
Other Sources					
County School Bldg Aid		8961	0.00	0.00	0.0%
Transfers from Funds of Lapsed/Reorganized LEAs		8965	0.00	0.00	0.0%
Long-Term Debt Proceeds					
Proceeds from Certificates of Participation		8971	0.00	0.00	0.0%
Proceeds from Capital Leases		8972	0.00	0.00	0.0%
Proceeds from Lease Revenue Bonds		8973	0.00	0.00	0.0%
All Other Financing Sources		8979	0.00	0.00	0.0%
(c) TOTAL, SOURCES			0.00	0.00	0.0%
USES					
Transfers of Funds from Lapsed/Reorganized LEAs		7651	0.00	0.00	0.0%
All Other Financing Uses		7699	0.00	0.00	0.0%
(d) TOTAL, USES			0.00	0.00	0.0%
CONTRIBUTIONS					
Contributions from Unrestricted Revenues		8980	0.00	0.00	0.0%
Contributions from Restricted Revenues		8990	0.00	0.00	0.0%
(e) TOTAL, CONTRIBUTIONS			0.00	0.00	0.0%
TOTAL, OTHER FINANCING SOURCES/USES (a - b + c - d + e)			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
A. REVENUES					
1) LCFF Sources		8010-8099	0.00	0.00	0.0%
2) Federal Revenue		8100-8299	0.00	0.00	0.0%
3) Other State Revenue		8300-8599	0.00	0.00	0.0%
4) Other Local Revenue		8600-8799	52,000.00	0.00	-100.0%
5) TOTAL, REVENUES			52,000.00	0.00	-100.0%
B. EXPENDITURES					
1) Certificated Salaries		1000-1999	0.00	0.00	0.0%
2) Classified Salaries		2000-2999	13,009.94	13,237.23	1.7%
3) Employee Benefits		3000-3999	4,960.40	5,176.17	4.3%
4) Books and Supplies		4000-4999	0.00	0.00	0.0%
5) Services and Other Operating Expenditures		5000-5999	1,500.00	0.00	-100.0%
6) Capital Outlay		6000-6999	0.00	0.00	0.0%
7) Other Outgo (excluding Transfers of Indirect Costs)		7100-7299, 7400-7499	0.00	0.00	0.0%
8) Other Outgo - Transfers of Indirect Costs		7300-7399	0.00	0.00	0.0%
9) TOTAL, EXPENDITURES			19,470.34	18,413.40	-5.4%
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)			32,529.66	(18,413.40)	-156.6%
D. OTHER FINANCING SOURCES/USES					
1) Interfund Transfers					
a) Transfers In		8900-8929	0.00	0.00	0.0%
b) Transfers Out		7600-7629	0.00	0.00	0.0%
2) Other Sources/Uses					
a) Sources		8930-8979	0.00	0.00	0.0%
b) Uses		7630-7699	0.00	0.00	0.0%
3) Contributions		8980-8999	0.00	0.00	0.0%
4) TOTAL, OTHER FINANCING SOURCES/USES			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
E. NET INCREASE (DECREASE) IN FUND					
BALANCE (C + D4)			32,529.66	(18,413.40)	-156.6%
F. FUND BALANCE, RESERVES					
1) Beginning Fund Balance					
a) As of July 1 - Unaudited		9791	851,823.14	884,352.80	3.8%
b) Audit Adjustments		9793	0.00	0.00	0.0%
c) As of July 1 - Audited (F1a + F1b)			851,823.14	884,352.80	3.8%
d) Other Restatements		9795	0.00	0.00	0.0%
e) Adjusted Beginning Balance (F1c + F1d)			851,823.14	884,352.80	3.8%
2) Ending Balance, June 30 (E + F1e)			884,352.80	865,939.40	-2.1%
Components of Ending Fund Balance					
a) Nonspendable					
Revolving Cash		9711	0.00	0.00	0.0%
Stores		9712	0.00	0.00	0.0%
Prepaid Expenditures		9713	0.00	0.00	0.0%
All Others		9719	0.00	0.00	0.0%
b) Restricted		9740	882,485.91	864,072.51	-2.1%
c) Committed					
Stabilization Arrangements		9750	0.00	0.00	0.0%
Other Commitments		9760	0.00	0.00	0.0%
d) Assigned					
Other Assignments		9780	1,866.89	1,866.89	0.0%
Capital Facilities Fund	0000	9780		1,866.89	
Capital Facilities Fund	0000	9780	1,866.89		
e) Unassigned/Unappropriated					
Reserve for Economic Uncertainties		9789	0.00	0.00	0.0%
Unassigned/Unappropriated Amount		9790	0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
G. ASSETS					
1) Cash					
a) in County Treasury		9110	867,320.69		
1) Fair Value Adjustment to Cash in County Treasury		9111	0.00		
b) in Banks		9120	0.00		
c) in Revolving Fund		9130	0.00		
d) with Fiscal Agent		9135	0.00		
e) collections awaiting deposit		9140	0.00		
2) Investments		9150	0.00		
3) Accounts Receivable		9200	0.00		
4) Due from Grantor Government		9290	0.00		
5) Due from Other Funds		9310	0.00		
6) Stores		9320	0.00		
7) Prepaid Expenditures		9330	0.00		
8) Other Current Assets		9340	0.00		
9) TOTAL, ASSETS			867,320.69		
H. DEFERRED OUTFLOWS OF RESOURCES					
1) Deferred Outflows of Resources		9490	0.00		
2) TOTAL, DEFERRED OUTFLOWS			0.00		
I. LIABILITIES					
1) Accounts Payable		9500	0.00		
2) Due to Grantor Governments		9590	0.00		
3) Due to Other Funds		9610	0.00		
4) Current Loans		9640	0.00		
5) Unearned Revenue		9650	0.00		
6) TOTAL, LIABILITIES			0.00		
J. DEFERRED INFLOWS OF RESOURCES					
1) Deferred Inflows of Resources		9690	0.00		
2) TOTAL, DEFERRED INFLOWS			0.00		
K. FUND EQUITY					
Ending Fund Balance, June 30					
(G9 + H2) - (I6 + J2)			867,320.69		

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
OTHER STATE REVENUE					
Tax Relief Subventions Restricted Levies - Other					
Homeowners' Exemptions		8575	0.00	0.00	0.0%
Other Subventions/in-Lieu Taxes		8576	0.00	0.00	0.0%
All Other State Revenue		8590	0.00	0.00	0.0%
TOTAL, OTHER STATE REVENUE			0.00	0.00	0.0%
OTHER LOCAL REVENUE					
Other Local Revenue County and District Taxes					
Other Restricted Levies Secured Roll		8615	0.00	0.00	0.0%
Unsecured Roll		8616	0.00	0.00	0.0%
Prior Years' Taxes		8617	0.00	0.00	0.0%
Supplemental Taxes		8618	0.00	0.00	0.0%
Non-Ad Valorem Taxes Parcel Taxes		8621	0.00	0.00	0.0%
Other		8622	0.00	0.00	0.0%
Community Redevelopment Funds Not Subject to LCFF Deduction		8625	0.00	0.00	0.0%
Penalties and Interest from Delinquent Non-LCFF Taxes		8629	0.00	0.00	0.0%
Sales Sale of Equipment/Supplies		8631	0.00	0.00	0.0%
Interest		8660	2,000.00	0.00	-100.0%
Net Increase (Decrease) in the Fair Value of Investments		8662	0.00	0.00	0.0%
Fees and Contracts					
Mitigation/Developer Fees		8681	50,000.00	0.00	-100.0%
Other Local Revenue					
All Other Local Revenue		8699	0.00	0.00	0.0%
All Other Transfers In from All Others		8799	0.00	0.00	0.0%
TOTAL, OTHER LOCAL REVENUE			52,000.00	0.00	-100.0%
TOTAL, REVENUES			52,000.00	0.00	-100.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
CERTIFICATED SALARIES					
Other Certificated Salaries		1900	0.00	0.00	0.0%
TOTAL, CERTIFICATED SALARIES			0.00	0.00	0.0%
CLASSIFIED SALARIES					
Classified Support Salaries		2200	0.00	0.00	0.0%
Classified Supervisors' and Administrators' Salaries		2300	13,009.94	13,237.23	1.7%
Clerical, Technical and Office Salaries		2400	0.00	0.00	0.0%
Other Classified Salaries		2900	0.00	0.00	0.0%
TOTAL, CLASSIFIED SALARIES			13,009.94	13,237.23	1.7%
EMPLOYEE BENEFITS					
STRS		3101-3102	0.00	0.00	0.0%
PERS		3201-3202	1,806.82	1,838.38	1.7%
OASDI/Medicare/Alternative		3301-3302	923.33	960.58	6.2%
Health and Welfare Benefits		3401-3402	1,825.50	1,945.40	6.6%
Unemployment Insurance		3501-3502	6.51	6.62	1.7%
Workers' Compensation		3601-3602	398.24	405.19	1.7%
OPEB, Allocated		3701-3702	0.00	0.00	0.0%
OPEB, Active Employees		3751-3752	0.00	0.00	0.0%
Other Employee Benefits		3901-3902	0.00	0.00	0.0%
TOTAL, EMPLOYEE BENEFITS			4,960.40	5,176.17	4.3%
BOOKS AND SUPPLIES					
Approved Textbooks and Core Curricula Materials		4100	0.00	0.00	0.0%
Books and Other Reference Materials		4200	0.00	0.00	0.0%
Materials and Supplies		4300	0.00	0.00	0.0%
Noncapitalized Equipment		4400	0.00	0.00	0.0%
TOTAL, BOOKS AND SUPPLIES			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
SERVICES AND OTHER OPERATING EXPENDITURES					
Subagreements for Services		5100	0.00	0.00	0.0%
Travel and Conferences		5200	0.00	0.00	0.0%
Insurance		5400-5450	0.00	0.00	0.0%
Operations and Housekeeping Services		5500	0.00	0.00	0.0%
Rentals, Leases, Repairs, and Noncapitalized Improvements		5600	0.00	0.00	0.0%
Transfers of Direct Costs		5710	0.00	0.00	0.0%
Transfers of Direct Costs - Interfund		5750	1,500.00	0.00	-100.0%
Professional/Consulting Services and Operating Expenditures		5800	0.00	0.00	0.0%
Communications		5900	0.00	0.00	0.0%
TOTAL, SERVICES AND OTHER OPERATING EXPENDITURES			1,500.00	0.00	-100.0%
CAPITAL OUTLAY					
Land		6100	0.00	0.00	0.0%
Land Improvements		6170	0.00	0.00	0.0%
Buildings and Improvements of Buildings		6200	0.00	0.00	0.0%
Books and Media for New School Libraries or Major Expansion of School Libraries		6300	0.00	0.00	0.0%
Equipment		6400	0.00	0.00	0.0%
Equipment Replacement		6500	0.00	0.00	0.0%
TOTAL, CAPITAL OUTLAY			0.00	0.00	0.0%
OTHER OUTGO (excluding Transfers of Indirect Costs)					
Other Transfers Out					
All Other Transfers Out to All Others		7299	0.00	0.00	0.0%
Debt Service					
Debt Service - Interest		7438	0.00	0.00	0.0%
Other Debt Service - Principal		7439	0.00	0.00	0.0%
TOTAL, OTHER OUTGO (excluding Transfers of Indirect Costs)			0.00	0.00	0.0%
TOTAL, EXPENDITURES			19,470.34	18,413.40	-5.4%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
INTERFUND TRANSFERS					
INTERFUND TRANSFERS IN					
Other Authorized Interfund Transfers In		8919	0.00	0.00	0.0%
(a) TOTAL, INTERFUND TRANSFERS IN			0.00	0.00	0.0%
INTERFUND TRANSFERS OUT					
To: State School Building Fund/ County School Facilities Fund		7613	0.00	0.00	0.0%
Other Authorized Interfund Transfers Out		7619	0.00	0.00	0.0%
(b) TOTAL, INTERFUND TRANSFERS OUT			0.00	0.00	0.0%
OTHER SOURCES/USES					
SOURCES					
Proceeds					
Proceeds from Sale/Lease- Purchase of Land/Buildings		8953	0.00	0.00	0.0%
Other Sources					
Transfers from Funds of Lapsed/Reorganized LEAs		8965	0.00	0.00	0.0%
Long-Term Debt Proceeds					
Proceeds from Certificates of Participation		8971	0.00	0.00	0.0%
Proceeds from Capital Leases		8972	0.00	0.00	0.0%
Proceeds from Lease Revenue Bonds		8973	0.00	0.00	0.0%
All Other Financing Sources		8979	0.00	0.00	0.0%
(c) TOTAL, SOURCES			0.00	0.00	0.0%
USES					
Transfers of Funds from Lapsed/Reorganized LEAs		7651	0.00	0.00	0.0%
All Other Financing Uses		7699	0.00	0.00	0.0%
(d) TOTAL, USES			0.00	0.00	0.0%
CONTRIBUTIONS					
Contributions from Unrestricted Revenues		8980	0.00	0.00	0.0%
Contributions from Restricted Revenues		8990	0.00	0.00	0.0%
(e) TOTAL, CONTRIBUTIONS			0.00	0.00	0.0%
TOTAL, OTHER FINANCING SOURCES/USES (a - b + c - d + e)					
			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
A. REVENUES					
1) LCFF Sources		8010-8099	0.00	0.00	0.0%
2) Federal Revenue		8100-8299	0.00	0.00	0.0%
3) Other State Revenue		8300-8599	0.00	0.00	0.0%
4) Other Local Revenue		8600-8799	0.00	0.00	0.0%
5) TOTAL REVENUES			0.00	0.00	0.0%
B. EXPENDITURES					
1) Certificated Salaries		1000-1999	0.00	0.00	0.0%
2) Classified Salaries		2000-2999	0.00	0.00	0.0%
3) Employee Benefits		3000-3999	0.00	0.00	0.0%
4) Books and Supplies		4000-4999	0.00	0.00	0.0%
5) Services and Other Operating Expenditures		5000-5999	0.00	0.00	0.0%
6) Capital Outlay		6000-6999	0.00	0.00	0.0%
7) Other Outgo (excluding Transfers of Indirect Costs)		7100-7299, 7400-7499	0.00	0.00	0.0%
8) Other Outgo - Transfers of Indirect Costs		7300-7399	0.00	0.00	0.0%
9) TOTAL EXPENDITURES			0.00	0.00	0.0%
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)			0.00	0.00	0.0%
D. OTHER FINANCING SOURCES/USES					
1) Interfund Transfers					
a) Transfers In		8900-8929	0.00	0.00	0.0%
b) Transfers Out		7600-7629	0.00	0.00	0.0%
2) Other Sources/Uses					
a) Sources		8930-8979	0.00	0.00	0.0%
b) Uses		7630-7699	0.00	0.00	0.0%
3) Contributions		8980-8999	0.00	0.00	0.0%
4) TOTAL, OTHER FINANCING SOURCES/USES			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)			0.00	0.00	0.0%
F. FUND BALANCE, RESERVES					
1) Beginning Fund Balance					
a) As of July 1 - Unaudited		9791	78.55	78.55	0.0%
b) Audit Adjustments		9793	0.00	0.00	0.0%
c) As of July 1 - Audited (F1a + F1b)			78.55	78.55	0.0%
d) Other Restatements		9795	0.00	0.00	0.0%
e) Adjusted Beginning Balance (F1c + F1d)			78.55	78.55	0.0%
2) Ending Balance, June 30 (E + F1e)			78.55	78.55	0.0%
Components of Ending Fund Balance					
a) Nonspendable					
Revolving Cash		9711	0.00	0.00	0.0%
Stores		9712	0.00	0.00	0.0%
Prepaid Expenditures		9713	0.00	0.00	0.0%
All Others		9719	0.00	0.00	0.0%
b) Restricted		9740	78.39	78.39	0.0%
c) Committed					
Stabilization Arrangements		9750	0.00	0.00	0.0%
Other Commitments		9760	0.00	0.00	0.0%
d) Assigned					
Other Assignments		9780	0.16	0.16	0.0%
County School Facilities Fund	0000	9780		0.16	
County School Facilities Fund	0000	9780	0.16		
e) Unassigned/Unappropriated					
Reserve for Economic Uncertainties		9789	0.00	0.00	0.0%
Unassigned/Unappropriated Amount		9790	0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
G. ASSETS					
1) Cash					
a) in County Treasury		9110	79.07		
1) Fair Value Adjustment to Cash in County Treasury		9111	0.00		
b) in Banks		9120	0.00		
c) in Revolving Fund		9130	0.00		
d) with Fiscal Agent		9135	0.00		
e) collections awaiting deposit		9140	0.00		
2) Investments		9150	0.00		
3) Accounts Receivable		9200	0.00		
4) Due from Grantor Government		9290	0.00		
5) Due from Other Funds		9310	0.00		
6) Stores		9320	0.00		
7) Prepaid Expenditures		9330	0.00		
8) Other Current Assets		9340	0.00		
9) TOTAL, ASSETS			79.07		
H. DEFERRED OUTFLOWS OF RESOURCES					
1) Deferred Outflows of Resources		9490	0.00		
2) TOTAL, DEFERRED OUTFLOWS			0.00		
I. LIABILITIES					
1) Accounts Payable		9500	0.00		
2) Due to Grantor Governments		9590	0.00		
3) Due to Other Funds		9610	0.00		
4) Current Loans		9640	0.00		
5) Unearned Revenue		9650	0.00		
6) TOTAL, LIABILITIES			0.00		
J. DEFERRED INFLOWS OF RESOURCES					
1) Deferred Inflows of Resources		9690	0.00		
2) TOTAL, DEFERRED INFLOWS			0.00		
K. FUND EQUITY					
Ending Fund Balance, June 30 (G9 + H2) - (I6 + J2)			79.07		

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
FEDERAL REVENUE					
All Other Federal Revenue		8290	0.00	0.00	0.0%
TOTAL, FEDERAL REVENUE			0.00	0.00	0.0%
OTHER STATE REVENUE					
School Facilities Apportionments		8545	0.00	0.00	0.0%
Pass-Through Revenues from State Sources		8587	0.00	0.00	0.0%
All Other State Revenue		8590	0.00	0.00	0.0%
TOTAL, OTHER STATE REVENUE			0.00	0.00	0.0%
OTHER LOCAL REVENUE					
Sales					
Sale of Equipment/Supplies		8631	0.00	0.00	0.0%
Leases and Rentals		8650	0.00	0.00	0.0%
Interest		8660	0.00	0.00	0.0%
Net Increase (Decrease) in the Fair Value of Investments		8662	0.00	0.00	0.0%
Other Local Revenue					
All Other Local Revenue		8699	0.00	0.00	0.0%
All Other Transfers In from All Others		8799	0.00	0.00	0.0%
TOTAL, OTHER LOCAL REVENUE			0.00	0.00	0.0%
TOTAL, REVENUES			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
CLASSIFIED SALARIES					
Classified Support Salaries		2200	0.00	0.00	0.0%
Classified Supervisors' and Administrators' Salaries		2300	0.00	0.00	0.0%
Clerical, Technical and Office Salaries		2400	0.00	0.00	0.0%
Other Classified Salaries		2900	0.00	0.00	0.0%
TOTAL, CLASSIFIED SALARIES			0.00	0.00	0.0%
EMPLOYEE BENEFITS					
STRS		3101-3102	0.00	0.00	0.0%
PERS		3201-3202	0.00	0.00	0.0%
OASDI/Medicare/Alternative		3301-3302	0.00	0.00	0.0%
Health and Welfare Benefits		3401-3402	0.00	0.00	0.0%
Unemployment Insurance		3501-3502	0.00	0.00	0.0%
Workers' Compensation		3601-3602	0.00	0.00	0.0%
OPEB, Allocated		3701-3702	0.00	0.00	0.0%
OPEB, Active Employees		3751-3752	0.00	0.00	0.0%
Other Employee Benefits		3901-3902	0.00	0.00	0.0%
TOTAL, EMPLOYEE BENEFITS			0.00	0.00	0.0%
BOOKS AND SUPPLIES					
Books and Other Reference Materials		4200	0.00	0.00	0.0%
Materials and Supplies		4300	0.00	0.00	0.0%
Noncapitalized Equipment		4400	0.00	0.00	0.0%
TOTAL, BOOKS AND SUPPLIES			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
SERVICES AND OTHER OPERATING EXPENDITURES					
Subagreements for Services		5100	0.00	0.00	0.0%
Travel and Conferences		5200	0.00	0.00	0.0%
Insurance		5400-5450	0.00	0.00	0.0%
Operations and Housekeeping Services		5500	0.00	0.00	0.0%
Rentals, Leases, Repairs, and Noncapitalized Improvements		5600	0.00	0.00	0.0%
Transfers of Direct Costs		5710	0.00	0.00	0.0%
Transfers of Direct Costs - Interfund		5750	0.00	0.00	0.0%
Professional/Consulting Services and Operating Expenditures		5800	0.00	0.00	0.0%
Communications		5900	0.00	0.00	0.0%
TOTAL, SERVICES AND OTHER OPERATING EXPENDITURES			0.00	0.00	0.0%
CAPITAL OUTLAY					
Land		6100	0.00	0.00	0.0%
Land Improvements		6170	0.00	0.00	0.0%
Buildings and Improvements of Buildings		6200	0.00	0.00	0.0%
Books and Media for New School Libraries or Major Expansion of School Libraries		6300	0.00	0.00	0.0%
Equipment		6400	0.00	0.00	0.0%
Equipment Replacement		6500	0.00	0.00	0.0%
TOTAL, CAPITAL OUTLAY			0.00	0.00	0.0%
OTHER OUTGO (excluding Transfers of Indirect Costs)					
Other Transfers Out					
Transfers of Pass-Through Revenues To Districts or Charter Schools		7211	0.00	0.00	0.0%
To County Offices		7212	0.00	0.00	0.0%
To JPAs		7213	0.00	0.00	0.0%
All Other Transfers Out to All Others		7299	0.00	0.00	0.0%
Debt Service					
Debt Service - Interest		7438	0.00	0.00	0.0%
Other Debt Service - Principal		7439	0.00	0.00	0.0%
TOTAL, OTHER OUTGO (excluding Transfers of Indirect Costs)			0.00	0.00	0.0%
TOTAL, EXPENDITURES			0.00	0.00	0.0%

Carpinteria Unified
Santa Barbara County

July 1 Budget
County School Facilities Fund
Expenditures by Object

42 69146 0000000
Form 35

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
INTERFUND TRANSFERS					
INTERFUND TRANSFERS IN					
To: State School Building Fund/ County School Facilities Fund From: All Other Funds		8913	0.00	0.00	0.0%
Other Authorized Interfund Transfers In		8919	0.00	0.00	0.0%
(a) TOTAL, INTERFUND TRANSFERS IN			0.00	0.00	0.0%
INTERFUND TRANSFERS OUT					
To: State School Building Fund/ County School Facilities Fund		7613	0.00	0.00	0.0%
Other Authorized Interfund Transfers Out		7619	0.00	0.00	0.0%
(b) TOTAL, INTERFUND TRANSFERS OUT			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
OTHER SOURCES/USES					
SOURCES					
Proceeds					
Proceeds from Sale/Lease- Purchase of Land/Buildings		8953	0.00	0.00	0.0%
Other Sources					
Transfers from Funds of Lapsed/Reorganized LEAs		8965	0.00	0.00	0.0%
Long-Term Debt Proceeds					
Proceeds from Certificates of Participation		8971	0.00	0.00	0.0%
Proceeds from Capital Leases		8972	0.00	0.00	0.0%
Proceeds from Lease Revenue Bonds		8973	0.00	0.00	0.0%
All Other Financing Sources		8979	0.00	0.00	0.0%
(c) TOTAL, SOURCES			0.00	0.00	0.0%
USES					
Transfers of Funds from Lapsed/Reorganized LEAs		7651	0.00	0.00	0.0%
(d) TOTAL, USES			0.00	0.00	0.0%
CONTRIBUTIONS					
Contributions from Unrestricted Revenues		8980	0.00	0.00	0.0%
Contributions from Restricted Revenues		8990	0.00	0.00	0.0%
(e) TOTAL, CONTRIBUTIONS			0.00	0.00	0.0%
TOTAL, OTHER FINANCING SOURCES/USES (a - b + c - d + e)			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
A. REVENUES					
1) LCFF Sources		8010-8099	0.00	0.00	0.0%
2) Federal Revenue		8100-8299	0.00	0.00	0.0%
3) Other State Revenue		8300-8599	0.00	0.00	0.0%
4) Other Local Revenue		8600-8799	0.00	0.00	0.0%
5) TOTAL REVENUES			0.00	0.00	0.0%
B. EXPENDITURES					
1) Certificated Salaries		1000-1999	0.00	0.00	0.0%
2) Classified Salaries		2000-2999	0.00	0.00	0.0%
3) Employee Benefits		3000-3999	0.00	0.00	0.0%
4) Books and Supplies		4000-4999	0.00	0.00	0.0%
5) Services and Other Operating Expenditures		5000-5999	0.00	0.00	0.0%
6) Capital Outlay		6000-6999	0.00	0.00	0.0%
7) Other Outgo (excluding Transfers of Indirect Costs)		7100-7299, 7400-7499	0.00	0.00	0.0%
8) Other Outgo - Transfers of Indirect Costs		7300-7399	0.00	0.00	0.0%
9) TOTAL EXPENDITURES			0.00	0.00	0.0%
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)			0.00	0.00	0.0%
D. OTHER FINANCING SOURCES/USES					
1) Interfund Transfers					
a) Transfers In		8900-8929	0.00	0.00	0.0%
b) Transfers Out		7600-7629	0.00	0.00	0.0%
2) Other Sources/Uses					
a) Sources		8930-8979	0.00	0.00	0.0%
b) Uses		7630-7699	0.00	0.00	0.0%
3) Contributions		8980-8999	0.00	0.00	0.0%
4) TOTAL OTHER FINANCING SOURCES/USES			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)			0.00	0.00	0.0%
F. FUND BALANCE, RESERVES					
1) Beginning Fund Balance					
a) As of July 1 - Unaudited		9791	26,000.36	26,000.36	0.0%
b) Audit Adjustments		9793	0.00	0.00	0.0%
c) As of July 1 - Audited (F1a + F1b)			26,000.36	26,000.36	0.0%
d) Other Restatements		9795	0.00	0.00	0.0%
e) Adjusted Beginning Balance (F1c + F1d)			26,000.36	26,000.36	0.0%
2) Ending Balance, June 30 (E + F1e)			26,000.36	26,000.36	0.0%
Components of Ending Fund Balance					
a) Nonspendable					
Revolving Cash		9711	0.00	0.00	0.0%
Stores		9712	0.00	0.00	0.0%
Prepaid Expenditures		9713	0.00	0.00	0.0%
All Others		9719	0.00	0.00	0.0%
b) Restricted		9740	0.00	0.00	0.0%
c) Committed					
Stabilization Arrangements		9750	0.00	0.00	0.0%
Other Commitments		9760	0.00	0.00	0.0%
d) Assigned					
Other Assignments		9780	26,000.36	26,000.36	0.0%
Special Reserve Fund for Capital Outlay Prc	0000	9780		26,000.36	
Special Reserve Fund for Capital Outlay Prc	0000	9780	26,000.36		
e) Unassigned/Unappropriated					
Reserve for Economic Uncertainties		9789	0.00	0.00	0.0%
Unassigned/Unappropriated Amount		9790	0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
G. ASSETS					
1) Cash					
a) in County Treasury		9110	26,145.98		
1) Fair Value Adjustment to Cash in County Treasury		9111	0.00		
b) in Banks		9120	0.00		
c) in Revolving Fund		9130	0.00		
d) with Fiscal Agent		9135	0.00		
e) collections awaiting deposit		9140	0.00		
2) Investments		9150	0.00		
3) Accounts Receivable		9200	0.00		
4) Due from Grantor Government		9290	0.00		
5) Due from Other Funds		9310	0.00		
6) Stores		9320	0.00		
7) Prepaid Expenditures		9330	0.00		
8) Other Current Assets		9340	0.00		
9) TOTAL, ASSETS			26,145.98		
H. DEFERRED OUTFLOWS OF RESOURCES					
1) Deferred Outflows of Resources		9490	0.00		
2) TOTAL, DEFERRED OUTFLOWS			0.00		
I. LIABILITIES					
1) Accounts Payable		9500	0.00		
2) Due to Grantor Governments		9590	0.00		
3) Due to Other Funds		9610	0.00		
4) Current Loans		9640	0.00		
5) Unearned Revenue		9650	0.00		
6) TOTAL, LIABILITIES			0.00		
J. DEFERRED INFLOWS OF RESOURCES					
1) Deferred Inflows of Resources		9690	0.00		
2) TOTAL, DEFERRED INFLOWS			0.00		
K. FUND EQUITY					
Ending Fund Balance, June 30 (G9 + H2) - (I6 + J2)			26,145.98		

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
FEDERAL REVENUE					
FEMA		8281	0.00	0.00	0.0%
All Other Federal Revenue		8290	0.00	0.00	0.0%
TOTAL, FEDERAL REVENUE			0.00	0.00	0.0%
OTHER STATE REVENUE					
Pass-Through Revenues from State Sources		8587	0.00	0.00	0.0%
California Clean Energy Jobs Act	6230	8590	0.00	0.00	0.0%
All Other State Revenue	All Other	8590	0.00	0.00	0.0%
TOTAL, OTHER STATE REVENUE			0.00	0.00	0.0%
OTHER LOCAL REVENUE					
Other Local Revenue					
Community Redevelopment Funds Not Subject to LCFF Deduction		8625	0.00	0.00	0.0%
Sales					
Sale of Equipment/Supplies		8831	0.00	0.00	0.0%
Leases and Rentals		8650	0.00	0.00	0.0%
Interest		8660	0.00	0.00	0.0%
Net Increase (Decrease) in the Fair Value of Investments		8662	0.00	0.00	0.0%
Other Local Revenue					
All Other Local Revenue		8699	0.00	0.00	0.0%
All Other Transfers In from All Others		8799	0.00	0.00	0.0%
TOTAL, OTHER LOCAL REVENUE			0.00	0.00	0.0%
TOTAL, REVENUES			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
CLASSIFIED SALARIES					
Classified Support Salaries		2200	0.00	0.00	0.0%
Classified Supervisors' and Administrators' Salaries		2300	0.00	0.00	0.0%
Clerical, Technical and Office Salaries		2400	0.00	0.00	0.0%
Other Classified Salaries		2900	0.00	0.00	0.0%
TOTAL, CLASSIFIED SALARIES			0.00	0.00	0.0%
EMPLOYEE BENEFITS					
STRS		3101-3102	0.00	0.00	0.0%
PERS		3201-3202	0.00	0.00	0.0%
OASD/Medicare/Alternative		3301-3302	0.00	0.00	0.0%
Health and Welfare Benefits		3401-3402	0.00	0.00	0.0%
Unemployment Insurance		3501-3502	0.00	0.00	0.0%
Workers' Compensation		3601-3602	0.00	0.00	0.0%
OPEB, Allocated		3701-3702	0.00	0.00	0.0%
OPEB, Active Employees		3751-3752	0.00	0.00	0.0%
Other Employee Benefits		3901-3902	0.00	0.00	0.0%
TOTAL, EMPLOYEE BENEFITS			0.00	0.00	0.0%
BOOKS AND SUPPLIES					
Books and Other Reference Materials		4200	0.00	0.00	0.0%
Materials and Supplies		4300	0.00	0.00	0.0%
Noncapitalized Equipment		4400	0.00	0.00	0.0%
TOTAL, BOOKS AND SUPPLIES			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
SERVICES AND OTHER OPERATING EXPENDITURES					
Subagreements for Services		5100	0.00	0.00	0.0%
Travel and Conferences		5200	0.00	0.00	0.0%
Insurance		5400-5450	0.00	0.00	0.0%
Operations and Housekeeping Services		5500	0.00	0.00	0.0%
Rentals, Leases, Repairs, and Noncapitalized Improvements		5600	0.00	0.00	0.0%
Transfers of Direct Costs		5710	0.00	0.00	0.0%
Transfers of Direct Costs - Interfund		5750	0.00	0.00	0.0%
Professional/Consulting Services and Operating Expenditures		5800	0.00	0.00	0.0%
Communications		5900	0.00	0.00	0.0%
TOTAL, SERVICES AND OTHER OPERATING EXPENDITURES			0.00	0.00	0.0%
CAPITAL OUTLAY					
Land		6100	0.00	0.00	0.0%
Land Improvements		6170	0.00	0.00	0.0%
Buildings and Improvements of Buildings		6200	0.00	0.00	0.0%
Books and Media for New School Libraries or Major Expansion of School Libraries		6300	0.00	0.00	0.0%
Equipment		6400	0.00	0.00	0.0%
Equipment Replacement		6500	0.00	0.00	0.0%
TOTAL, CAPITAL OUTLAY			0.00	0.00	0.0%
OTHER OUTGO (excluding Transfers of Indirect Costs)					
Other Transfers Out					
Transfers of Pass-Through Revenues To Districts or Charter Schools		7211	0.00	0.00	0.0%
To County Offices		7212	0.00	0.00	0.0%
To JPAs		7213	0.00	0.00	0.0%
All Other Transfers Out to All Others		7299	0.00	0.00	0.0%
Debt Service					
Debt Service - Interest		7438	0.00	0.00	0.0%
Other Debt Service - Principal		7439	0.00	0.00	0.0%
TOTAL, OTHER OUTGO (excluding Transfers of Indirect Costs)			0.00	0.00	0.0%
TOTAL EXPENDITURES			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
INTERFUND TRANSFERS					
INTERFUND TRANSFERS IN					
From: General Fund/CSSF		8912	0.00	0.00	0.0%
Other Authorized Interfund Transfers In		8919	0.00	0.00	0.0%
(a) TOTAL, INTERFUND TRANSFERS IN			0.00	0.00	0.0%
INTERFUND TRANSFERS OUT					
To: General Fund/CSSF		7612	0.00	0.00	0.0%
To: State School Building Fund/ County School Facilities Fund		7613	0.00	0.00	0.0%
Other Authorized Interfund Transfers Out		7619	0.00	0.00	0.0%
(b) TOTAL, INTERFUND TRANSFERS OUT			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
OTHER SOURCES/USES					
SOURCES					
Proceeds					
Proceeds from Sale/Lease- Purchase of Land/Buildings		8953	0.00	0.00	0.0%
Other Sources					
Transfers from Funds of Lapsed/Reorganized LEAs		8965	0.00	0.00	0.0%
Long-Term Debt Proceeds					
Proceeds from Certificates of Participation		8971	0.00	0.00	0.0%
Proceeds from Capital Leases		8972	0.00	0.00	0.0%
Proceeds from Lease Revenue Bonds		8973	0.00	0.00	0.0%
All Other Financing Sources		8979	0.00	0.00	0.0%
(c) TOTAL, SOURCES			0.00	0.00	0.0%
USES					
Transfers of Funds from Lapsed/Reorganized LEAs		7651	0.00	0.00	0.0%
All Other Financing Uses		7699	0.00	0.00	0.0%
(d) TOTAL, USES			0.00	0.00	0.0%
CONTRIBUTIONS					
Contributions from Unrestricted Revenues		8980	0.00	0.00	0.0%
Contributions from Restricted Revenues		8990	0.00	0.00	0.0%
(e) TOTAL, CONTRIBUTIONS			0.00	0.00	0.0%
TOTAL, OTHER FINANCING SOURCES/USES (a - b + c - d + e)			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
A. REVENUES					
1) LCFF Sources		8010-8099	0.00	0.00	0.0%
2) Federal Revenue		8100-8299	0.00	0.00	0.0%
3) Other State Revenue		8300-8599	10,002.00	0.00	-100.0%
4) Other Local Revenue		8600-8799	3,866,098.00	0.00	-100.0%
5) TOTAL, REVENUES			3,876,100.00	0.00	-100.0%
B. EXPENDITURES					
1) Certificated Salaries		1000-1999	0.00	0.00	0.0%
2) Classified Salaries		2000-2999	0.00	0.00	0.0%
3) Employee Benefits		3000-3999	0.00	0.00	0.0%
4) Books and Supplies		4000-4999	0.00	0.00	0.0%
5) Services and Other Operating Expenditures		5000-5999	0.00	0.00	0.0%
6) Capital Outlay		6000-6999	0.00	0.00	0.0%
7) Other Outgo (excluding Transfers of Indirect Costs)		7100-7299, 7400-7499	4,458,920.00	0.00	-100.0%
8) Other Outgo - Transfers of Indirect Costs		7300-7399	0.00	0.00	0.0%
9) TOTAL, EXPENDITURES			4,458,920.00	0.00	-100.0%
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)			(583,820.00)	0.00	-100.0%
D. OTHER FINANCING SOURCES/USES					
1) Interfund Transfers					
a) Transfers In		8900-8929	0.00	0.00	0.0%
b) Transfers Out		7600-7629	0.00	0.00	0.0%
2) Other Sources/Uses					
a) Sources		8930-8979	0.00	0.00	0.0%
b) Uses		7630-7699	0.00	0.00	0.0%
3) Contributions		8980-8999	0.00	0.00	0.0%
4) TOTAL, OTHER FINANCING SOURCES/USES			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)			(583,820.00)	0.00	-100.0%
F. FUND BALANCE, RESERVES					
1) Beginning Fund Balance					
a) As of July 1 - Unaudited		9791	5,485,128.86	4,901,308.86	-10.6%
b) Audit Adjustments		9793	0.00	0.00	0.0%
c) As of July 1 - Audited (F1a + F1b)			5,485,128.86	4,901,308.86	-10.6%
d) Other Restatements		9795	0.00	0.00	0.0%
e) Adjusted Beginning Balance (F1c + F1d)			5,485,128.86	4,901,308.86	-10.6%
2) Ending Balance, June 30 (E + F1e)			4,901,308.86	4,901,308.86	0.0%
Components of Ending Fund Balance					
a) Nonspendable					
Revolving Cash		9711	0.00	0.00	0.0%
Stores		9712	0.00	0.00	0.0%
Prepaid Expenditures		9713	0.00	0.00	0.0%
All Others		9719	0.00	0.00	0.0%
b) Restricted		9740	0.00	0.00	0.0%
c) Committed					
Stabilization Arrangements		9750	0.00	0.00	0.0%
Other Commitments		9760	0.00	0.00	0.0%
d) Assigned					
Other Assignments		9780	4,901,308.86	4,901,308.86	0.0%
Bond Interest and Redemption Fund	0000	9780		4,901,308.86	
Bond Interest and Redemption Fund	0000	9780	4,901,308.86		
e) Unassigned/Unappropriated					
Reserve for Economic Uncertainties		9789	0.00	0.00	0.0%
Unassigned/Unappropriated Amount		9790	0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
G. ASSETS					
1) Cash					
a) in County Treasury		9110	4,050,549.98		
1) Fair Value Adjustment to Cash in County Treasury		9111	0.00		
b) in Banks		9120	0.00		
c) in Revolving Fund		9130	0.00		
d) with Fiscal Agent		9135	0.00		
e) collections awaiting deposit		9140	0.00		
2) Investments		9150	0.00		
3) Accounts Receivable		9200	0.00		
4) Due from Grantor Government		9290	0.00		
5) Due from Other Funds		9310	0.00		
6) Stores		9320	0.00		
7) Prepaid Expenditures		9330	0.00		
8) Other Current Assets		9340	0.00		
9) TOTAL ASSETS			4,050,549.98		
H. DEFERRED OUTFLOWS OF RESOURCES					
1) Deferred Outflows of Resources		9490	0.00		
2) TOTAL DEFERRED OUTFLOWS			0.00		
I. LIABILITIES					
1) Accounts Payable		9500	0.00		
2) Due to Grantor Governments		9590	0.00		
3) Due to Other Funds		9610	0.00		
4) Current Loans		9640	0.00		
5) Unearned Revenue		9650	0.00		
6) TOTAL LIABILITIES			0.00		
J. DEFERRED INFLOWS OF RESOURCES					
1) Deferred Inflows of Resources		9690	0.00		
2) TOTAL DEFERRED INFLOWS			0.00		
K. FUND EQUITY					
Ending Fund Balance, June 30 (G9 + H2) - (I6 + J2)			4,050,549.98		

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
FEDERAL REVENUE					
All Other Federal Revenue		8290	0.00	0.00	0.0%
TOTAL, FEDERAL REVENUE			0.00	0.00	0.0%
OTHER STATE REVENUE					
Tax Relief Subventions					
Voted Indebtedness Levies					
Homeowners' Exemptions		8571	10,002.00	0.00	-100.0%
Other Subventions/In-Lieu Taxes		8572	0.00	0.00	0.0%
TOTAL, OTHER STATE REVENUE			10,002.00	0.00	-100.0%
OTHER LOCAL REVENUE					
Other Local Revenue					
County and District Taxes					
Voted Indebtedness Levies					
Secured Roll		8611	3,695,065.00	0.00	-100.0%
Unsecured Roll		8612	93,033.00	0.00	-100.0%
Prior Years' Taxes		8613	0.00	0.00	0.0%
Supplemental Taxes		8614	70,000.00	0.00	-100.0%
Penalties and Interest from Delinquent Non-LCFF Taxes		8629	0.00	0.00	0.0%
Interest		8660	8,000.00	0.00	-100.0%
Net Increase (Decrease) in the Fair Value of Investments		8662	0.00	0.00	0.0%
Other Local Revenue					
All Other Local Revenue		8699	0.00	0.00	0.0%
All Other Transfers In from All Others		8799	0.00	0.00	0.0%
TOTAL, OTHER LOCAL REVENUE			3,866,098.00	0.00	-100.0%
TOTAL, REVENUES			3,876,100.00	0.00	-100.0%

Carpinteria Unified
Santa Barbara County

July 1 Budget
Bond Interest and Redemption Fund
Expenditures by Object

42 69146 0000000
Form 51

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
OTHER OUTGO (excluding Transfers of Indirect Costs)					
Debt Service					
Bond Redemptions		7433	3,190,000.00	0.00	-100.0%
Bond Interest and Other Service Charges		7434	1,269,920.00	0.00	-100.0%
Debt Service - Interest		7438	0.00	0.00	0.0%
Other Debt Service - Principal		7439	0.00	0.00	0.0%
TOTAL, OTHER OUTGO (excluding Transfers of Indirect Costs)			4,459,920.00	0.00	-100.0%
TOTAL EXPENDITURES			4,459,920.00	0.00	-100.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
INTERFUND TRANSFERS					
INTERFUND TRANSFERS IN					
Other Authorized Interfund Transfers In		8919	0.00	0.00	0.0%
(a) TOTAL, INTERFUND TRANSFERS IN			0.00	0.00	0.0%
INTERFUND TRANSFERS OUT					
To: General Fund		7614	0.00	0.00	0.0%
Other Authorized Interfund Transfers Out		7619	0.00	0.00	0.0%
(b) TOTAL, INTERFUND TRANSFERS OUT			0.00	0.00	0.0%
OTHER SOURCES/USES					
SOURCES					
Other Sources					
Transfers from Funds of Lapsed/Reorganized LEAs		8965	0.00	0.00	0.0%
All Other Financing Sources		8979	0.00	0.00	0.0%
(c) TOTAL, SOURCES			0.00	0.00	0.0%
USES					
Transfers of Funds from Lapsed/Reorganized LEAs		7651	0.00	0.00	0.0%
All Other Financing Uses		7699	0.00	0.00	0.0%
(d) TOTAL, USES			0.00	0.00	0.0%
CONTRIBUTIONS					
Contributions from Unrestricted Revenues		8980	0.00	0.00	0.0%
Contributions from Restricted Revenues		8990	0.00	0.00	0.0%
(e) TOTAL, CONTRIBUTIONS			0.00	0.00	0.0%
TOTAL, OTHER FINANCING SOURCES/USES (a - b + c - d + e)					
			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
A. REVENUES					
1) LCFF Sources		8010-8099	0.00	0.00	0.0%
2) Federal Revenue		8100-8299	0.00	0.00	0.0%
3) Other State Revenue		8300-8599	0.00	0.00	0.0%
4) Other Local Revenue		8600-8799	260,000.00	0.00	-100.0%
5) TOTAL REVENUES			260,000.00	0.00	-100.0%
B. EXPENSES					
1) Certificated Salaries		1000-1999	175,866.73	0.00	-100.0%
2) Classified Salaries		2000-2999	63,008.36	0.00	-100.0%
3) Employee Benefits		3000-3999	112,322.93	0.00	-100.0%
4) Books and Supplies		4000-4999	23,000.00	0.00	-100.0%
5) Services and Other Operating Expenses		5000-5999	4,350.00	0.00	-100.0%
6) Depreciation		6000-6999	0.00	0.00	0.0%
7) Other Outgo (excluding Transfers of Indirect Costs)		7100-7299, 7400-7499	0.00	0.00	0.0%
8) Other Outgo - Transfers of Indirect Costs		7300-7399	0.00	0.00	0.0%
9) TOTAL EXPENSES			378,548.02	0.00	-100.0%
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)			(118,548.02)	0.00	-100.0%
D. OTHER FINANCING SOURCES/USES					
1) Interfund Transfers					
a) Transfers In		8900-8929	174,139.71	0.00	-100.0%
b) Transfers Out		7600-7629	0.00	0.00	0.0%
2) Other Sources/Uses					
a) Sources		8930-8979	0.00	0.00	0.0%
b) Uses		7630-7699	0.00	0.00	0.0%
3) Contributions		8980-8999	0.00	0.00	0.0%
4) TOTAL OTHER FINANCING SOURCES/USES			174,139.71	0.00	-100.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
E. NET INCREASE (DECREASE) IN NET POSITION (C + D4)			55,591.69	0.00	-100.0%
F. NET POSITION					
1) Beginning Net Position					
a) As of July 1 - Unaudited		9791	0.00	55,591.69	New
b) Audit Adjustments		9793	0.00	0.00	0.0%
c) As of July 1 - Audited (F1a + F1b)			0.00	55,591.69	New
d) Other Restatements		9795	0.00	0.00	0.0%
e) Adjusted Beginning Net Position (F1c + F1d)			0.00	55,591.69	New
2) Ending Net Position, June 30 (E + F1e)			55,591.69	55,591.69	0.0%
Components of Ending Net Position					
a) Net Investment in Capital Assets		9796	0.00	0.00	0.0%
b) Restricted Net Position		9797	0.00	0.00	0.0%
c) Unrestricted Net Position		9790	55,591.69	55,591.69	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
G. ASSETS					
1) Cash					
a) in County Treasury		9110	86,127.53		
1) Fair Value Adjustment to Cash in County Treasury		9111	0.00		
b) in Banks		9120	0.00		
c) in Revolving Fund		9130	0.00		
d) with Fiscal Agent		9135	0.00		
e) collections awaiting deposit		9140	0.00		
2) Investments		9150	0.00		
3) Accounts Receivable		9200	0.00		
4) Due from Grantor Government		9290	0.00		
5) Due from Other Funds		9310	0.00		
6) Stores		9320	0.00		
7) Prepaid Expenditures		9330	0.00		
8) Other Current Assets		9340	0.00		
9) Fixed Assets					
a) Land		9410	0.00		
b) Land Improvements		9420	0.00		
c) Accumulated Depreciation - Land Improvements		9425	0.00		
d) Buildings		9430	0.00		
e) Accumulated Depreciation - Buildings		9435	0.00		
f) Equipment		9440	0.00		
g) Accumulated Depreciation - Equipment		9445	0.00		
h) Work in Progress		9450	0.00		
10) TOTAL ASSETS			86,127.53		
H. DEFERRED OUTFLOWS OF RESOURCES					
1) Deferred Outflows of Resources		9490	0.00		
2) TOTAL DEFERRED OUTFLOWS			0.00		

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
I. LIABILITIES					
1) Accounts Payable		9500	649.44		
2) Due to Grantor Governments		9590	0.00		
3) Due to Other Funds		9610	151,000.00		
4) Current Loans		9640			
5) Unearned Revenue		9650	0.00		
6) Long-Term Liabilities					
a) Net Pension Liability		9663	0.00		
b) Net OPEB Obligation		9664	0.00		
c) Compensated Absences		9665	0.00		
d) COPs Payable		9666	0.00		
e) Capital Leases Payable		9667	0.00		
f) Lease Revenue Bonds Payable		9668	0.00		
g) Other General Long-Term Liabilities		9669	0.00		
7) TOTAL, LIABILITIES			151,649.44		
J. DEFERRED INFLOWS OF RESOURCES					
1) Deferred Inflows of Resources		9690	0.00		
2) TOTAL, DEFERRED INFLOWS			0.00		
K. NET POSITION					
Net Position, June 30 (G10 + H2) - (I7 + J2)			(65,521.91)		

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
OTHER STATE REVENUE					
STRS On-Behalf Pension Contributions	7690	8590	0.00	0.00	0.0%
All Other State Revenue	All Other	8590	0.00	0.00	0.0%
TOTAL, OTHER STATE REVENUE			0.00	0.00	0.0%
OTHER LOCAL REVENUE					
Other Local Revenue					
Sales					
All Other Sales		8639	0.00	0.00	0.0%
Leases and Rentals		8650	0.00	0.00	0.0%
Interest		8660	0.00	0.00	0.0%
Net Increase (Decrease) in the Fair Value of Investments		8662	0.00	0.00	0.0%
Fees and Contracts					
All Other Fees and Contracts		8689	0.00	0.00	0.0%
Other Local Revenue					
All Other Local Revenue		8699	260,000.00	0.00	-100.0%
TOTAL, OTHER LOCAL REVENUE			260,000.00	0.00	-100.0%
TOTAL, REVENUES			260,000.00	0.00	-100.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
CERTIFICATED SALARIES					
Certificated Teachers' Salaries		1100	175,866.73	0.00	-100.0%
Certificated Pupil Support Salaries		1200	0.00	0.00	0.0%
Certificated Supervisors' and Administrators' Salaries		1300	0.00	0.00	0.0%
Other Certificated Salaries		1900	0.00	0.00	0.0%
TOTAL, CERTIFICATED SALARIES			175,866.73	0.00	-100.0%
CLASSIFIED SALARIES					
Classified Instructional Salaries		2100	53,875.77	0.00	-100.0%
Classified Support Salaries		2200	0.00	0.00	0.0%
Classified Supervisors' and Administrators' Salaries		2300	0.00	0.00	0.0%
Clerical, Technical and Office Salaries		2400	9,132.59	0.00	-100.0%
Other Classified Salaries		2900	0.00	0.00	0.0%
TOTAL, CLASSIFIED SALARIES			63,008.36	0.00	-100.0%
EMPLOYEE BENEFITS					
STRS		3101-3102	14,397.89	0.00	-100.0%
PERS		3201-3202	16,735.74	0.00	-100.0%
OASDI/Medicare/Alternative		3301-3302	10,872.31	0.00	-100.0%
Health and Welfare Benefits		3401-3402	63,009.98	0.00	-100.0%
Unemployment Insurance		3501-3502	117.35	0.00	-100.0%
Workers' Compensation		3601-3602	7,189.66	0.00	-100.0%
OPEB, Allocated		3701-3702	0.00	0.00	0.0%
OPEB, Active Employees		3751-3752	0.00	0.00	0.0%
Other Employee Benefits		3901-3902	0.00	0.00	0.0%
TOTAL, EMPLOYEE BENEFITS			112,322.93	0.00	-100.0%
BOOKS AND SUPPLIES					
Approved Textbooks and Core Curricula Materials		4100	0.00	0.00	0.0%
Books and Other Reference Materials		4200	0.00	0.00	0.0%
Materials and Supplies		4300	15,500.00	0.00	-100.0%
Noncapitalized Equipment		4400	0.00	0.00	0.0%
Food		4700	7,500.00	0.00	-100.0%
TOTAL, BOOKS AND SUPPLIES			23,000.00	0.00	-100.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
SERVICES AND OTHER OPERATING EXPENSES					
Subagreements for Services		5100	0.00	0.00	0.0%
Travel and Conferences		5200	100.00	0.00	-100.0%
Dues and Memberships		5300	0.00	0.00	0.0%
Insurance		5400-5450	0.00	0.00	0.0%
Operations and Housekeeping Services		5500	0.00	0.00	0.0%
Rentals, Leases, Repairs, and Noncapitalized Improvements		5600	0.00	0.00	0.0%
Transfers of Direct Costs		5710	0.00	0.00	0.0%
Transfers of Direct Costs - Interfund		5750	0.00	0.00	0.0%
Professional/Consulting Services and Operating Expenditures		5800	4,250.00	0.00	-100.0%
Communications		5900	0.00	0.00	0.0%
TOTAL, SERVICES AND OTHER OPERATING EXPENSES			4,350.00	0.00	-100.0%
DEPRECIATION					
Depreciation Expense		6900	0.00	0.00	0.0%
TOTAL, DEPRECIATION			0.00	0.00	0.0%
OTHER OUTGO (excluding Transfers of Indirect Costs)					
Other Transfers Out					
All Other Transfers Out to All Others		7299	0.00	0.00	0.0%
TOTAL, OTHER OUTGO (excluding Transfers of Indirect Costs)			0.00	0.00	0.0%
TOTAL, EXPENSES			378,548.02	0.00	-100.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
INTERFUND TRANSFERS					
INTERFUND TRANSFERS IN					
Other Authorized Interfund Transfers In		8919	174,139.71	0.00	-100.0%
(a) TOTAL, INTERFUND TRANSFERS IN			174,139.71	0.00	-100.0%
INTERFUND TRANSFERS OUT					
Other Authorized Interfund Transfers Out		7619	0.00	0.00	0.0%
(b) TOTAL, INTERFUND TRANSFERS OUT			0.00	0.00	0.0%
OTHER SOURCES/USES					
SOURCES					
Other Sources					
Transfers from Funds of Lapsed/Reorganized LEAs		8965	0.00	0.00	0.0%
(c) TOTAL, SOURCES			0.00	0.00	0.0%
USES					
Transfers of Funds from Lapsed/Reorganized LEAs		7651	0.00	0.00	0.0%
(d) TOTAL, USES			0.00	0.00	0.0%
CONTRIBUTIONS					
Contributions from Unrestricted Revenues		8980	0.00	0.00	0.0%
Contributions from Restricted Revenues		8990	0.00	0.00	0.0%
(e) TOTAL, CONTRIBUTIONS			0.00	0.00	0.0%
TOTAL, OTHER FINANCING SOURCES/USES (a - b + c - d + e)			174,139.71	0.00	-100.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
A. REVENUES					
1) LCFF Sources		8010-8099	0.00	0.00	0.0%
2) Federal Revenue		8100-8299	0.00	0.00	0.0%
3) Other State Revenue		8300-8599	0.00	0.00	0.0%
4) Other Local Revenue		8600-8799	4,471,380.00	4,472,500.00	0.0%
5) TOTAL REVENUES			4,471,380.00	4,472,500.00	0.0%
B. EXPENSES					
1) Certificated Salaries		1000-1999	0.00	0.00	0.0%
2) Classified Salaries		2000-2999	0.00	0.00	0.0%
3) Employee Benefits		3000-3999	0.00	0.00	0.0%
4) Books and Supplies		4000-4999	0.00	0.00	0.0%
5) Services and Other Operating Expenses		5000-5999	4,558,000.00	4,472,500.00	-1.9%
6) Depreciation		6000-6999	0.00	0.00	0.0%
7) Other Outgo (excluding Transfers of Indirect Costs)		7100-7299, 7400-7499	0.00	0.00	0.0%
8) Other Outgo - Transfers of Indirect Costs		7300-7399	0.00	0.00	0.0%
9) TOTAL EXPENSES			4,558,000.00	4,472,500.00	-1.9%
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)			(86,620.00)	0.00	-100.0%
D. OTHER FINANCING SOURCES/USES					
1) Interfund Transfers					
a) Transfers In		8900-8929	0.00	0.00	0.0%
b) Transfers Out		7600-7629	0.00	0.00	0.0%
2) Other Sources/Uses					
a) Sources		8930-8979	0.00	0.00	0.0%
b) Uses		7630-7699	0.00	0.00	0.0%
3) Contributions		8980-8999	0.00	0.00	0.0%
4) TOTAL OTHER FINANCING SOURCES/USES			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
E. NET INCREASE (DECREASE) IN NET POSITION (C + D4)			(86,620.00)	0.00	-100.0%
F. NET POSITION					
1) Beginning Net Position					
a) As of July 1 - Unaudited		9791	1,047,994.61	961,374.61	-8.3%
b) Audit Adjustments		9793	0.00	0.00	0.0%
c) As of July 1 - Audited (F1a + F1b)			1,047,994.61	961,374.61	-8.3%
d) Other Restatements		9795	0.00	0.00	0.0%
e) Adjusted Beginning Net Position (F1c + F1d)			1,047,994.61	961,374.61	-8.3%
2) Ending Net Position, June 30 (E + F1e)			961,374.61	961,374.61	0.0%
Components of Ending Net Position					
a) Net Investment in Capital Assets		9796	0.00	0.00	0.0%
b) Restricted Net Position		9797	0.00	0.00	0.0%
c) Unrestricted Net Position		9790	961,374.61	961,374.61	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
G. ASSETS					
1) Cash					
a) in County Treasury		9110	1,219,746.96		
1) Fair Value Adjustment to Cash in County Treasury		9111	0.00		
b) in Banks		9120	0.00		
c) in Revolving Fund		9130	0.00		
d) with Fiscal Agent		9135	0.00		
e) collections awaiting deposit		9140	0.00		
2) Investments		9150	0.00		
3) Accounts Receivable		9200	0.00		
4) Due from Grantor Government		9290	0.00		
5) Due from Other Funds		9310	0.00		
6) Stores		9320	0.00		
7) Prepaid Expenditures		9330	0.00		
8) Other Current Assets		9340	0.00		
9) Fixed Assets					
a) Land		9410	0.00		
b) Land Improvements		9420	0.00		
c) Accumulated Depreciation - Land Improvements		9425	0.00		
d) Buildings		9430	0.00		
e) Accumulated Depreciation - Buildings		9435	0.00		
f) Equipment		9440	0.00		
g) Accumulated Depreciation - Equipment		9445	0.00		
h) Work in Progress		9450	0.00		
10) TOTAL, ASSETS			1,219,746.96		
H. DEFERRED OUTFLOWS OF RESOURCES					
1) Deferred Outflows of Resources		9490	0.00		
2) TOTAL, DEFERRED OUTFLOWS			0.00		

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
I. LIABILITIES					
1) Accounts Payable		9500	0.00		
2) Due to Grantor Governments		9590	0.00		
3) Due to Other Funds		9610	0.00		
4) Current Loans		9640			
5) Unearned Revenue		9650	0.00		
6) Long-Term Liabilities					
a) Net Pension Liability		9663	0.00		
b) Net OPEB Obligation		9664	0.00		
c) Compensated Absences		9665	0.00		
d) COPs Payable		9666	0.00		
e) Capital Leases Payable		9667	0.00		
f) Lease Revenue Bonds Payable		9668	0.00		
g) Other General Long-Term Liabilities		9669	0.00		
7) TOTAL LIABILITIES			0.00		
J. DEFERRED INFLOWS OF RESOURCES					
1) Deferred Inflows of Resources		9690	0.00		
2) TOTAL DEFERRED INFLOWS			0.00		
K. NET POSITION					
Net Position, June 30					
(G10 + H2) - (I7 + J2)			1,219,746.98		

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
OTHER STATE REVENUE					
STRS On-Behalf Pension Contributions	7690	8590	0.00	0.00	0.0%
All Other State Revenue	All Other	8590	0.00	0.00	0.0%
TOTAL, OTHER STATE REVENUE			0.00	0.00	0.0%
OTHER LOCAL REVENUE					
Other Local Revenue					
Sales					
Sale of Equipment/Supplies		8631	0.00	0.00	0.0%
Interest		8660	1,380.00	2,500.00	81.2%
Net Increase (Decrease) in the Fair Value of Investments		8662	0.00	0.00	0.0%
Fees and Contracts					
In-District Premiums/ Contributions		8674	4,470,000.00	4,470,000.00	0.0%
All Other Fees and Contracts		8689	0.00	0.00	0.0%
Other Local Revenue					
All Other Local Revenue		8699	0.00	0.00	0.0%
All Other Transfers In from All Others		8799	0.00	0.00	0.0%
TOTAL, OTHER LOCAL REVENUE			4,471,380.00	4,472,500.00	0.0%
TOTAL REVENUES			4,471,380.00	4,472,500.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
CERTIFICATED SALARIES					
Certificated Pupil Support Salaries		1200	0.00	0.00	0.0%
Certificated Supervisors' and Administrators' Salaries		1300	0.00	0.00	0.0%
TOTAL, CERTIFICATED SALARIES			0.00	0.00	0.0%
CLASSIFIED SALARIES					
Classified Support Salaries		2200	0.00	0.00	0.0%
Classified Supervisors' and Administrators' Salaries		2300	0.00	0.00	0.0%
Clerical, Technical and Office Salaries		2400	0.00	0.00	0.0%
Other Classified Salaries		2900	0.00	0.00	0.0%
TOTAL, CLASSIFIED SALARIES			0.00	0.00	0.0%
EMPLOYEE BENEFITS					
STRS		3101-3102	0.00	0.00	0.0%
PERS		3201-3202	0.00	0.00	0.0%
OASDI/Medicare/Alternative		3301-3302	0.00	0.00	0.0%
Health and Welfare Benefits		3401-3402	0.00	0.00	0.0%
Unemployment Insurance		3501-3502	0.00	0.00	0.0%
Workers' Compensation		3601-3602	0.00	0.00	0.0%
OPEB, Allocated		3701-3702	0.00	0.00	0.0%
OPEB, Active Employees		3751-3752	0.00	0.00	0.0%
Other Employee Benefits		3901-3902	0.00	0.00	0.0%
TOTAL, EMPLOYEE BENEFITS			0.00	0.00	0.0%
BOOKS AND SUPPLIES					
Books and Other Reference Materials		4200	0.00	0.00	0.0%
Materials and Supplies		4300	0.00	0.00	0.0%
Noncapitalized Equipment		4400	0.00	0.00	0.0%
TOTAL, BOOKS AND SUPPLIES			0.00	0.00	0.0%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
SERVICES AND OTHER OPERATING EXPENSES					
Subagreements for Services		5100	0.00	0.00	0.0%
Travel and Conferences		5200	0.00	0.00	0.0%
Dues and Memberships		5300	0.00	0.00	0.0%
Insurance		5400-5450	0.00	0.00	0.0%
Operations and Housekeeping Services		5500	0.00	0.00	0.0%
Rentals, Leases, Repairs, and Noncapitalized Improvements		5600	0.00	0.00	0.0%
Transfers of Direct Costs - Interfund		5750	0.00	0.00	0.0%
Professional/Consulting Services and Operating Expenditures		5800	4,558,000.00	4,472,500.00	-1.9%
Communications		5900	0.00	0.00	0.0%
TOTAL, SERVICES AND OTHER OPERATING EXPENSES			4,558,000.00	4,472,500.00	-1.9%
DEPRECIATION					
Depreciation Expense		6900	0.00	0.00	0.0%
TOTAL, DEPRECIATION			0.00	0.00	0.0%
TOTAL, EXPENSES			4,558,000.00	4,472,500.00	-1.9%

Description	Resource Codes	Object Codes	2016-17 Estimated Actuals	2017-18 Budget	Percent Difference
INTERFUND TRANSFERS					
INTERFUND TRANSFERS IN					
Other Authorized Interfund Transfers In		8919	0.00	0.00	0.0%
(a) TOTAL, INTERFUND TRANSFERS IN			0.00	0.00	0.0%
INTERFUND TRANSFERS OUT					
Other Authorized Interfund Transfers Out		7619	0.00	0.00	0.0%
(b) TOTAL, INTERFUND TRANSFERS OUT			0.00	0.00	0.0%
OTHER SOURCES/USES					
SOURCES					
Other Sources					
Transfers from Funds of Lapsed/Reorganized LEAs		8965	0.00	0.00	0.0%
(c) TOTAL, SOURCES			0.00	0.00	0.0%
USES					
Transfers of Funds from Lapsed/Reorganized LEAs		7651	0.00	0.00	0.0%
(d) TOTAL, USES			0.00	0.00	0.0%
CONTRIBUTIONS					
Contributions from Unrestricted Revenues		8980	0.00	0.00	0.0%
Contributions from Restricted Revenues		8990	0.00	0.00	0.0%
(e) TOTAL, CONTRIBUTIONS			0.00	0.00	0.0%
TOTAL, OTHER FINANCING SOURCES/USES (a - b + c - d + e)					
			0.00	0.00	0.0%

Description	2016-17 Estimated Actuals			2017-18 Budget		
	P-2 ADA	Annual ADA	Funded ADA	Estimated P-2 ADA	Estimated Annual ADA	Estimated Funded ADA
A. DISTRICT						
1. Total District Regular ADA Includes Opportunity Classes, Home & Hospital, Special Day Class, Continuation Education, Special Education NPS/LCI and Extended Year, and Community Day School (includes Necessary Small School ADA)	2,149.32	2,149.32	2,137.48	2,149.32	2,149.32	2,149.32
2. Total Basic Aid Choice/Court Ordered Voluntary Pupil Transfer Regular ADA Includes Opportunity Classes, Home & Hospital, Special Day Class, Continuation Education, Special Education NPS/LCI and Extended Year, and Community Day School (ADA not included in Line A1 above)			9.52			
3. Total Basic Aid Open Enrollment Regular ADA Includes Opportunity Classes, Home & Hospital, Special Day Class, Continuation Education, Special Education NPS/LCI and Extended Year, and Community Day School (ADA not included in Line A1 above)						
4. Total, District Regular ADA (Sum of Lines A1 through A3)	2,149.32	2,149.32	2,147.00	2,149.32	2,149.32	2,149.32
5. District Funded County Program ADA						
a. County Community Schools						
b. Special Education-Special Day Class						
c. Special Education-NPS/LCI						
d. Special Education Extended Year						
e. Other County Operated Programs: Opportunity Schools and Full Day Opportunity Classes, Specialized Secondary Schools, Technical, Agricultural, and Natural Resource Conservation Schools						
f. County School Tuition Fund (Out of State Tuition) [EC 2000 and 46380]						
g. Total, District Funded County Program ADA (Sum of Lines A5a through A5f)	0.00	0.00	0.00	0.00	0.00	0.00
6. TOTAL DISTRICT ADA (Sum of Line A4 and Line A5g)	2,149.32	2,149.32	2,147.00	2,149.32	2,149.32	2,149.32
7. Adults in Correctional Facilities						
8. Charter School ADA (Enter Charter School ADA using Tab C. Charter School ADA)						

Part I - General Administrative Share of Plant Services Costs

California's indirect cost plan allows that the general administrative costs in the indirect cost pool may include that portion of plant services costs (maintenance and operations costs and facilities rents and leases costs) attributable to the general administrative offices. The calculation of the plant services costs attributed to general administration and included in the pool is standardized and automated using the percentage of salaries and benefits relating to general administration as proxy for the percentage of square footage occupied by general administration.

A. Salaries and Benefits - Other General Administration and Centralized Data Processing

1. Salaries and benefits paid through payroll (Funds 01, 09, and 62, objects 1000-3999 except 3701-3702)
(Functions 7200-7700, goals 0000 and 9000)

1,004,579.59

2. Contracted general administrative positions not paid through payroll

- a. Enter the costs, if any, of general administrative positions performing services ON SITE but paid through a contract, rather than through payroll, in functions 7200-7700, goals 0000 and 9000, Object 5800.
- b. If an amount is entered on Line A2a, provide the title, duties, and approximate FTE of each general administrative position paid through a contract. Retain supporting documentation in case of audit.

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B. Salaries and Benefits - All Other Activities

1. Salaries and benefits paid through payroll (Funds 01, 09, and 62, objects 1000-3999 except 3701-3702)
(Functions 1000-6999, 7100-7180, & 8100-8400; Functions 7200-7700, all goals except 0000 & 9000)

21,222,143.42**C. Percentage of Plant Services Costs Attributable to General Administration**

(Line A1 plus Line A2a, divided by Line B1; zero if negative) (See Part III, Lines A5 and A6)

4.73%**Part II - Adjustments for Employment Separation Costs**

When an employee separates from service, the local educational agency (LEA) may incur costs associated with the separation in addition to the employee's regular salary and benefits for the final pay period. These additional costs can be categorized as "normal" or "abnormal or mass" separation costs.

Normal separation costs include items such as pay for accumulated unused leave or routine severance pay authorized by governing board policy. Normal separation costs are not allowable as direct costs to federal programs, but are allowable as indirect costs. State programs may have similar restrictions. Where federal or state program guidelines required that the LEA charge an employee's normal separation costs to an unrestricted resource rather than to the restricted program in which the employee worked, the LEA may identify and enter these costs on Line A for inclusion in the indirect cost pool.

Abnormal or mass separation costs are those costs resulting from actions taken by an LEA to influence employees to terminate their employment earlier than they normally would have. Abnormal or mass separation costs include retirement incentives such as a Golden Handshake or severance packages negotiated to effect termination. Abnormal or mass separation costs may not be charged to federal programs as either direct costs or indirect costs. Where an LEA paid abnormal or mass separation costs on behalf of positions in general administrative functions included in the indirect cost pool, the LEA must identify and enter these costs on Line B for exclusion from the pool.

A. Normal Separation Costs (optional)

Enter any normal separation costs paid on behalf of employees of restricted state or federal programs that were charged to an unrestricted resource (0000-1999) in funds 01, 09, and 62 with functions 1000-6999 or 8100-8400 rather than to the restricted program. These costs will be moved in Part III from base costs to the indirect cost pool. Retain supporting documentation.

B. Abnormal or Mass Separation Costs (required)

Enter any abnormal or mass separation costs paid on behalf of general administrative positions charged to unrestricted resources (0000-1999) in funds 01, 09, and 62 with functions 7200-7700. These costs will be moved in Part III from the indirect cost pool to base costs. If none, enter zero.

0.00

Part III - Indirect Cost Rate Calculation (Funds 01, 09, and 62, unless indicated otherwise)**A. Indirect Costs**

1. Other General Administration, less portion charged to restricted resources or specific goals (Functions 7200-7600, objects 1000-5999, minus Line B9)	1,226,651.58
2. Centralized Data Processing, less portion charged to restricted resources or specific goals (Function 7700, objects 1000-5999, minus Line B10)	312,319.15
3. External Financial Audit - Single Audit (Function 7190, resources 0000-1999, goals 0000 and 9000, objects 5000-5999)	0.00
4. Staff Relations and Negotiations (Function 7120, resources 0000-1999, goals 0000 and 9000, objects 1000-5999)	0.00
5. Plant Maintenance and Operations (portion relating to general administrative offices only) (Functions 8100-8400, objects 1000-5999 except 5100, times Part I, Line C)	140,128.07
6. Facilities Rents and Leases (portion relating to general administrative offices only) (Function 8700, resources 0000-1999, objects 1000-5999 except 5100, times Part I, Line C)	0.00
7. Adjustment for Employment Separation Costs	
a. Plus: Normal Separation Costs (Part II, Line A)	0.00
b. Less: Abnormal or Mass Separation Costs (Part II, Line B)	0.00
8. Total Indirect Costs (Lines A1 through A7a, minus Line A7b)	1,679,098.80
9. Carry-Forward Adjustment (Part IV, Line F)	50,642.32
10. Total Adjusted Indirect Costs (Line A8 plus Line A9)	1,729,741.12

B. Base Costs

1. Instruction (Functions 1000-1999, objects 1000-5999 except 5100)	14,620,653.69
2. Instruction-Related Services (Functions 2000-2999, objects 1000-5999 except 5100)	3,152,117.74
3. Pupil Services (Functions 3000-3999, objects 1000-5999 except 5100)	2,116,014.91
4. Ancillary Services (Functions 4000-4999, objects 1000-5999 except 5100)	935,755.96
5. Community Services (Functions 5000-5999, objects 1000-5999 except 5100)	208,527.93
6. Enterprise (Function 6000, objects 1000-5999 except 5100)	16,452.86
7. Board and Superintendent (Functions 7100-7180, objects 1000-5999, minus Part III, Line A4)	506,191.40
8. External Financial Audit - Single Audit and Other (Functions 7190-7191, objects 5000-5999, minus Part III, Line A3)	0.00
9. Other General Administration (portion charged to restricted resources or specific goals only) (Functions 7200-7600, resources 2000-9999, objects 1000-5999; Functions 7200-7600, resources 0000-1999, all goals except 0000 and 9000, objects 1000-5999)	4.02
10. Centralized Data Processing (portion charged to restricted resources or specific goals only) (Function 7700, resources 2000-9999, objects 1000-5999; Function 7700, resources 0000-1999, all goals except 0000 and 9000, objects 1000-5999)	0.00
11. Plant Maintenance and Operations (all except portion relating to general administrative offices) (Functions 8100-8400, objects 1000-5999 except 5100, minus Part III, Line A5)	2,822,410.50
12. Facilities Rents and Leases (all except portion relating to general administrative offices) (Function 8700, objects 1000-5999 except 5100, minus Part III, Line A6)	0.00
13. Adjustment for Employment Separation Costs	
a. Less: Normal Separation Costs (Part II, Line A)	0.00
b. Plus: Abnormal or Mass Separation Costs (Part II, Line B)	0.00
14. Adult Education (Fund 11, functions 1000-6999, 8100-8400, and 8700, objects 1000-5999 except 5100)	0.00
15. Child Development (Fund 12, functions 1000-6999, 8100-8400, and 8700, objects 1000-5999 except 5100)	116,318.00
16. Cafeteria (Funds 13 and 61, functions 1000-6999, 8100-8400, and 8700, objects 1000-5999 except 5100)	1,143,105.76
17. Foundation (Funds 19 and 57, functions 1000-6999, 8100-8400, and 8700, objects 1000-5999 except 5100)	0.00
18. Total Base Costs (Lines B1 through B12 and Lines B13b through B17, minus Line B13a)	25,637,552.77

C. Straight Indirect Cost Percentage Before Carry-Forward Adjustment
(For information only - not for use when claiming/recovering indirect costs)
(Line A8 divided by Line B18)

6.55%

D. Preliminary Proposed Indirect Cost Rate(For final approved fixed-with-carry-forward rate for use in 2018-19 see www.cde.ca.gov/fg/ac/ic)
(Line A10 divided by Line B18)

6.75%

Part IV - Carry-forward Adjustment

The carry-forward adjustment is an after-the-fact adjustment for the difference between indirect costs recoverable using the indirect cost rate approved for use in a given year, and the actual indirect costs incurred in that year. The carry-forward adjustment eliminates the need for LEAs to file amended federal reports when their actual indirect costs vary from the estimated indirect costs on which the approved rate was based.

Where the ratio of indirect costs incurred in the current year is less than the estimated ratio of indirect costs on which the approved rate for use in the current year was based, the carry-forward adjustment is limited by using either the approved rate times current year base costs, or the highest rate actually used to recover costs from any program times current year base costs, if the highest rate used was less than the approved rate. Rates used to recover costs from programs are displayed in Exhibit A.

A. Indirect costs incurred in the current year (Part III, Line A8) 1,679,098.80

B. Carry-forward adjustment from prior year(s)

1. Carry-forward adjustment from the second prior year 263,594.91
2. Carry-forward adjustment amount deferred from prior year(s), if any 0.00

C. Carry-forward adjustment for under- or over-recovery in the current year

1. Under-recovery: Part III, Line A8, plus carry-forward adjustment from prior years, minus (approved indirect cost rate (7.38%) times Part III, Line B18); zero if negative 50,642.32
2. Over-recovery: Part III, Line A8, plus carry-forward adjustment from prior years, minus the lesser of (approved indirect cost rate (7.38%) times Part III, Line B18) or (the highest rate used to recover costs from any program (7.38%) times Part III, Line B18); zero if positive 0.00

D. Preliminary carry-forward adjustment (Line C1 or C2) 50,642.32

E. Optional allocation of negative carry-forward adjustment over more than one year

Where a negative carry-forward adjustment causes the proposed approved rate to fall below zero or would reduce the rate at which the LEA could recover indirect costs to such an extent that it would cause the LEA significant fiscal harm, the LEA may request that the carry-forward adjustment be allocated over more than one year. Where allocation of a negative carry-forward adjustment over more than one year does not resolve a negative rate, the CDE will work with the LEA on a case-by-case basis to establish an approved rate.

- Option 1. Preliminary proposed approved rate (Part III, Line D) if entire negative carry-forward adjustment is applied to the current year calculation: not applicable
- Option 2. Preliminary proposed approved rate (Part III, Line D) if one-half of negative carry-forward adjustment is applied to the current year calculation and the remainder is deferred to one or more future years: not applicable
- Option 3. Preliminary proposed approved rate (Part III, Line D) if one-third of negative carry-forward adjustment is applied to the current year calculation and the remainder is deferred to one or more future years: not applicable

LEA request for Option 1, Option 2, or Option 3

1

F. Carry-forward adjustment used in Part III, Line A9 (Line D minus amount deferred if Option 2 or Option 3 is selected) 50,642.32

July 1 Budget
2016-17 Estimated Actuals
LOTTERY REPORT
Revenues, Expenditures and
Ending Balances - All Funds

Description	Object Codes	Lottery: Unrestricted (Resource 1100)	Transferred to Other Resources for Expenditure	Lottery: Instructional Materials (Resource 6300)*	Totals
A. AMOUNT AVAILABLE FOR THIS FISCAL YEAR					
1. Adjusted Beginning Fund Balance	9791-9795	105,569.46		117,910.18	223,479.64
2. State Lottery Revenue	8560	315,840.00		92,460.00	408,300.00
3. Other Local Revenue	8600-8799	0.00		0.00	0.00
4. Transfers from Funds of Lapsed/Reorganized Districts	8965	0.00		0.00	0.00
5. Contributions from Unrestricted Resources (Total must be zero)	8980	0.00			0.00
6. Total Available (Sum Lines A1 through A5)		421,409.46	0.00	210,370.18	631,779.64
B. EXPENDITURES AND OTHER FINANCING USES					
1. Certificated Salaries	1000-1999	0.00			0.00
2. Classified Salaries	2000-2999	3,217.00			3,217.00
3. Employee Benefits	3000-3999	792.96			792.96
4. Books and Supplies	4000-4999	28,500.00		210,370.18	238,870.18
5. a. Services and Other Operating Expenditures (Resource 1100)	5000-5999	59,186.42			59,186.42
b. Services and Other Operating Expenditures (Resource 6300)	5000-5999, except 5100, 5710, 5800				
c. Duplicating Costs for Instructional Materials (Resource 6300)	5100, 5710, 5800				
6. Capital Outlay	6000-6999	0.00			0.00
7. Tuition	7100-7199	0.00			0.00
8. Interagency Transfers Out					
a. To Other Districts, County Offices, and Charter Schools	7211,7212,7221, 7222,7281,7282	0.00			0.00
b. To JPAs and All Others	7213,7223, 7283,7299	0.00			0.00
9. Transfers of Indirect Costs	7300-7399				
10. Debt Service	7400-7499	0.00			0.00
11. All Other Financing Uses	7630-7699	0.00			0.00
12. Total Expenditures and Other Financing Uses (Sum Lines B1 through B11)		91,696.38	0.00	210,370.18	302,066.56
C. ENDING BALANCE					
(Must equal Line A6 minus Line B12)	979Z	329,713.08	0.00	0.00	329,713.08
D. COMMENTS:					

Data from this report will be used to prepare a report to the Legislature as required by Control Section 24.60 of the Budget Act.

*Pursuant to Government Code Section 8880.4(a)(2)(B) and the definition in Education Code Section 60010(h), Resource 6300 funds are to be used for the purchase of instructional materials only. Any amounts in the shaded cells of this column should be reviewed for appropriateness.

Description	Object Codes	2017-18 Budget (Form 01) (A)	% Change (Cols. C-A/A) (B)	2018-19 Projection (C)	% Change (Cols. E-C/C) (D)	2019-20 Projection (E)
(Enter projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted)						
A. REVENUES AND OTHER FINANCING SOURCES						
1. LCFF/Revenue Limit Sources	8010-8099	22,922,100.00	4.50%	23,952,572.00	4.52%	25,035,598.00
2. Federal Revenues	8100-8299	4,180.00	0.00%	4,180.00	0.00%	4,180.00
3. Other State Revenues	8300-8599	402,010.00	0.00%	402,010.00	0.00%	402,010.00
4. Other Local Revenues	8600-8799	396,388.00	0.00%	396,388.00	0.00%	396,388.00
5. Other Financing Sources						
a. Transfers In	8900-8929	0.00	0.00%	0.00	0.00%	0.00
b. Other Sources	8930-8979	0.00	0.00%	0.00	0.00%	0.00
c. Contributions	8980-8999	(3,497,744.27)	1.43%	(3,547,745.00)	1.41%	(3,597,745.00)
6. Total (Sum lines A1 thru A5c)		20,226,933.73	4.85%	21,207,405.00	4.87%	22,240,431.00
B. EXPENDITURES AND OTHER FINANCING USES						
1. Certificated Salaries						
a. Base Salaries				9,072,959.58		9,154,776.58
b. Step & Column Adjustment				154,774.00		154,774.00
c. Cost-of-Living Adjustment				0.00		
d. Other Adjustments				(72,957.00)		
e. Total Certificated Salaries (Sum lines B1a thru B1d)	1000-1999	9,072,959.58	0.90%	9,154,776.58	1.60%	9,309,550.58
2. Classified Salaries						
a. Base Salaries				3,265,550.67		3,304,620.67
b. Step & Column Adjustment				39,070.00		39,070.00
c. Cost-of-Living Adjustment						
d. Other Adjustments						
e. Total Classified Salaries (Sum lines B2a thru B2d)	2000-2999	3,265,550.67	1.20%	3,304,620.67	1.18%	3,343,690.67
3. Employee Benefits	3000-3999	5,858,496.66	9.33%	6,405,134.00	9.31%	7,001,248.00
4. Books and Supplies	4000-4999	733,258.72	0.00%	733,259.00	0.00%	733,259.00
5. Services and Other Operating Expenditures	5000-5999	2,019,771.00	6.93%	2,159,771.00	6.81%	2,306,771.00
6. Capital Outlay	6000-6999	0.00	0.00%	0.00	0.00%	0.00
7. Other Outgo (excluding Transfers of Indirect Costs)	7100-7299, 7400-7499	59,166.00	0.00%	59,166.00	0.00%	59,166.00
8. Other Outgo - Transfers of Indirect Costs	7300-7399	(47,014.26)	0.00%	(47,014.00)	0.00%	(47,014.00)
9. Other Financing Uses						
a. Transfers Out	7600-7629	143,946.40	0.00%	143,947.00	0.00%	143,947.00
b. Other Uses	7630-7699	0.00	0.00%		0.00%	0.00
10. Other Adjustments (Explain in Section F below)						
11. Total (Sum lines B1 thru B10)		21,106,134.77	3.83%	21,913,660.25	4.28%	22,850,618.25
C. NET INCREASE (DECREASE) IN FUND BALANCE						
(Line A6 minus line B11)		(879,201.04)		(706,255.25)		(610,187.25)
D. FUND BALANCE						
1. Net Beginning Fund Balance (Form 01, line F1e)		3,214,791.70		2,335,590.66		1,629,335.41
2. Ending Fund Balance (Sum lines C and D1)		2,335,590.66		1,629,335.41		1,019,148.16
3. Components of Ending Fund Balance						
a. Nonspendable	9710-9719	15,410.00		15,410.00		15,410.00
b. Restricted	9740					
c. Committed						
1. Stabilization Arrangements	9750	0.00				
2. Other Commitments	9760	0.00				
d. Assigned	9780	32,834.00		32,834.00		32,834.00
e. Unassigned/Unappropriated						
1. Reserve for Economic Uncertainties	9789	831,417.00		855,643.00		883,752.00
2. Unassigned/Unappropriated	9790	1,455,929.66		725,448.41		87,152.16
f. Total Components of Ending Fund Balance						
(Line D3f must agree with line D2)		2,335,590.66		1,629,335.41		1,019,148.16

Description	Object Codes	2017-18 Budget (Form 01) (A)	% Change (Cols. C-A/A) (B)	2018-19 Projection (C)	% Change (Cols. E-C/C) (D)	2019-20 Projection (E)
E. AVAILABLE RESERVES						
1. General Fund						
a. Stabilization Arrangements	9750	0.00		0.00		0.00
b. Reserve for Economic Uncertainties	9789	831,417.00		855,643.00		883,752.00
c. Unassigned/Unappropriated	9790	1,455,929.66		725,448.41		\$7,152.16
(Enter reserve projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted.)						
2. Special Reserve Fund - Noncapital Outlay (Fund 17)						
a. Stabilization Arrangements	9750					
b. Reserve for Economic Uncertainties	9789					
c. Unassigned/Unappropriated	9790	0.00				
3. Total Available Reserves (Sum lines E1a thru E2c)						
		2,287,346.66		1,581,091.41		970,904.16
F. ASSUMPTIONS						
Please provide below or on a separate attachment, the assumptions used to determine the projections for the first and second subsequent fiscal years. Further, please include an explanation for any significant expenditure adjustments projected in lines B1d, B2d, and B10. For additional information, please refer to the Budget Assumptions section of the SACS Financial Reporting Software User Guide.						
One time year end savings						

Description	Object Codes	2017-18 Budget (Form 01) (A)	% Change (Cols. C-A/A) (B)	2018-19 Projection (C)	% Change (Cols. E-C/C) (D)	2019-20 Projection (E)
(Enter projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted)						
A. REVENUES AND OTHER FINANCING SOURCES						
1. LCFF/Revenue Limit Sources	8010-8099	439,940.00	0.00%	439,940.00	0.00%	439,940.00
2. Federal Revenues	8100-8299	1,138,588.00	0.00%	1,138,588.00	0.00%	1,138,588.00
3. Other State Revenues	8300-8599	1,396,619.86	0.00%	1,396,620.00	0.00%	1,396,620.00
4. Other Local Revenues	8600-8799	129,478.72	0.00%	129,479.00	0.00%	129,479.00
5. Other Financing Sources						
a. Transfers In	8900-8929	0.00	0.00%	0.00	0.00%	0.00
b. Other Sources	8930-8979	0.00	0.00%	0.00	0.00%	0.00
c. Contributions	8980-8999	3,497,744.27	1.43%	3,547,744.00	1.41%	3,597,744.00
6. Total (Sum lines A1 thru A5c)		6,602,370.85	0.76%	6,652,371.00	0.75%	6,702,371.00
B. EXPENDITURES AND OTHER FINANCING USES						
1. Certificated Salaries						
a. Base Salaries				1,802,351.83		1,802,351.83
b. Step & Column Adjustment				0.00		0.00
c. Cost-of-Living Adjustment				0.00		0.00
d. Other Adjustments				0.00		0.00
e. Total Certificated Salaries (Sum lines B1a thru B1d)	1000-1999	1,802,351.83	0.00%	1,802,351.83	0.00%	1,802,351.83
2. Classified Salaries						
a. Base Salaries				1,622,739.71		1,622,739.71
b. Step & Column Adjustment				0.00		0.00
c. Cost-of-Living Adjustment				0.00		0.00
d. Other Adjustments				0.00		0.00
e. Total Classified Salaries (Sum lines B2a thru B2d)	2000-2999	1,622,739.71	0.00%	1,622,739.71	0.00%	1,622,739.71
3. Employee Benefits	3000-3999	2,105,770.57	0.00%	2,105,771.00	0.00%	2,105,771.00
4. Books and Supplies	4000-4999	368,904.57	0.00%	368,905.00	0.00%	368,905.00
5. Services and Other Operating Expenditures	5000-5999	560,989.91	0.00%	560,990.00	0.00%	560,990.00
6. Capital Outlay	6000-6999	0.00	0.00%	0.00	0.00%	0.00
7. Other Outgo (excluding Transfers of Indirect Costs)	7100-7299, 7400-7499	0.00	0.00%	0.00	0.00%	0.00
8. Other Outgo - Transfers of Indirect Costs	7300-7399	47,014.26	0.00%	47,014.00	0.00%	47,014.00
9. Other Financing Uses						
a. Transfers Out	7600-7629	100,000.00	0.00%	100,000.00	0.00%	100,000.00
b. Other Uses	7630-7699	0.00	0.00%	0.00	0.00%	0.00
10. Other Adjustments (Explain in Section F below)						0.00
11. Total (Sum lines B1 thru B10)		6,607,770.85	0.00%	6,607,771.54	0.00%	6,607,771.54
C. NET INCREASE (DECREASE) IN FUND BALANCE						
(Line A6 minus line B11)		(5,400.00)		44,599.46		94,599.46
D. FUND BALANCE						
1. Net Beginning Fund Balance (Form 01, line F1e)		381,050.68		375,650.68		420,250.14
2. Ending Fund Balance (Sum lines C and D1)		375,650.68		420,250.14		514,849.60
3. Components of Ending Fund Balance						
a. Nonspendable	9710-9719	0.00				
b. Restricted	9740	381,050.68		420,250.14		514,849.60
c. Committed						
1. Stabilization Arrangements	9750					
2. Other Commitments	9760					
d. Assigned	9780					
e. Unassigned/Unappropriated						
1. Reserve for Economic Uncertainties	9789					
2. Unassigned/Unappropriated	9790	(5,400.00)		0.00		0.00
f. Total Components of Ending Fund Balance (Line D3f must agree with line D2)		375,650.68		420,250.14		514,849.60

Description	Object Codes	2017-18 Budget (Form 01) (A)	% Change (Cols. C-A/A) (B)	2018-19 Projection (C)	% Change (Cols. E-C/C) (D)	2019-20 Projection (E)
E. AVAILABLE RESERVES						
1. General Fund						
a. Stabilization Arrangements	9750					
b. Reserve for Economic Uncertainties	9789					
c. Unassigned/Unappropriated	9790					
(Enter reserve projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted.)						
2. Special Reserve Fund - Noncapital Outlay (Fund 17)						
a. Stabilization Arrangements	9750					
b. Reserve for Economic Uncertainties	9789					
c. Unassigned/Unappropriated	9790					
3. Total Available Reserves (Sum lines E1a thru E2c)						
F. ASSUMPTIONS						
Please provide below or on a separate attachment, the assumptions used to determine the projections for the first and second subsequent fiscal years. Further, please include an explanation for any significant expenditure adjustments projected in lines B1d, B2d, and B10. For additional information, please refer to the Budget Assumptions section of the SACS Financial Reporting Software User Guide.						

Description	Object Codes	2017-18 Budget (Form 01) (A)	% Change (Cols. C-A/A) (B)	2018-19 Projection (C)	% Change (Cols. E-C/C) (D)	2019-20 Projection (E)
(Enter projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted)						
A. REVENUES AND OTHER FINANCING SOURCES						
1. LCFF/Revenue Limit Sources	8010-8099	23,362,040.00	4.41%	24,392,512.00	4.44%	25,475,538.00
2. Federal Revenues	8100-8299	1,142,768.00	0.00%	1,142,768.00	0.00%	1,142,768.00
3. Other State Revenues	8300-8599	1,798,629.86	0.00%	1,798,630.00	0.00%	1,798,630.00
4. Other Local Revenues	8600-8799	525,866.72	0.00%	525,867.00	0.00%	525,867.00
5. Other Financing Sources						
a. Transfers In	8900-8929	0.00	0.00%	0.00	0.00%	0.00
b. Other Sources	8930-8979	0.00	0.00%	0.00	0.00%	0.00
c. Contributions	8980-8999	0.00	0.00%	(1.00)	0.00%	(1.00)
6. Total (Sum lines A1 thru A5c)		26,829,304.58	3.84%	27,839,776.00	3.89%	28,942,802.00
B. EXPENDITURES AND OTHER FINANCING USES						
1. Certificated Salaries						
a. Base Salaries				10,875,311.41		10,957,128.41
b. Step & Column Adjustment				154,774.00		154,774.00
c. Cost-of-Living Adjustment				0.00		0.00
d. Other Adjustments				(72,957.00)		0.00
e. Total Certificated Salaries (Sum lines B1a thru B1d)	1000-1999	10,875,311.41	0.75%	10,957,128.41	1.41%	11,111,902.41
2. Classified Salaries						
a. Base Salaries				4,888,290.38		4,927,360.38
b. Step & Column Adjustment				39,070.00		39,070.00
c. Cost-of-Living Adjustment				0.00		0.00
d. Other Adjustments				0.00		0.00
e. Total Classified Salaries (Sum lines B2a thru B2d)	2000-2999	4,888,290.38	0.80%	4,927,360.38	0.79%	4,966,430.38
3. Employee Benefits	3000-3999	7,964,267.23	6.86%	8,510,905.00	7.00%	9,107,019.00
4. Books and Supplies	4000-4999	1,102,163.29	0.00%	1,102,164.00	0.00%	1,102,164.00
5. Services and Other Operating Expenditures	5000-5999	2,580,760.91	5.42%	2,720,761.00	5.40%	2,867,761.00
6. Capital Outlay	6000-6999	0.00	0.00%	0.00	0.00%	0.00
7. Other Outgo (excluding Transfers of Indirect Costs)	7100-7299, 7400-7499	59,166.00	0.00%	59,166.00	0.00%	59,166.00
8. Other Outgo - Transfers of Indirect Costs	7300-7399	0.00	0.00%	0.00	0.00%	0.00
9. Other Financing Uses						
a. Transfers Out	7600-7629	243,946.40	0.00%	243,947.00	0.00%	243,947.00
b. Other Uses	7630-7699	0.00	0.00%	0.00	0.00%	0.00
10. Other Adjustments				0.00		0.00
11. Total (Sum lines B1 thru B10)		27,713,905.62	2.91%	28,521,431.79	3.20%	29,458,389.79
C. NET INCREASE (DECREASE) IN FUND BALANCE						
(Line A6 minus line B11)		(884,601.04)		(661,655.79)		(515,587.79)
D. FUND BALANCE						
1. Net Beginning Fund Balance (Form 01, line F1e)		3,595,842.38		2,711,241.34		2,049,585.55
2. Ending Fund Balance (Sum lines C and D1)		2,711,241.34		2,049,585.55		1,533,997.76
3. Components of Ending Fund Balance						
a. Nonspendable	9710-9719	15,410.00		15,410.00		15,410.00
b. Restricted	9740	381,050.68		420,250.14		514,849.60
c. Committed						
1. Stabilization Arrangements	9750	0.00		0.00		0.00
2. Other Commitments	9760	0.00		0.00		0.00
d. Assigned	9780	32,834.00		32,834.00		32,834.00
e. Unassigned/Unappropriated						
1. Reserve for Economic Uncertainties	9789	831,417.00		855,643.00		883,752.00
2. Unassigned/Unappropriated	9790	1,450,529.66		725,448.41		87,152.16
f. Total Components of Ending Fund Balance						
(Line D3f must agree with line D2)		2,711,241.34		2,049,585.55		1,533,997.76

Description	Object Codes	2017-18 Budget (Form 01) (A)	% Change (Cols. C-A/A) (B)	2018-19 Projection (C)	% Change (Cols. E-C/C) (D)	2019-20 Projection (E)
E. AVAILABLE RESERVES						
1. General Fund						
a. Stabilization Arrangements	9750	0.00		0.00		0.00
b. Reserve for Economic Uncertainties	9789	831,417.00		855,643.00		883,752.00
c. Unassigned/Unappropriated	9790	1,455,929.66		725,448.41		87,152.16
d. Negative Restricted Ending Balances (Negative resources 2000-9999)	979Z	(\$400.00)		0.00		0.00
2. Special Reserve Fund - Noncapital Outlay (Fund 17)						
a. Stabilization Arrangements	9750	0.00		0.00		0.00
b. Reserve for Economic Uncertainties	9789	0.00		0.00		0.00
c. Unassigned/Unappropriated	9790	0.00		0.00		0.00
3. Total Available Reserves - by Amount (Sum lines E1a thru E2c)		2,281,946.66		1,581,091.41		970,904.16
4. Total Available Reserves - by Percent (Line E3 divided by Line F3c)		8.23%		5.54%		3.30%
F. RECOMMENDED RESERVES						
1. Special Education Pass-through Exclusions For districts that serve as the administrative unit (AU) of a special education local plan area (SELPA):						
a. Do you choose to exclude from the reserve calculation the pass-through funds distributed to SELPA members?	No					
b. If you are the SELPA AU and are excluding special education pass-through funds: 1. Enter the name(s) of the SELPA(s):						
2. Special education pass-through funds (Column A: Fund 10, resources 3300-3499 and 6500-6540, objects 7211-7213 and 7221-7223; enter projections for subsequent years 1 and 2 in Columns C and E)		0.00		0.00		0.00
2. District ADA Used to determine the reserve standard percentage level on line F3d (Col. A: Form A, Estimated P-2 ADA column, Lines A4 and C4; enter projections)		2,149.32		2,149.32		2,149.32
3. Calculating the Reserves						
a. Expenditures and Other Financing Uses (Line B11)		27,713,905.62		28,521,431.79		29,458,389.79
b. Plus: Special Education Pass-through Funds (Line F1b2, if Line F1a is No)		0.00		0.00		0.00
c. Total Expenditures and Other Financing Uses (Line F3a plus line F3b)		27,713,905.62		28,521,431.79		29,458,389.79
d. Reserve Standard Percentage Level (Refer to Form 01CS, Criterion 10 for calculation details)		3%		3%		3%
e. Reserve Standard - By Percent (Line F3c times F3d)		831,417.17		855,642.95		883,751.69
f. Reserve Standard - By Amount (Refer to Form 01CS, Criterion 10 for calculation details)		0.00		0.00		0.00
g. Reserve Standard (Greater of Line F3e or F3f)		831,417.17		855,642.95		883,751.69
h. Available Reserves (Line E3) Meet Reserve Standard (Line F3g)		YES		YES		YES

Section I - Expenditures	Funds 01, 09, and 62			2016-17 Expenditures
	Goals	Functions	Objects	
A. Total state, federal, and local expenditures (all resources)	All	All	1000-7999	26,644,220.49
B. Less all federal expenditures not allowed for MOE (Resources 3000-5999, except 3385)	All	All	1000-7999	1,620,520.18
C. Less state and local expenditures not allowed for MOE: (All resources, except federal as identified in Line B)				
1. Community Services	All	5000-5999	1000-7999	208,527.93
2. Capital Outlay	All except 7100-7199	All except 5000-5999	6000-6999	52,235.00
3. Debt Service	All	9100	5400-5450, 5800, 7430- 7439	78,364.22
4. Other Transfers Out	All	9200	7200-7299	0.00
5. Interfund Transfers Out	All	9300	7600-7629	460,891.46
6. All Other Financing Uses	All	9100 9200	7699 7651	0.00
7. Nonagency	7100-7199	All except 5000-5999, 9000-9999	1000-7999	0.00
8. Tuition (Revenue, in lieu of expenditures, to approximate costs of services for which tuition is received)	All	All	8710	0.00
9. Supplemental expenditures made as a result of a Presidentially declared disaster	Manually entered. Must not include expenditures in lines B, C1-C8, D1, or D2.			0.00
10. Total state and local expenditures not allowed for MOE calculation (Sum lines C1 through C9)				800,018.61
D. Plus additional MOE expenditures:				
1. Expenditures to cover deficits for food services (Funds 13 and 61) (If negative, then zero)	All	All	1000-7143, 7300-7439 minus 8000-8699	190,984.29
2. Expenditures to cover deficits for student body activities	Manually entered. Must not include expenditures in lines A or D1.			0.00
E. Total expenditures subject to MOE (Line A minus lines B and C10, plus lines D1 and D2)				24,414,665.99

Section II - Expenditures Per ADA		2016-17 Annual ADA/ Exps. Per ADA
A. Average Daily Attendance (Form A, Annual ADA column, sum of lines A6 and C9)		2,149.32
B. Expenditures per ADA (Line I.E divided by Line II.A)		11,359.25
Section III - MOE Calculation (For data collection only. Final determination will be done by CDE)		
	Total	Per ADA
A. Base expenditures (Preloaded expenditures from prior year official CDE MOE calculation). (Note: If the prior year MOE was not met, CDE has adjusted the prior year base to 90 percent of the preceding prior year amount rather than the actual prior year expenditure amount.)	23,928,101.22	11,133.18
1. Adjustment to base expenditure and expenditure per ADA amounts for LEAs failing prior year MOE calculation (From Section IV)	0.00	0.00
2. Total adjusted base expenditure amounts (Line A plus Line A.1)	23,928,101.22	11,133.18
B. Required effort (Line A.2 times 90%)	21,535,291.10	10,019.86
C. Current year expenditures (Line I.E and Line II.B)	24,414,665.99	11,359.25
D. MOE deficiency amount, if any (Line B minus Line C) (If negative, then zero)	0.00	0.00
E. MOE determination (If one or both of the amounts in line D are zero, the MOE requirement is met; if both amounts are positive, the MOE requirement is not met. If either column in Line A.2 or Line C equals zero, the MOE calculation is incomplete.)	MOE Met	
F. MOE deficiency percentage, if MOE not met; otherwise, zero (Line D divided by Line B) (Funding under NCLB covered programs in FY 2018-19 may be reduced by the lower of the two percentages)	0.00%	0.00%

SECTION IV - Detail of Adjustments to Base Expenditures (used in Section III, Line A.1)		
Description of Adjustments	Total Expenditures	Expenditures Per ADA
Total adjustments to base expenditures	0.00	0.00

July 1 Budget
2016-17 Estimated Actuals
SUMMARY OF INTERFUND ACTIVITIES
FOR ALL FUNDS

42 69146 000000
Form SIAA

Description	Direct Costs - Transfers In 5750	Interfund Transfers Out 5750	Indirect Costs - Transfers In 7350	Interfund Transfers Out 7350	Interfund Transfers In 8900-8929	Interfund Transfers Out 7600-7629	Due From Other Funds 9310	Due To Other Funds 9610
01 GENERAL FUND								
Expenditure Detail	288.00	0.00	0.00	(4,498.00)				
Other Sources/Uses Detail					117,000.00	460,891.46		
Fund Reconciliation							709,000.00	0.00
09 CHARTER SCHOOLS SPECIAL REVENUE FUND								
Expenditure Detail	0.00	0.00	0.00	0.00				
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
10 SPECIAL EDUCATION PASS-THROUGH FUND								
Expenditure Detail								
Other Sources/Uses Detail								
Fund Reconciliation							0.00	0.00
11 ADULT EDUCATION FUND								
Expenditure Detail	0.00	0.00	0.00	0.00				
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
12 CHILD DEVELOPMENT FUND								
Expenditure Detail	0.00	0.00	4,498.00	0.00				
Other Sources/Uses Detail					16,000.00	0.00		
Fund Reconciliation							0.00	37,000.00
13 CAFETERIA SPECIAL REVENUE FUND								
Expenditure Detail	0.00	(1,788.00)	0.00	0.00				
Other Sources/Uses Detail					170,251.76	0.00		
Fund Reconciliation							0.00	521,000.00
14 DEFERRED MAINTENANCE FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					100,500.00	0.00		
Fund Reconciliation							0.00	0.00
15 PUPIL TRANSPORTATION EQUIPMENT FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
17 SPECIAL RESERVE FUND FOR OTHER THAN CAPITAL OUTLAY								
Expenditure Detail								
Other Sources/Uses Detail					0.00	117,000.00		
Fund Reconciliation							0.00	0.00
18 SCHOOL BUS EMISSIONS REDUCTION FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
19 FOUNDATION SPECIAL REVENUE FUND								
Expenditure Detail	0.00	0.00	0.00	0.00				
Other Sources/Uses Detail						0.00		
Fund Reconciliation							0.00	0.00
20 SPECIAL RESERVE FUND FOR POSTEMPLOYMENT BENEFITS								
Expenditure Detail								
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
21 BUILDING FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
25 CAPITAL FACILITIES FUND								
Expenditure Detail	1,500.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
30 STATE SCHOOL BUILDING LEASE/PURCHASE FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
35 COUNTY SCHOOL FACILITIES FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
40 SPECIAL RESERVE FUND FOR CAPITAL OUTLAY PROJECTS								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
49 CAP PROJ FUND FOR BLENDED COMPONENT UNITS								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
51 BOND INTEREST AND REDEMPTION FUND								
Expenditure Detail								
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
52 DEBT SVC FUND FOR BLENDED COMPONENT UNITS								
Expenditure Detail								
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
53 TAX OVERRIDE FUND								
Expenditure Detail								
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
56 DEBT SERVICE FUND								
Expenditure Detail								
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
57 FOUNDATION PERMANENT FUND								
Expenditure Detail	0.00	0.00	0.00	0.00				
Other Sources/Uses Detail						0.00		
Fund Reconciliation							0.00	0.00
61 CAFETERIA ENTERPRISE FUND								
Expenditure Detail	0.00	0.00	0.00	0.00				
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00

July 1 Budget
2016-17 Estimated Actuals
SUMMARY OF INTERFUND ACTIVITIES
FOR ALL FUNDS

Description	Direct Costs - Interfund Transfers In 5750	Interfund Transfers Out 5750	Indirect Costs - Interfund Transfers In 7350	Interfund Transfers Out 7350	Interfund Transfers In 8900-8929	Interfund Transfers Out 7600-7629	Due From Other Funds 9310	Due To Other Funds 9610
62 CHARTER SCHOOLS ENTERPRISE FUND								
Expenditure Detail	0.00	0.00	0.00	0.00				
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
63 OTHER ENTERPRISE FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					174,139.71	0.00		
Fund Reconciliation							0.00	151,000.00
66 WAREHOUSE REVOLVING FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
67 SELF-INSURANCE FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation							0.00	0.00
71 RETIREE BENEFIT FUND								
Expenditure Detail								
Other Sources/Uses Detail					0.00			
Fund Reconciliation							0.00	0.00
73 FOUNDATION PRIVATE-PURPOSE TRUST FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00			
Fund Reconciliation							0.00	0.00
76 WARRANT/PASS-THROUGH FUND								
Expenditure Detail								
Other Sources/Uses Detail								
Fund Reconciliation							0.00	0.00
95 STUDENT BODY FUND								
Expenditure Detail								
Other Sources/Uses Detail								
Fund Reconciliation							0.00	0.00
TOTALS	1,788.00	(1,788.00)	4,498.00	(4,498.00)	577,891.47	577,891.46	709,000.00	709,000.00

July 1 Budget
2017-18 Budget
SUMMARY OF INTERFUND ACTIVITIES
FOR ALL FUNDS

Description	Direct Costs - Interfund Transfers In 5750	Interfund Transfers Out 5750	Indirect Costs - Interfund Transfers In 7350	Interfund Transfers Out 7350	Interfund Transfers In 8900-8929	Interfund Transfers Out 7600-7629	Due From Other Funds 9310	Due To Other Funds 9610
01 GENERAL FUND								
Expenditure Detail	1,800.00	0.00	0.00	0.00				
Other Sources/Uses Detail					0.00	213,946.40		
Fund Reconciliation								
09 CHARTER SCHOOLS SPECIAL REVENUE FUND								
Expenditure Detail	0.00	0.00	0.00	0.00				
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
10 SPECIAL EDUCATION PASS-THROUGH FUND								
Expenditure Detail								
Other Sources/Uses Detail								
Fund Reconciliation								
11 ADULT EDUCATION FUND								
Expenditure Detail	0.00	0.00	0.00	0.00				
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
12 CHILD DEVELOPMENT FUND								
Expenditure Detail	0.00	0.00	0.00	0.00				
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
13 CAFETERIA SPECIAL REVENUE FUND								
Expenditure Detail	0.00	(1,800.00)	0.00	0.00				
Other Sources/Uses Detail					143,946.40	0.00		
Fund Reconciliation								
14 DEFERRED MAINTENANCE FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					100,000.00	0.00		
Fund Reconciliation								
15 PUPIL TRANSPORTATION EQUIPMENT FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
17 SPECIAL RESERVE FUND FOR OTHER THAN CAPITAL OUTLAY								
Expenditure Detail								
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
18 SCHOOL BUS EMISSIONS REDUCTION FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
19 FOUNDATION SPECIAL REVENUE FUND								
Expenditure Detail	0.00	0.00	0.00	0.00				
Other Sources/Uses Detail						0.00		
Fund Reconciliation								
20 SPECIAL RESERVE FUND FOR POSTEMPLOYMENT BENEFITS								
Expenditure Detail								
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
21 BUILDING FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
25 CAPITAL FACILITIES FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
30 STATE SCHOOL BUILDING LEASE/PURCHASE FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
35 COUNTY SCHOOL FACILITIES FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
40 SPECIAL RESERVE FUND FOR CAPITAL OUTLAY PROJECTS								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
40 CAP PROJ FUND FOR BLENDED COMPONENT UNITS								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
51 BOND INTEREST AND REDEMPTION FUND								
Expenditure Detail								
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
52 DEBT SVC FUND FOR BLENDED COMPONENT UNITS								
Expenditure Detail								
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
53 TAX OVERRIDE FUND								
Expenditure Detail								
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
56 DEBT SERVICE FUND								
Expenditure Detail								
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
57 FOUNDATION PERMANENT FUND								
Expenditure Detail	0.00	0.00	0.00	0.00				
Other Sources/Uses Detail						0.00		
Fund Reconciliation								
61 CAFETERIA ENTERPRISE FUND								
Expenditure Detail	0.00	0.00	0.00	0.00				
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								

July 1 Budget
2017-18 Budget
SUMMARY OF INTERFUND ACTIVITIES
FOR ALL FUNDS

42 69148 0000000
Form S/AB

Description	Direct Costs - Interfund Transfers In 5750	Transfers Out 5750	Indirect Costs - Interfund Transfers In 7350	Transfers Out 7350	Interfund Transfers In 8900-8929	Interfund Transfers Out 7600-7629	Due From Other Funds 9310	Due To Other Funds 9610
62 CHARTER SCHOOLS ENTERPRISE FUND								
Expenditure Detail	0.00	0.00	0.00	0.00				
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
63 OTHER ENTERPRISE FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
66 WAREHOUSE REVOLVING FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
67 SELF-INSURANCE FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00	0.00		
Fund Reconciliation								
71 RETIREE BENEFIT FUND								
Expenditure Detail								
Other Sources/Uses Detail					0.00			
Fund Reconciliation								
73 FOUNDATION PRIVATE-PURPOSE TRUST FUND								
Expenditure Detail	0.00	0.00						
Other Sources/Uses Detail					0.00			
Fund Reconciliation								
76 WARRANT/PASS-THROUGH FUND								
Expenditure Detail								
Other Sources/Uses Detail								
Fund Reconciliation								
95 STUDENT BODY FUND								
Expenditure Detail								
Other Sources/Uses Detail								
Fund Reconciliation								
TOTALS	1,800.00	(1,800.00)	0.00	0.00	243,946.40	243,946.40		

Provide methodology and assumptions used to estimate ADA, enrollment, revenues, expenditures, reserves and fund balance, and multiyear commitments (including cost-of-living adjustments).

Deviations from the standards must be explained and may affect the approval of the budget.

CRITERIA AND STANDARDS

1. CRITERION: Average Daily Attendance

STANDARD: Funded average daily attendance (ADA) has not been overestimated in 1) the first prior fiscal year OR in 2) two or more of the previous three fiscal years by more than the following percentage levels:

Percentage Level	District ADA		
3.0%	0	to	300
2.0%	301	to	1,000
1.0%	1,001	and	over

District ADA (Form A, Estimated P-2 ADA column, lines A4 and C4):

District's ADA Standard Percentage Level:

1A. Calculating the District's ADA Variances

DATA ENTRY: For the Third, Second, and First Prior Years, enter Estimated Funded ADA in the Original Budget Funded ADA column; enter district regular ADA and charter school ADA corresponding to financial data reported in the General Fund, only, for the Third, Second, and First Prior Years. All other data are extracted.

*Please note for FY 2014-15 original budget: Line C4 in Form A reflects total charter school ADA corresponding to financial data reported in funds 01, 09, and 62. Please adjust charter school ADA or explain accordingly.

Fiscal Year	Original Budget Funded ADA (Form A, Lines A4 and C4)*	Estimated/Unaudited Actuals Funded ADA (Form A, Lines A4 and C4)	ADA Variance Level (If Budget is greater than Actuals, else N/A)	Status
Third Prior Year (2014-15)				
District Regular	2,164	2,181		
Charter School				
Total ADA	2,164	2,181	N/A	Met
Second Prior Year (2015-16)				
District Regular	2,166	2,160		
Charter School				
Total ADA	2,166	2,160	0.3%	Met
First Prior Year (2016-17)				
District Regular	2,148	2,147		
Charter School		0		
Total ADA	2,148	2,147	0.0%	Met
Budget Year (2017-18)				
District Regular	2,149			
Charter School	0			
Total ADA	2,149			

1B. Comparison of District ADA to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

1a. STANDARD MET - Funded ADA has not been overestimated by more than the standard percentage level for the first prior year.

Explanation:
(required if NOT met)

1b. STANDARD MET - Funded ADA has not been overestimated by more than the standard percentage level for two or more of the previous three years.

Explanation:
(required if NOT met)

2. CRITERION: Enrollment

STANDARD: Projected enrollment has not been overestimated in 1) the first prior fiscal year OR in 2) two or more of the previous three fiscal years by more than the following percentage levels:

Percentage Level	District ADA		
3.0%	0	to	300
2.0%	301	to	1,000
1.0%	1,001	and	over

District ADA (Form A, Estimated P-2 ADA column, lines A4 and C4):

District's Enrollment Standard Percentage Level:

2A. Calculating the District's Enrollment Variances

DATA ENTRY: Enter data in the Enrollment, Budget, column for all fiscal years and in the Enrollment, CBEDS Actual column for the First Prior Year; all other data are extracted or calculated. CBEDS Actual enrollment data preloaded in the District Regular lines will include both District Regular and Charter School enrollment. Districts will need to adjust the District Regular enrollment lines and the Charter School enrollment lines accordingly. Enter district regular enrollment and charter school enrollment corresponding to financial data reported in the General Fund, only, for all fiscal years.

Fiscal Year	Budget	Enrollment CBEDS Actual	Enrollment Variance Level (If Budget is greater than Actual, else N/A)	Status
Third Prior Year (2014-15)				
District Regular	2,285	2,286		
Charter School				
Total Enrollment	2,285	2,286	N/A	Met
Second Prior Year (2015-16)				
District Regular	2,280	2,273		
Charter School				
Total Enrollment	2,280	2,273	0.3%	Met
First Prior Year (2016-17)				
District Regular	2,261	2,261		
Charter School				
Total Enrollment	2,261	2,261	0.0%	Met
Budget Year (2017-18)				
District Regular	2,262			
Charter School				
Total Enrollment	2,262			

2B. Comparison of District Enrollment to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

1a. STANDARD MET - Enrollment has not been overestimated by more than the standard percentage level for the first prior year.

Explanation:
(required if NOT met)

1b. STANDARD MET - Enrollment has not been overestimated by more than the standard percentage level for two or more of the previous three years.

Explanation:
(required if NOT met)

3. CRITERION: ADA to Enrollment

STANDARD: Projected second period (P-2) average daily attendance (ADA) to enrollment ratio for any of the budget year or two subsequent fiscal years has not increased from the historical average ratio from the three prior fiscal years by more than one half of one percent (0.5%).

3A. Calculating the District's ADA to Enrollment Standard

DATA ENTRY: All data are extracted or calculated. Data should reflect district regular and charter school ADA/enrollment corresponding to financial data reported in the General Fund, only, for all fiscal years.

Fiscal Year	P-2 ADA Estimated/Unaudited Actuals (Form A, Lines A4 and C4)	Enrollment CBEDS Actual (Criterion 2, Item 2A)	Historical Ratio of ADA to Enrollment
Third Prior Year (2014-15)			
District Regular	2,180	2,286	
Charter School		0	
Total ADA/Enrollment	2,180	2,286	94.5%
Second Prior Year (2015-16)			
District Regular	2,148	2,273	
Charter School			
Total ADA/Enrollment	2,148	2,273	94.5%
First Prior Year (2016-17)			
District Regular	2,149	2,261	
Charter School	0		
Total ADA/Enrollment	2,149	2,261	95.0%
Historical Average Ratio:			94.7%

District's ADA to Enrollment Standard (historical average ratio plus 0.5%): **95.2%**

3B. Calculating the District's Projected Ratio of ADA to Enrollment

DATA ENTRY: Enter data in the Estimated P-2 ADA column for the two subsequent years. Enter data in the Enrollment column for the two subsequent years. Data should reflect district regular and charter school ADA/enrollment corresponding to financial data reported in the General Fund only, for all fiscal years. All other data are extracted or calculated.

Fiscal Year	Estimated P-2 ADA Budget (Form A, Lines A4 and C4)	Enrollment Budget/Projected (Criterion 2, Item 2A)	Ratio of ADA to Enrollment	Status
Budget Year (2017-18)				
District Regular	2,149	2,262		
Charter School	0			
Total ADA/Enrollment	2,149	2,262	95.0%	Met
1st Subsequent Year (2018-19)				
District Regular	2,149	2,262		
Charter School				
Total ADA/Enrollment	2,149	2,262	95.0%	Met
2nd Subsequent Year (2019-20)				
District Regular	2,149	2,262		
Charter School				
Total ADA/Enrollment	2,149	2,262	95.0%	Met

3C. Comparison of District ADA to Enrollment Ratio to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

1a. STANDARD MET - Projected P-2 ADA to enrollment ratio has not exceeded the standard for the budget and two subsequent fiscal years.

Explanation:
(required if NOT met)

4. CRITERION: LCFF Revenue

STANDARD: Projected local control funding formula (LCFF) revenue for any of the budget year or two subsequent fiscal years has not changed from the prior fiscal year by more than the change in population, plus the district's gap funding or cost-of-living adjustment (COLA)¹ and its economic recovery target payment, plus or minus one percent.

For basic aid districts, projected LCFF revenue has not changed from the prior fiscal year by more than the percent change in property tax revenues plus or minus one percent.

For districts funded by necessary small school formulas, projected LCFF revenue has not changed from the prior fiscal year amount by more than the district's gap funding or COLA¹ and its economic recovery target payment, plus or minus one percent.

¹Districts that are already at or above their LCFF target funding as described in Education Code Section 42238.03(d) receive no gap funding. These districts have a COLA applied to their LCFF target, but their year-over-year revenue increase might be less than the statutory COLA due to certain local factors and components of the funding formula.

4A. District's LCFF Revenue Standard

Indicate which standard applies:

LCFF Revenue

Basic Aid

Necessary Small School

The District must select which LCFF revenue standard applies.

LCFF Revenue Standard selected: Basic Aid

4A1. Calculating the District's LCFF Revenue Standard

DATA ENTRY: Enter LCFF Target amounts for the budget and two subsequent fiscal years.
Enter data in Step 1a for the two subsequent fiscal years. All other data is extracted or calculated.
Enter data for Steps 2a through 2d. All other data is calculated.

Projected LCFF Revenue

Has the District reached its LCFF target funding level?

No

If Yes, then COLA amount in Line 2b2 is used in Line 2e Total calculation.
If No, then Gap Funding in Line 2c is used in Line 2e Total calculation.

		Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)
LCFF Target (Reference Only)		21,062,115.00	21,449,185.00	21,947,511.00

	Prior Year (2016-17)	Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)
Step 1 - Change in Population				
a. ADA (Funded) (Form A, lines A6 and C4)	2,147.00	2,149.32	2,149.00	2,149.00
b. Prior Year ADA (Funded)		2,147.00	2,149.32	2,149.00
c. Difference (Step 1a minus Step 1b)		2.32	(0.32)	0.00
d. Percent Change Due to Population (Step 1c divided by Step 1b)		0.11%	-0.01%	0.00%

Step 2 - Change in Funding Level				
a. Prior Year LCFF Funding				
b1. COLA percentage (if district is at target)	Not Applicable			
b2. COLA amount (proxy for purposes of this criterion)	Not Applicable	0.00	0.00	0.00
c. Gap Funding (if district is not at target)		579,765.00	812,418.00	604,017.00
d. Economic Recovery Target Funding (current year increment)				
e. Total (Lines 2b2 or 2c, as applicable, plus Line 2d)		579,765.00	812,418.00	604,017.00
f. Percent Change Due to Funding Level (Step 2e divided by Step 2a)		0.00%	0.00%	0.00%

Step 3 - Total Change in Population and Funding Level (Step 1d plus Step 2f)		0.11%	-0.01%	0.00%
LCFF Revenue Standard (Step 3, plus/minus 1%):		N/A	N/A	N/A

4A2. Alternate LCFF Revenue Standard - Basic Aid

DATA ENTRY: If applicable to your district, input data in the 1st and 2nd Subsequent Year columns for projected local property taxes; all other data are extracted or calculated.

Basic Aid District Projected LCFF Revenue

	Prior Year (2016-17)	Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)
Projected Local Property Taxes (Form 01, Objects 8021 - 8069)	20,265,665.00	21,282,647.00	22,313,119.00	23,396,145.00
Percent Change from Previous Year		5.02%	4.84%	4.85%
Basic Aid Standard (percent change from previous year, plus/minus 1%):		4.02% to 6.02%	3.84% to 5.84%	3.85% to 5.85%

4A3. Alternate LCFF Revenue Standard - Necessary Small School

DATA ENTRY: All data are extracted or calculated.

Necessary Small School District Projected LCFF Revenue

	Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)
Necessary Small School Standard (Gap Funding or COLA, plus Economic Recovery Target Payment, Step 2f plus/minus 1%):	N/A	N/A	N/A

4B. Calculating the District's Projected Change in LCFF Revenue

DATA ENTRY: Enter data in the 1st and 2nd Subsequent Year columns for LCFF Revenue; all other data are extracted or calculated.

	Prior Year (2016-17)	Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)
LCFF Revenue (Fund 01, Objects 8011, 8012, 8020-8089)	21,905,116.00	22,922,100.00	23,952,572.00	25,035,598.00
District's Projected Change in LCFF Revenue:		4.64%	4.50%	4.52%
Basic Aid Standard:		4.02% to 6.02%	3.84% to 5.84%	3.85% to 5.85%
Status:		Not Met	Not Met	Not Met

4C. Comparison of District LCFF Revenue to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

- 1a. STANDARD NOT MET - Projected change in LCFF revenue is outside the standard in one or more of the budget or two subsequent fiscal years. Provide reasons why the projection(s) exceed the standard(s) and a description of the methods and assumptions used in projecting LCFF revenue.

Explanation:
(required if NOT met)

CUSD is a basic aid district. Projected property tax revenue is within the basic aid standard.

5. CRITERION: Salaries and Benefits

STANDARD: Projected ratio of total unrestricted salaries and benefits to total unrestricted general fund expenditures for any of the budget year or two subsequent fiscal years has not changed from the historical average ratio from the three prior fiscal years by more than the greater of three percent or the district's required reserves percentage.

5A. Calculating the District's Historical Average Ratio of Unrestricted Salaries and Benefits to Total Unrestricted General Fund Expenditures

DATA ENTRY: All data are extracted or calculated.

Fiscal Year	Estimated/Unaudited Actuals - Unrestricted (Resources 0000-1999)		Ratio of Unrestricted Salaries and Benefits to Total Unrestricted Expenditures
	Salaries and Benefits (Form 01, Objects 1000-3999)	Total Expenditures (Form 01, Objects 1000-7499)	
Third Prior Year (2014-15)	16,210,931.50	18,611,552.66	87.1%
Second Prior Year (2015-16)	16,890,027.42	19,808,146.53	85.3%
First Prior Year (2016-17)	17,290,889.11	19,834,649.14	87.2%
	Historical Average Ratio:		86.5%

	Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)
District's Reserve Standard Percentage (Criterion 10B, Line 4):	3.0%	3.0%	3.0%
District's Salaries and Benefits Standard (historical average ratio, plus/minus the greater of 3% or the district's reserve standard percentage):	83.5% to 89.5%	83.5% to 89.5%	83.5% to 89.5%

5B. Calculating the District's Projected Ratio of Unrestricted Salaries and Benefits to Total Unrestricted General Fund Expenditures

DATA ENTRY: If Form MYP exists, Unrestricted Salaries and Benefits, and Total Unrestricted Expenditures data for the 1st and 2nd Subsequent Years will be extracted; if not, enter data for the two subsequent years. All other data are extracted or calculated.

Fiscal Year	Budget - Unrestricted (Resources 0000-1999)		Ratio of Unrestricted Salaries and Benefits to Total Unrestricted Expenditures	Status
	Salaries and Benefits (Form 01, Objects 1000-3999) (Form MYP, Lines B1-B3)	Total Expenditures (Form 01, Objects 1000-7499) (Form MYP, Lines B1-B8, B10)		
Budget Year (2017-18)	18,197,006.91	20,962,168.37	86.8%	Met
1st Subsequent Year (2018-19)	18,864,531.25	21,769,713.25	86.7%	Met
2nd Subsequent Year (2019-20)	19,654,489.25	22,706,671.25	86.6%	Met

5C. Comparison of District Salaries and Benefits Ratio to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

- 1a. STANDARD MET - Ratio of total unrestricted salaries and benefits to total unrestricted expenditures has met the standard for the budget and two subsequent fiscal years.

Explanation:
(required if NOT met)

6. CRITERION: Other Revenues and Expenditures

STANDARD: Projected operating revenues (including federal, other state, and other local) or expenditures (including books and supplies, and services and other operating), for any of the budget year or two subsequent fiscal years, have not changed from the prior fiscal year amount by more than the percentage change in population and the funded cost-of-living adjustment (COLA) plus or minus ten percent.

For each major object category, changes that exceed the percentage change in population and the funded COLA plus or minus five percent must be explained.

6A. Calculating the District's Other Revenues and Expenditures Standard Percentage Ranges

DATA ENTRY: All data are extracted or calculated.

	Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)
1. District's Change in Population and Funding Level (Criterion 4A1, Step 3):	0.11%	-0.01%	0.00%
2. District's Other Revenues and Expenditures Standard Percentage Range (Line 1, plus/minus 10%):	-9.89% to 10.11%	-10.01% to 9.99%	-10.00% to 10.00%
3. District's Other Revenues and Expenditures Explanation Percentage Range (Line 1, plus/minus 5%):	-4.89% to 5.11%	-5.01% to 4.99%	-5.00% to 5.00%

6B. Calculating the District's Change by Major Object Category and Comparison to the Explanation Percentage Range (Section 6A, Line 3)

DATA ENTRY: If Form MYP exists, the 1st and 2nd Subsequent Year data for each revenue and expenditure section will be extracted; if not, enter data for the two subsequent years. All other data are extracted or calculated.

Explanations must be entered for each category if the percent change for any year exceeds the district's explanation percentage range.

Object Range / Fiscal Year	Amount	Percent Change Over Previous Year	Change Is Outside Explanation Range
Federal Revenue (Fund 01, Objects 8100-8299) (Form MYP, Line A2)			
First Prior Year (2016-17)	1,148,147.10		
Budget Year (2017-18)	1,142,768.00	-0.47%	No
1st Subsequent Year (2018-19)	1,142,768.00	0.00%	No
2nd Subsequent Year (2019-20)	1,142,768.00	0.00%	No

Explanation:
(required if Yes)

Other State Revenue (Fund 01, Objects 8300-8599) (Form MYP, Line A3)			
First Prior Year (2016-17)	2,060,365.02		
Budget Year (2017-18)	1,798,629.86	-12.70%	Yes
1st Subsequent Year (2018-19)	1,798,630.00	0.00%	No
2nd Subsequent Year (2019-20)	1,798,630.00	0.00%	No

Explanation:
(required if Yes)

2016-17 includes one time revenue which has been removed in 2017-18.

Other Local Revenue (Fund 01, Objects 8600-8799) (Form MYP, Line A4)			
First Prior Year (2016-17)	792,744.21		
Budget Year (2017-18)	525,866.72	-33.67%	Yes
1st Subsequent Year (2018-19)	525,867.00	0.00%	No
2nd Subsequent Year (2019-20)	525,867.00	0.00%	No

Explanation:
(required if Yes)

Reduction in local revenue due to the Carpinteria Children's Project leaving district and becoming a non profit.

Books and Supplies (Fund 01, Objects 4000-4999) (Form MYP, Line B4)			
First Prior Year (2016-17)	1,502,915.77		
Budget Year (2017-18)	1,102,163.29	-26.66%	Yes
1st Subsequent Year (2018-19)	1,102,164.00	0.00%	No
2nd Subsequent Year (2019-20)	1,102,164.00	0.00%	No

Explanation:
(required if Yes)

2017-18 budgets have been aligned to actual spending categories and have also been reduced by the one time dollars in 2016-17. Restricted lottery balances have been spent in 2016-17.

Services and Other Operating Expenditures (Fund 01, Objects 5000-5999) (Form MYP, Line B5)

First Prior Year (2016-17)	2,247,945.54		
Budget Year (2017-18)	2,580,760.91	14.81%	Yes
1st Subsequent Year (2018-19)	2,720,761.00	5.42%	Yes
2nd Subsequent Year (2019-20)	2,567,761.00	5.40%	Yes

Explanation:
(required if Yes)

Budgets have been aligned to actual spending categories and operating expenses increased for utilities and P&L insurance. Contracts have been adjusted to reflect 2017-18 obligations.

6C. Calculating the District's Change in Total Operating Revenues and Expenditures (Section 6A, Line 2)

DATA ENTRY: All data are extracted or calculated.

Object Range / Fiscal Year	Amount	Percent Change Over Previous Year	Status
Total Federal, Other State, and Other Local Revenue (Criterion 6B)			
First Prior Year (2016-17)	4,001,256.33		
Budget Year (2017-18)	3,467,264.58	-13.35%	Not Met
1st Subsequent Year (2018-19)	3,467,265.00	0.00%	Met
2nd Subsequent Year (2019-20)	3,467,265.00	0.00%	Met
Total Books and Supplies, and Services and Other Operating Expenditures (Criterion 6B)			
First Prior Year (2016-17)	3,750,861.31		
Budget Year (2017-18)	3,682,924.20	-1.81%	Met
1st Subsequent Year (2018-19)	3,822,925.00	3.80%	Met
2nd Subsequent Year (2019-20)	3,969,925.00	3.85%	Met

6D. Comparison of District Total Operating Revenues and Expenditures to the Standard Percentage Range

DATA ENTRY: Explanations are linked from Section 6B if the status in Section 6C is not met; no entry is allowed below.

- 1a. STANDARD NOT MET - Projected total operating revenues have changed by more than the standard in one or more of the budget or two subsequent fiscal years. Reasons for the projected change, descriptions of the methods and assumptions used in the projections, and what changes, if any, will be made to bring the projected operating revenues within the standard must be entered in Section 6A above and will also display in the explanation box below.

Explanation:
Federal Revenue
(linked from 6B
if NOT met)

Explanation:
Other State Revenue
(linked from 6B
if NOT met)

2016-17 includes one time revenue which has been removed in 2017-18.

Explanation:
Other Local Revenue
(linked from 6B
if NOT met)

Reduction in local revenue due to the Carpinteria Children's Project leaving district and becoming a non profit.

- 1b. STANDARD MET - Projected total operating expenditures have not changed by more than the standard for the budget and two subsequent fiscal years.

Explanation:
Books and Supplies
(linked from 6B
if NOT met)

Explanation:
Services and Other Exps
(linked from 6B
if NOT met)

7. CRITERION: Facilities Maintenance

STANDARD: Confirm that the annual contribution for facilities maintenance funding is not less than the amount required pursuant to Education Code Section 17070.75, if applicable, and that the district is providing adequately to preserve the functionality of its facilities for their normal life in accordance with Education Code sections 52060(d)(1) and 17002(d)(1).

Determining the District's Compliance with the Contribution Requirement for EC Section 17070.75 as amended by AB 104 (Chapter 13, Statutes of 2015), effective 2017-18 to 2019-20 - Ongoing and Major Maintenance/Restricted Maintenance Account (OMMA/RMA)

NOTE: AB 104 (Chapter 13, Statutes of 2015) requires the district to deposit into the account, for the 2017-18 to 2019-20 fiscal years, a minimum amount that is the greater of the following amounts:

- A. The lesser of three percent of the total general fund expenditures and other financing uses for that fiscal year or the amount that the district deposited into the account for the 2014-15 fiscal year; or
- B. Two percent of the total general fund expenditures and other financing uses for that fiscal year.

DATA ENTRY: Click the appropriate Yes or No button for special education local plan area (SELPA) administrative units (AUs); all other data are extracted or calculated. If standard is not met, enter an X in the appropriate box and enter an explanation, if applicable.

- 1. a. For districts that are the AU of a SELPA, do you choose to exclude revenues that are passed through to participating members of the SELPA from the OMMA/RMA required minimum contribution calculation? No
- b. Pass-through revenues and apportionments that may be excluded from the OMMA/RMA calculation per EC Section 17070.75(b)(2)(D) (Fund 10, resources 3300-3499 and 6500-6540, objects 7211-7213 and 7221-7223) 0.00

2. Ongoing and Major Maintenance/Restricted Maintenance Account

a. Budgeted Expenditures and Other Financing Uses (Form 01, objects 1000-7999)	27,713,905.62	3% of Total Current Year General Fund Expenditures and Other Financing Uses (Line 2c times 3%)		
b. Plus: Pass-through Revenues and Apportionments (Line 1b, if line 1a is No)	0.00			
c. Net Budgeted Expenditures and Other Financing Uses	27,713,905.62	831,417.17	Amount Deposited ¹ for 2014-15 Fiscal Year 774,752.79	Lesser of: 3% or 2014-15 amount 774,752.79
d. Required Minimum Contribution			2% of Total Current Year General Fund Expenditures and Other Financing Uses (Line 2c times 2%)	Required Minimum Contribution/ Greater of: Lesser of 3% or 2014-15 amount or 2%
			554,278.11	774,752.79
			Budgeted Contribution ¹ to the Ongoing and Major Maintenance Account	Status
e. OMMA/RMA Contribution			763,195.60	Not Met

¹ Fund 01, Resource 8150, Objects 8900-8999

If standard is not met, enter an X in the box that best describes why the minimum required contribution was not made:

	Not applicable (district does not participate in the Leroy F. Greene School Facilities Act of 1998)
	Exempt (due to district's small size [EC Section 17070.75 (b)(2)(E)])
x	Other (explanation must be provided)

Explanation:
(required if NOT met
and Other is marked)

RRMA will be adjusted at year end close and at the next budget revision.

8. CRITERION: Deficit Spending

STANDARD: Unrestricted deficit spending (total unrestricted expenditures and other financing uses is greater than total unrestricted revenues and other financing sources) as a percentage of total unrestricted expenditures and other financing uses, has not exceeded one-third of the district's available reserves¹ as a percentage of total expenditures and other financing uses² in two out of three prior fiscal years.

8A. Calculating the District's Deficit Spending Standard Percentage Levels

DATA ENTRY: All data are extracted or calculated.

	Third Prior Year (2014-15)	Second Prior Year (2015-16)	First Prior Year (2016-17)
1. District's Available Reserve Amounts (resources 0000-1999)			
a. Reserve for Economic Uncertainties (Funds 01 and 17, Object 9789)	0.00	793,189.00	799,327.00
b. Unassigned/Unappropriated (Funds 01 and 17, Object 9790)	2,251,687.53	1,766,892.38	2,367,220.75
c. Negative General Fund Ending Balances in Restricted Resources (Fund 01, Object 9792, if negative, for each of resources 2000-9999)	0.00	0.00	0.00
d. Available Reserves (Lines 1a through 1c)	2,251,687.53	2,560,081.38	3,166,547.75
2. Expenditures and Other Financing Uses			
a. District's Total Expenditures and Other Financing Uses (Fund 01, objects 1000-7999)	25,305,633.01	27,114,801.53	26,644,220.49
b. Plus: Special Education Pass-through Funds (Fund 10, resources 3300-3499 and 6500-6540, objects 7211-7213 and 7221-7223)			0.00
c. Total Expenditures and Other Financing Uses (Line 2a plus Line 2b)	25,305,633.01	27,114,801.53	26,644,220.49
3. District's Available Reserve Percentage (Line 1d divided by Line 2c)	8.9%	9.4%	11.9%
District's Deficit Spending Standard Percentage Levels (Line 3 times 1/3):	3.0%	3.1%	4.0%

¹Available reserves are the unrestricted amounts in the Reserve for Economic Uncertainties and the Unassigned/Unappropriated accounts in the General Fund and the Special Reserve Fund for Other Than Capital Outlay Projects. Available reserves will be reduced by any negative ending balances in restricted resources in the General Fund.

²A school district that is the Administrative Unit of a Special Education Local Plan Area (SELPA) may exclude from its expenditures the distribution of funds to its participating members.

8B. Calculating the District's Deficit Spending Percentages

DATA ENTRY: All data are extracted or calculated.

Fiscal Year	Net Change in Unrestricted Fund Balance (Form 01, Section E)	Total Unrestricted Expenditures and Other Financing Uses (Form 01, Objects 1000-7999)	Deficit Spending Level (If Net Change in Unrestricted Fund Balance is negative, else N/A)	Status
Third Prior Year (2014-15)	(944,661.20)	18,848,967.27	5.0%	Not Met
Second Prior Year (2015-16)	284,039.09	20,005,105.96	N/A	Met
First Prior Year (2016-17)	204,451.84	20,020,900.90	N/A	Met
Budget Year (2017-18) (Information only)	(879,201.04)	21,106,134.77		

8C. Comparison of District Deficit Spending to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

- 1a. STANDARD MET - Unrestricted deficit spending, if any, has not exceeded the standard percentage level in two or more of the three prior years.

Explanation:
(required if NOT met)

Due to loss of one time dollars and obligated salary agreement CUSD faces on-going budget reductions beginning 2017-18 and continuing to and through a balanced budget.

9. CRITERION: Fund Balance

STANDARD: Budgeted beginning unrestricted general fund balance has not been overestimated for two out of three prior fiscal years by more than the following percentage levels:

Percentage Level ¹	District ADA	
1.7%	0	to 300
1.3%	301	to 1,000
1.0%	1,001	to 30,000
0.7%	30,001	to 400,000
0.3%	400,001	and over

¹ Percentage levels equate to a rate of deficit spending which would eliminate recommended reserves for economic uncertainties over a three year period.

District Estimated P-2 ADA (Form A, Lines A6 and C4):

District's Fund Balance Standard Percentage Level:

9A. Calculating the District's Unrestricted General Fund Beginning Balance Percentages

DATA ENTRY: Enter data in the Original Budget column for the First, Second, and Third Prior Years; all other data are extracted or calculated.

Fiscal Year	Unrestricted General Fund Beginning Balance ² (Form 01, Line F1e, Unrestricted Column)		Beginning Fund Balance Variance Level (If overestimated, else N/A)	Status
	Original Budget	Estimated/Unaudited Actuals		
Third Prior Year (2014-15)	3,670,961.67	3,670,961.97	N/A	Met
Second Prior Year (2015-16)	2,726,300.77	2,726,300.77	0.0%	Met
First Prior Year (2016-17)	3,010,340.00	3,010,339.66	0.0%	Met
Budget Year (2017-18) (Information only)	3,214,791.70			

² Adjusted beginning balance, including audit adjustments and other restatements (objects 9791-9795)

9B. Comparison of District Unrestricted Beginning Fund Balance to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

- 1a. **STANDARD MET** - Unrestricted general fund beginning fund balance has not been overestimated by more than the standard percentage level for two or more of the previous three years.

Explanation:
(required if NOT met)

10. CRITERION: Reserves

STANDARD: Available reserves¹ for any of the budget year or two subsequent fiscal years are not less than the following percentages or amounts² as applied to total expenditures and other financing uses³:

DATA ENTRY: Budget Year data are extracted. If Form MYP exists, 1st and 2nd Subsequent Year data will be extracted. If not, enter district regular ADA and charter school ADA corresponding to financial data reported in the General Fund, only, for the two subsequent years.

Percentage Level	District ADA	
5% or \$66,000 (greater of)	0	to 300
4% or \$66,000 (greater of)	301	to 1,000
3%	1,001	to 30,000
2%	30,001	to 400,000
1%	400,001	and over

¹ Available reserves are the unrestricted amounts in the Reserve for Economic Uncertainties and the Unassigned/Unappropriated accounts in the General Fund and the Special Reserve Fund for Other Than Capital Outlay Projects. Available reserves will be reduced by any negative ending balances in restricted resources in the General Fund.

² Dollar amounts to be adjusted annually by the prior year statutory cost-of-living adjustment (Education Code Section 42238), rounded to the nearest thousand.

³ A school district that is the Administrative Unit (AU) of a Special Education Local Plan Area (SELPA) may exclude from its expenditures the distribution of funds to its participating members.

	Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)
District Estimated P-2 ADA (Budget Year, Form A, Lines A4 and C4; Subsequent Years, Form MYP, Line F2, if available.)	2,149	2,149	2,149
District's Reserve Standard Percentage Level:	3%	3%	3%

10A. Calculating the District's Special Education Pass-through Exclusions (only for districts that serve as the AU of a SELPA)

DATA ENTRY: For SELPA AUs, if Form MYP exists, all data will be extracted including the Yes/No button selection. If not, click the appropriate Yes or No button for item 1 and, if Yes, enter data for item 2a and for the two subsequent years in item 2b; Budget Year data are extracted.

For districts that serve as the AU of a SELPA (Form MYP, Lines F1a, F1b1, and F1b2):

- Do you choose to exclude from the reserve calculation the pass-through funds distributed to SELPA members?
- If you are the SELPA AU and are excluding special education pass-through funds:

No

- Enter the name(s) of the SELPA(s):

- Special Education Pass-through Funds
(Fund 10, resources 3300-3499 and 6500-6540,
objects 7211-7213 and 7221-7223)

Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)
0.00	0.00	0.00

10B. Calculating the District's Reserve Standard

DATA ENTRY: If Form MYP exists, 1st and 2nd Subsequent Year data for lines 1 and 2 will be extracted; if not, enter data for the two subsequent years. All other data are extracted or calculated.

	Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)
1. Expenditures and Other Financing Uses (Fund 01, objects 1000-7999) (Form MYP, Line B11)	27,713,905.62	28,521,431.79	29,458,389.79
2. Plus: Special Education Pass-through (Criterion 10A, Line 2b, if Criterion 10A, Line 1 is No)	0.00	0.00	0.00
3. Total Expenditures and Other Financing Uses (Line B1 plus Line B2)	27,713,905.62	28,521,431.79	29,458,389.79
4. Reserve Standard Percentage Level	3%	3%	3%
5. Reserve Standard - by Percent (Line B3 times Line B4)	831,417.17	855,642.95	883,751.69
6. Reserve Standard - by Amount (\$66,000 for districts with 0 to 1,000 ADA, else 0)	0.00	0.00	0.00
7. District's Reserve Standard (Greater of Line B5 or Line B6)	831,417.17	855,642.95	883,751.69

10C. Calculating the District's Budgeted Reserve Amount

DATA ENTRY: If Form MYP exists, 1st and 2nd Subsequent Year data for lines 1 through 7 will be extracted; if not, enter data for the two subsequent years.
All other data are extracted or calculated.

Reserve Amounts

(Unrestricted resources 0000-1999 except Line 4):

1. General Fund - Stabilization Arrangements
(Fund 01, Object 9750) (Form MYP, Line E1a)
2. General Fund - Reserve for Economic Uncertainties
(Fund 01, Object 9789) (Form MYP, Line E1b)
3. General Fund - Unassigned/Unappropriated Amount
(Fund 01, Object 9790) (Form MYP, Line E1c)
4. General Fund - Negative Ending Balances in Restricted Resources
(Fund 01, Object 979Z, if negative, for each of resources 2000-9999)
(Form MYP, Line E1d)
5. Special Reserve Fund - Stabilization Arrangements
(Fund 17, Object 9750) (Form MYP, Line E2a)
6. Special Reserve Fund - Reserve for Economic Uncertainties
(Fund 17, Object 9789) (Form MYP, Line E2b)
7. Special Reserve Fund - Unassigned/Unappropriated Amount
(Fund 17, Object 9790) (Form MYP, Line E2c)
8. District's Budgeted Reserve Amount
(Lines C1 thru C7)
9. District's Budgeted Reserve Percentage (Information only)
(Line 8 divided by Section 10B, Line 3)

Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)
0.00		
831,417.00	855,643.00	883,752.00
1,455,929.66	725,448.41	87,152.16
(5,400.00)	0.00	0.00
0.00		
0.00		
0.00		
2,281,946.66	1,581,091.41	970,904.16
8.23%	5.54%	3.30%
District's Reserve Standard (Section 10B, Line 7):		
831,417.17	855,642.95	883,751.69
Status: Met	Met	Met

10D. Comparison of District Reserve Amount to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

- 1a. STANDARD MET - Projected available reserves have met the standard for the budget and two subsequent fiscal years.

Explanation:
(required if NOT met)

SUPPLEMENTAL INFORMATION

DATA ENTRY: Click the appropriate Yes or No button for items S1 through S4. Enter an explanation for each Yes answer.

S1. Contingent Liabilities

- 1a. Does your district have any known or contingent liabilities (e.g., financial or program audits, litigation, state compliance reviews) that may impact the budget?

No

- 1b. If Yes, identify the liabilities and how they may impact the budget:

S2. Use of One-time Revenues for Ongoing Expenditures

- 1a. Does your district have ongoing general fund expenditures in the budget in excess of one percent of the total general fund expenditures that are funded with one-time resources?

No

- 1b. If Yes, identify the expenditures and explain how the one-time resources will be replaced to continue funding the ongoing expenditures in the following fiscal years:

S3. Use of Ongoing Revenues for One-time Expenditures

- 1a. Does your district have large non-recurring general fund expenditures that are funded with ongoing general fund revenues?

No

- 1b. If Yes, identify the expenditures:

S4. Contingent Revenues

- 1a. Does your district have projected revenues for the budget year or either of the two subsequent fiscal years contingent on reauthorization by the local government, special legislation, or other definitive act (e.g., parcel taxes, forest reserves)?

No

- 1b. If Yes, identify any of these revenues that are dedicated for ongoing expenses and explain how the revenues will be replaced or expenditures reduced:

S5. Contributions

Identify projected contributions from unrestricted resources in the general fund to restricted resources in the general fund for the budget year and two subsequent fiscal years. Provide an explanation if contributions have changed from the prior fiscal year amounts by more than \$20,000 and more than ten percent. Explanation should include whether contributions are ongoing or one-time in nature.

Identify projected transfers to or from the general fund to cover operating deficits in either the general fund or any other fund for the budget year and two subsequent fiscal years. Provide an explanation if transfers have changed from the prior fiscal year amounts by more than \$20,000 and more than ten percent. Explanation should include whether transfers are ongoing or one-time in nature.

Estimate the impact of any capital projects on the general fund operational budget.

District's Contributions and Transfers Standard: -10.0% to +10.0%
or -\$20,000 to +\$20,000

S5A. Identification of the District's Projected Contributions, Transfers, and Capital Projects that may Impact the General Fund

DATA ENTRY: For Contributions, enter data in the Projection column for the 1st and 2nd Subsequent Years. Contributions for the First Prior Year and Budget Year will be extracted. For Transfers In and Transfers Out, enter data in the First Prior Year. If Form MYP exists, the data will be extracted for the Budget Year, and 1st and 2nd Subsequent Years. If Form MYP does not exist, enter data in the Budget Year, 1st and 2nd subsequent Years. Click the appropriate button for item 1d; all other data will be calculated.

Description / Fiscal Year	Projection	Amount of Change	Percent Change	Status
1a. Contributions, Unrestricted General Fund (Fund 01, Resources 0000-1999, Object 8980)				
First Prior Year (2016-17)	(3,029,992.26)			
Budget Year (2017-18)	(3,497,744.27)	467,752.01	15.4%	Not Met
1st Subsequent Year (2018-19)	(3,547,745.00)	50,000.73	1.4%	Met
2nd Subsequent Year (2019-20)	(3,597,745.00)	50,000.00	1.4%	Met
1b. Transfers In, General Fund *				
First Prior Year (2016-17)	117,000.00			
Budget Year (2017-18)	0.00	(117,000.00)	-100.0%	Not Met
1st Subsequent Year (2018-19)	0.00	0.00	0.0%	Met
2nd Subsequent Year (2019-20)	0.00	0.00	0.0%	Met
1c. Transfers Out, General Fund *				
First Prior Year (2016-17)	460,891.00			
Budget Year (2017-18)	243,946.40	(216,944.60)	-47.1%	Not Met
1st Subsequent Year (2018-19)	243,947.00	0.60	0.0%	Met
2nd Subsequent Year (2019-20)	243,947.00	0.00	0.0%	Met

1d. Impact of Capital Projects

Do you have any capital projects that may impact the general fund operational budget?

No

* Include transfers used to cover operating deficits in either the general fund or any other fund.

S5B. Status of the District's Projected Contributions, Transfers, and Capital Projects

DATA ENTRY: Enter an explanation if Not Met for items 1a-1c or if Yes for item 1d.

- 1a. NOT MET - The projected contributions from the unrestricted general fund to restricted general fund programs have changed by more than the standard for one or more of the budget or subsequent two fiscal years. Identify restricted programs and amount of contribution for each program and whether contributions are ongoing or one-time in nature. Explain the district's plan, with timeframes, for reducing or eliminating the contribution.

Explanation:
(required if NOT met)

Obligated salary agreements and the take back of Special Education Preschool increases contribution to Special Ed in 2017-18 and evens out moving forward.

- 1b. NOT MET - The projected transfers in to the general fund have changed by more than the standard for one or more of the budget or subsequent two fiscal years. Identify the amount(s) transferred, by fund, and whether transfers are ongoing or one-time in nature. If ongoing, explain the district's plan, with timelines, for reducing or eliminating the transfers.

Explanation:
(required if NOT met)

Transfer from Fund 17 for fiscal year 2016-17.

- 1c. NOT MET - The projected transfers out of the general fund have changed by more than the standard for one or more of the budget or subsequent two fiscal years. Identify the amount(s) transferred, by fund, and whether transfers are ongoing or one-time in nature. If ongoing, explain the district's plan, with timeframes, for reducing or eliminating the transfers.

Explanation:
(required if NOT met)

Reduction in transfers due to Carpinteria Children's Project and Fund 63 Enterprise Fund leaving district. Also reduction in Cafeteria transfers from General Fund.

- 1d. NO - There are no capital projects that may impact the general fund operational budget.

Project Information:
(required if YES)

S6. Long-term Commitments

Identify all existing and new multiyear commitments¹ and their annual required payments for the budget year and two subsequent fiscal years.

Explain how any increase in annual payments will be funded. Also explain how any decrease to funding sources used to pay long-term commitments will be replaced.

¹ Include multiyear commitments, multiyear debt agreements, and new programs or contracts that result in long-term obligations.

S6A. Identification of the District's Long-term Commitments

DATA ENTRY: Click the appropriate button in item 1 and enter data in all columns of item 2 for applicable long-term commitments; there are no extractions in this section.

1. Does your district have long-term (multiyear) commitments?
(If No, skip item 2 and Sections S6B and S6C)

Yes

2. If Yes to item 1, list all new and existing multiyear commitments and required annual debt service amounts. Do not include long-term commitments for postemployment benefits other than pensions (OPEB); OPEB is disclosed in item S7A.

Type of Commitment	# of Years Remaining	SACS Fund and Object Codes Used For:		Principal Balance as of July 1, 2017
		Funding Sources (Revenues)	Debt Service (Expenditures)	
Capital Leases	5		01-0000-0-0000-9100-7438/7439-000-2000-0000	233,237
Certificates of Participation				
General Obligation Bonds	10	51-0000-0-0000-0000-8611-000-0000-0000	51-0000-0-0000-9100-7433-000-0000-0000	665,000
Supp Early Retirement Program				
State School Building Loans				
Compensated Absences				
Other Long-term Commitments (do not include OPEB):				
Measure U Bonds	23	55-0000-0-0000-0000-8611-000-0000-0000	55-0000-0-0000-9100-7434-000-0000-0000	2,655,000
TOTAL:				3,553,237

Type of Commitment (continued)	Prior Year (2016-17) Annual Payment (P & I)	Budget Year (2017-18) Annual Payment (P & I)	1st Subsequent Year (2018-19) Annual Payment (P & I)	2nd Subsequent Year (2019-20) Annual Payment (P & I)
Capital Leases		50,395	50,395	50,395
Certificates of Participation				
General Obligation Bonds	1,103,600	1,107,600	1,110,400	1,103,500
Supp Early Retirement Program				
State School Building Loans				
Compensated Absences	317,035	317,035	317,035	317,035
Other Long-term Commitments (continued):				
Measure U Bonds	3,149,615	3,051,050	614,650	638,250
Total Annual Payments:	4,570,250	4,526,080	2,092,480	2,109,180
Has total annual payment increased over prior year (2016-17)?		No	No	No

S6B. Comparison of the District's Annual Payments to Prior Year Annual Payment

DATA ENTRY: Enter an explanation if Yes.

- 1a. No - Annual payments for long-term commitments have not increased in one or more of the budget and two subsequent fiscal years.

Explanation:
(required if Yes
to increase in total
annual payments)

--

S6C. Identification of Decreases to Funding Sources Used to Pay Long-term Commitments

DATA ENTRY: Click the appropriate Yes or No button in item 1; if Yes, an explanation is required in item 2.

1. Will funding sources used to pay long-term commitments decrease or expire prior to the end of the commitment period, or are they one-time sources?

No

2.

No - Funding sources will not decrease or expire prior to the end of the commitment period, and one-time funds are not being used for long-term commitment annual payments.

Explanation:
(required if Yes)

--

S7. Unfunded Liabilities

Estimate the unfunded liability for postemployment benefits other than pensions (OPEB) based on an actuarial valuation, if required, or other method; identify or estimate the annual required contribution; and indicate how the obligation is funded (pay-as-you-go, amortized over a specific period, etc.).

Estimate the unfunded liability for self-insurance programs such as workers' compensation based on an actuarial valuation, if required, or other method; identify or estimate the required contribution; and indicate how the obligation is funded (level of risk retained, funding approach, etc.).

S7A. Identification of the District's Estimated Unfunded Liability for Postemployment Benefits Other than Pensions (OPEB)

DATA ENTRY: Click the appropriate button in item 1 and enter data in all other applicable items; there are no extractions in this section except the budget year data on line 5b.

1. Does your district provide postemployment benefits other than pensions (OPEB)? (If No, skip items 2-5)

Yes

2. For the district's OPEB:
a. Are they lifetime benefits?

No

- b. Do benefits continue past age 65?

No

- c. Describe any other characteristics of the district's OPEB program including eligibility criteria and amounts, if any, that retirees are required to contribute toward their own benefits:

District is obligated to pay health insurance premium amount as of date of retirement. Increases in subsequent years will be paid by retirees.

3. a. Are OPEB financed on a pay-as-you-go, actuarial cost, or other method?

Pay-as-you-go

- b. Indicate any accumulated amounts earmarked for OPEB in a self-insurance or governmental fund

Self-Insurance Fund

Governmental Fund

0

0

4. OPEB Liabilities

- a. OPEB actuarial accrued liability (AAL)

2,775,098.00

- b. OPEB unfunded actuarial accrued liability (UAAL)

0.00

- c. Are AAL and UAAL based on the district's estimate or an actuarial valuation?

Actuarial

- d. If based on an actuarial valuation, indicate the date of the OPEB valuation

July 2 2014

5. OPEB Contributions

- a. OPEB annual required contribution (ARC) per actuarial valuation or Alternative Measurement Method

Budget Year

(2017-18)

1st Subsequent Year

(2018-19)

2nd Subsequent Year

(2019-20)

302,977.00

302,977.00

302,977.00

- b. OPEB amount contributed (for this purpose, include premiums paid to a self-insurance fund) (funds 01-70, objects 3701-3752)

116,469.49

145,586.86

181,983.00

- c. Cost of OPEB benefits (equivalent of "pay-as-you-go" amount)

0.00

0.00

0.00

- d. Number of retirees receiving OPEB benefits

16

19

22

S7B. Identification of the District's Unfunded Liability for Self-Insurance Programs

DATA ENTRY: Click the appropriate button in item 1 and enter data in all other applicable items; there are no extractions in this section.

1. Does your district operate any self-insurance programs such as workers' compensation, employee health and welfare, or property and liability? (Do not include OPEB, which is covered in Section S7A) (If No, skip items 2-4)

Yes

2. Describe each self-insurance program operated by the district, including details for each such as level of risk retained, funding approach, basis for valuation (district's estimate or actuarial), and date of the valuation:

3. Self-Insurance Liabilities

- a. Accrued liability for self-insurance programs
b. Unfunded liability for self-insurance programs

0.00
0.00

4. Self-Insurance Contributions

- a. Required contribution (funding) for self-insurance programs
b. Amount contributed (funded) for self-insurance programs

Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)
0.00	0.00	0.00
4,587,617.00	4,916,317.00	5,271,314.00

S8. Status of Labor Agreements

Analyze the status of employee labor agreements. Identify new labor agreements, as well as new commitments provided as part of previously ratified multiyear agreements; and include all contracts, including all administrator contracts (and including all compensation). For new agreements, indicate the date of the required board meeting. Compare the increase in new commitments to the projected increase in ongoing revenues, and explain how these commitments will be funded in future fiscal years.

If salary and benefit negotiations are not finalized at budget adoption, upon settlement with certificated or classified staff:

The school district must determine the cost of the settlement, including salaries, benefits, and any other agreements that change costs, and provide the county office of education (COE) with an analysis of the cost of the settlement and its impact on the operating budget.

The county superintendent shall review the analysis relative to the criteria and standards, and may provide written comments to the president of the district governing board and superintendent.

S8A. Cost Analysis of District's Labor Agreements - Certificated (Non-management) Employees

DATA ENTRY: Enter all applicable data items; there are no extractions in this section.

	Prior Year (2nd Interim) (2016-17)	Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)
Number of certificated (non-management) full-time-equivalent (FTE) positions	132.6	128.0	128.0	128.0

Certificated (Non-management) Salary and Benefit Negotiations

1. Are salary and benefit negotiations settled for the budget year?

Yes

If Yes, and the corresponding public disclosure documents have been filed with the COE, complete questions 2 and 3.

If Yes, and the corresponding public disclosure documents have not been filed with the COE, complete questions 2-5.

If No, identify the unsettled negotiations including any prior year unsettled negotiations and then complete questions 6 and 7.

Negotiations Settled

- 2a. Per Government Code Section 3547.5(a), date of public disclosure board meeting:

Oct 25, 2016

- 2b. Per Government Code Section 3547.5(b), was the agreement certified by the district superintendent and chief business official?

Yes

If Yes, date of Superintendent and CBO certification:

Oct 05, 2016

3. Per Government Code Section 3547.5(c), was a budget revision adopted to meet the costs of the agreement?

Yes

If Yes, date of budget revision board adoption:

Dec 13, 2016

4. Period covered by the agreement:

Begin Date:

End Date:

5. Salary settlement:

Budget Year
(2017-18)

1st Subsequent Year
(2018-19)

2nd Subsequent Year
(2019-20)

Is the cost of salary settlement included in the budget and multiyear projections (MYPs)?

One Year Agreement

Total cost of salary settlement

% change in salary schedule from prior year
or

Multiyear Agreement

Total cost of salary settlement

% change in salary schedule from prior year
(may enter text, such as "Reopener")

Identify the source of funding that will be used to support multiyear salary commitments:

Negotiations Not Settled

6. Cost of a one percent increase in salary and statutory benefits

--

7. Amount included for any tentative salary schedule increases

Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)

Certificated (Non-management) Health and Welfare (H&W) Benefits

- Are costs of H&W benefit changes included in the budget and MYPs?
- Total cost of H&W benefits
- Percent of H&W cost paid by employer
- Percent projected change in H&W cost over prior year

Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)

Certificated (Non-management) Prior Year Settlements

Are any new costs from prior year settlements included in the budget?

If Yes, amount of new costs included in the budget and MYPs

If Yes, explain the nature of the new costs:

--

Certificated (Non-management) Step and Column Adjustments

- Are step & column adjustments included in the budget and MYPs?
- Cost of step & column adjustments
- Percent change in step & column over prior year

Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)

Certificated (Non-management) Attrition (layoffs and retirements)

- Are savings from attrition included in the budget and MYPs?
- Are additional H&W benefits for those laid-off or retired employees included in the budget and MYPs?

Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)

Certificated (Non-management) - Other

List other significant contract changes and the cost impact of each change (i.e., class size, hours of employment, leave of absence, bonuses, etc.):

S8B. Cost Analysis of District's Labor Agreements - Classified (Non-management) Employees

DATA ENTRY: Enter all applicable data items; there are no extractions in this section.

	Prior Year (2nd Interim) (2016-17)	Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)
Number of classified (non-management) FTE positions	116.3	115.0	115.0	115.0

Classified (Non-management) Salary and Benefit Negotiations

1. Are salary and benefit negotiations settled for the budget year?

Yes

If Yes, and the corresponding public disclosure documents
have been filed with the COE, complete questions 2 and 3.

If Yes, and the corresponding public disclosure documents
have not been filed with the COE, complete questions 2-5.

If No, identify the unsettled negotiations including any prior year unsettled negotiations and then complete questions 6 and 7.

Negotiations Settled

- 2a. Per Government Code Section 3547.5(a), date of public disclosure
board meeting:

Oct 25, 2016

- 2b. Per Government Code Section 3547.5(b), was the agreement certified
by the district superintendent and chief business official?

Yes

If Yes, date of Superintendent and CBO certification:

Oct 05, 2016

3. Per Government Code Section 3547.5(c), was a budget revision adopted
to meet the costs of the agreement?

Yes

If Yes, date of budget revision board adoption:

Dec 13, 2016

4. Period covered by the agreement:

Begin Date:

End Date:

5. Salary settlement:

Budget Year
(2017-18)

1st Subsequent Year
(2018-19)

2nd Subsequent Year
(2019-20)

Is the cost of salary settlement included in the budget and multiyear
projections (MYPs)?

--	--	--

One Year Agreement

Total cost of salary settlement

--	--	--

% change in salary schedule from prior year
or

--

Multiyear Agreement

Total cost of salary settlement

--	--	--

% change in salary schedule from prior year
(may enter text, such as "Reopener")

--	--	--

Identify the source of funding that will be used to support multiyear salary commitments:

Negotiations Not Settled

6. Cost of a one percent increase in salary and statutory benefits

--

7. Amount included for any tentative salary schedule increases

Budget Year
(2017-18)

1st Subsequent Year
(2018-19)

2nd Subsequent Year
(2019-20)

--	--	--

Classified (Non-management) Health and Welfare (H&W) Benefits

1. Are costs of H&W benefit changes included in the budget and MYPs?
2. Total cost of H&W benefits
3. Percent of H&W cost paid by employer
4. Percent projected change in H&W cost over prior year

Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)

Classified (Non-management) Prior Year Settlements

Are any new costs from prior year settlements included in the budget?

- If Yes, amount of new costs included in the budget and MYPs
If Yes, explain the nature of the new costs:

--

Classified (Non-management) Step and Column Adjustments

1. Are step & column adjustments included in the budget and MYPs?
2. Cost of step & column adjustments
3. Percent change in step & column over prior year

Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)

Classified (Non-management) Attrition (layoffs and retirements)

1. Are savings from attrition included in the budget and MYPs?
2. Are additional H&W benefits for those laid-off or retired employees included in the budget and MYPs?

Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)

Classified (Non-management) - Other

List other significant contract changes and the cost impact of each change (i.e., hours of employment, leave of absence, bonuses, etc.):

S8C. Cost Analysis of District's Labor Agreements - Management/Supervisor/Confidential Employees

DATA ENTRY: Enter all applicable data items; there are no extractions in this section.

	Prior Year (2nd Interim) (2016-17)	Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)
Number of management, supervisor, and confidential FTE positions	28.3	26.3	26.3	26.3

**Management/Supervisor/Confidential
Salary and Benefit Negotiations**

1. Are salary and benefit negotiations settled for the budget year?

Yes

If Yes, complete question 2.

If No, identify the unsettled negotiations including any prior year unsettled negotiations and then complete questions 3 and 4.

If n/a, skip the remainder of Section S8C.

Negotiations Settled

2. Salary settlement:

Is the cost of salary settlement included in the budget and multiyear projections (MYPs)?

Total cost of salary settlement

% change in salary schedule from prior year
(may enter text, such as "Reopener")

Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)
Yes	Yes	Yes

Negotiations Not Settled

3. Cost of a one percent increase in salary and statutory benefits

4. Amount included for any tentative salary schedule increases

Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)

**Management/Supervisor/Confidential
Health and Welfare (H&W) Benefits**

- Are costs of H&W benefit changes included in the budget and MYPs?
- Total cost of H&W benefits
- Percent of H&W cost paid by employer
- Percent projected change in H&W cost over prior year

Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)

**Management/Supervisor/Confidential
Step and Column Adjustments**

- Are step & column adjustments included in the budget and MYPs?
- Cost of step and column adjustments
- Percent change in step & column over prior year

Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)

**Management/Supervisor/Confidential
Other Benefits (mileage, bonuses, etc.)**

- Are costs of other benefits included in the budget and MYPs?
- Total cost of other benefits
- Percent change in cost of other benefits over prior year

Budget Year (2017-18)	1st Subsequent Year (2018-19)	2nd Subsequent Year (2019-20)

S9. Local Control and Accountability Plan (LCAP)

Confirm that the school district's governing board has adopted an LCAP or an update to the LCAP effective for the budget year.

DATA ENTRY: Click the appropriate Yes or No button in item 1, and enter the date in item 2.

1. Did or will the school district's governing board adopt an LCAP or approve an update to the LCAP effective for the budget year?

Yes

2. Approval date for adoption of the LCAP or approval of an update to the LCAP.

Jun 28, 2017

S10. LCAP Expenditures

Confirm that the school district's budget includes the expenditures necessary to implement the LCAP or annual update to the LCAP.

DATA ENTRY: Click the appropriate Yes or No button.

Does the school district's budget include the expenditures necessary to implement the LCAP or annual update to the LCAP as described in the Local Control and Accountability Plan and Annual Update Template, Section 3: Actions, Services and Expenditures?

Yes

ADDITIONAL FISCAL INDICATORS

The following fiscal indicators are designed to provide additional data for reviewing agencies. A "Yes" answer to any single indicator does not necessarily suggest a cause for concern, but may alert the reviewing agency to the need for additional review.

DATA ENTRY: Click the appropriate Yes or No button for items A1 through A9 except item A3, which is automatically completed based on data in Criterion 2.

- A1. Do cash flow projections show that the district will end the budget year with a negative cash balance in the general fund?

No

- A2. Is the system of personnel position control independent from the payroll system?

No

- A3. Is enrollment decreasing in both the prior fiscal year and budget year? (Data from the enrollment budget column and actual column of Criterion 2A are used to determine Yes or No)

No

- A4. Are new charter schools operating in district boundaries that impact the district's enrollment, either in the prior fiscal year or budget year?

No

- A5. Has the district entered into a bargaining agreement where any of the budget or subsequent years of the agreement would result in salary increases that are expected to exceed the projected state funded cost-of-living adjustment?

No

- A6. Does the district provide uncapped (100% employer paid) health benefits for current or retired employees?

Yes

- A7. Is the district's financial system independent of the county office system?

No

- A8. Does the district have any reports that indicate fiscal distress pursuant to Education Code Section 42127.6(a)? (If Yes, provide copies to the county office of education)

No

- A9. Have there been personnel changes in the superintendent or chief business official positions within the last 12 months?

Yes

When providing comments for additional fiscal indicators, please include the item number applicable to each comment.

Comments:
(optional)

End of School District Budget Criteria and Standards Review

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APPENDIX C

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Carpinteria Unified School District (the “District”) in connection with the issuance of \$ _____ of the District’s Election of 2014 General Obligation Bonds, Series B (the “Bonds”). The Bonds are being issued pursuant to Resolution of the District adopted on September 25, 2018. The District covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Dissemination Agent” shall mean initially the District, or any successor Dissemination Agent designated in writing by the District (which may be the District) and which has filed with the District a written acceptance of such designation.

“Holders” shall mean registered owners of the Bonds.

“Listed Events” shall mean any of the events listed in Section 5(a) or Section 5(b) of this Disclosure Certificate.

“Official Statement” means that certain official statement, dated _____, 2018, relating to the offering and sale of the Bonds.

“Participating Underwriter” shall mean _____, as the original underwriter of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“Repository” shall mean, the Municipal Securities Rulemaking Board, which can be found at <http://emma.msrb.org/>, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of California.

SECTION 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the District's fiscal year (presently ending June 30), commencing with the report for the 2017-18 fiscal year, provide to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; *provided* that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the District's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

(b) Not later than thirty (30) days (nor more than sixty (60) days) prior to said date the Dissemination Agent shall give notice to the District that the Annual Report shall be required to be filed in accordance with the terms of this Disclosure Certificate. Not later than fifteen (15) Business Days prior to said date, the District shall provide the Annual Report in a format suitable for reporting to the Repository to the Dissemination Agent (if other than the District). If the District is unable to provide to the Repository an Annual Report by the date required in subsection (a), the District shall send a timely notice to the Repository in substantially the form attached as Exhibit A with a copy to the Dissemination Agent. The Dissemination Agent shall not be required to file a Notice to Repository of Failure to File an Annual Report.

(c) The Dissemination Agent shall file a report with the District stating it has filed the Annual Report in accordance with its obligations hereunder, stating the date it was provided to the Repository.

SECTION 4. Content and Form of Annual Reports. (a) The District's Annual Report shall contain or include by reference the following:

1. The audited financial statements of the District for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

2. Material financial information and operating data with respect to the District of the type included in the Official Statement in the following categories (to the extent not included in the District's audited financial statements):

- (a) State funding received by the District for the last completed fiscal year;
- (b) average daily attendance of the District for the last completed fiscal year;
- (c) outstanding District indebtedness;
- (d) summary financial information on revenues, expenditures and fund balances for the District's general fund reflecting adopted budget for the current fiscal year;

- (e) assessed valuation of taxable property within the District for the current fiscal year; and
- (f) secured *ad valorem* tax levies and delinquencies for taxable property within the District for the current year, to the extent Santa Barbara County no longer implements to the Teeter Plan (as such term is defined in the Official Statement) as to secured *ad valorem* tax levies for general obligation bonded debt of the District; and
- (g) top ten property owners in the District for the current fiscal year, as measured by secured assessed valuation, the amount of their respective taxable assessed value, and their percentage of total secured assessed value.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which have been submitted to the Repository or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The District shall clearly identify each such other document so included by reference.

(b) The Annual Report shall be filed in an electronic format, and accompanied by identifying information, prescribed by the Municipal Securities Rulemaking Board.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5(a), the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not in excess of 10 business days after the occurrence of the event:

1. principal and interest payment delinquencies.
2. tender offers.
3. optional, contingent or unscheduled Bond calls.
4. defeasances.
5. rating changes.
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, or Notices of Proposed Issue (IRS Form 5701-TEB).
7. unscheduled draws on the debt service reserves reflecting financial difficulties.
8. unscheduled draws on credit enhancement reflecting financial difficulties.
9. substitution of the credit or liquidity providers or their failure to perform.
10. bankruptcy, insolvency, receivership or similar event (within the meaning of the Rule) of the District. For the purposes of the event identified in this Section 5(a)(9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed

jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

(b) Pursuant to the provisions of this Section 5(b), the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. non-payment related defaults.
2. modifications to rights of Bondholders.
3. unless described under Section 5(a)(5) above, material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.
4. release, substitution or sale of property securing repayment of the Bonds.
5. the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms.
6. appointment of a successor or additional trustee or paying agent with respect to the Bonds or the change of name of such a trustee or paying agent.

(c) Whenever the District obtains knowledge of the occurrence of a Listed Event under Section 5(b) hereof, the District shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the District determines that knowledge of the occurrence of a Listed Event under Section 5(b) hereof would be material under applicable federal securities laws, the District shall (i) file a notice of such occurrence with the Repository in a timely manner not in excess of 10 business days after the occurrence of the event or (ii) provide notice of such reportable event to the Dissemination Agent in format suitable for filing with the Repository in a timely manner not in excess of 10 business days after the occurrence of the event. The Dissemination Agent shall have no duty to independently prepare or file any report of Listed Events. The Dissemination Agent may conclusively rely on the District's determination of materiality pursuant to Section 5(c).

SECTION 6. Termination of Reporting Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(a) or Section 5(b), as applicable.

SECTION 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent (or substitute Dissemination Agent) to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor

Dissemination Agent. The Dissemination Agent may resign upon fifteen (15) days written notice to the District. Upon such resignation, the District shall act as its own Dissemination Agent until it appoints a successor. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate and shall not be responsible to verify the accuracy, completeness or materiality of any continuing disclosure information provided by the District. The District shall compensate the Dissemination Agent for its fees and expenses hereunder as agreed by the parties. Any entity succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor Dissemination Agent without the execution or filing of any paper or further act.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

- (a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 5(b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;
- (b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances;
- (c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds; and
- (d) No duties of the Dissemination Agent hereunder shall be amended without its written consent thereto.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate. The Dissemination Agent acts hereunder solely for the benefit of the District; this Disclosure Certificate shall confer no duties on the Dissemination Agent to the Participating Underwriter, the Holders and the Beneficial Owners. The District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Dissemination Agent shall have no liability for the failure to report any event or any financial information as to which the District has not provided an information report in format suitable for filing with the Repository. The Dissemination Agent shall not be required to monitor or enforce the District's duty to comply with its continuing disclosure requirements hereunder.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: _____, 2018

CARPINTERIA UNIFIED SCHOOL DISTRICT

By: _____
Diana Rigby
Superintendent

EXHIBIT A

NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Name of District: CARPINTERIA UNIFIED SCHOOL DISTRICT

Name of Bond Issue: Election of 2014 General Obligation Bonds, Series B

Date of Issuance: _____, 2018

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate relating to the Bonds. The District anticipates that the Annual Report will be filed by _____.

Dated: _____

CARPINTERIA UNIFIED SCHOOL DISTRICT

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APPENDIX D

GENERAL ECONOMIC AND DEMOGRAPHIC INFORMATION FOR THE CITY OF CARPINTERIA AND SANTA BARBARA COUNTY, CALIFORNIA

The following information regarding the City of Carpinteria (the “City”) and Santa Barbara County (the “County”) is included only for the purpose of supplying general information regarding the local community and economy. The Bonds are not a debt of the City or of the County. This material has been prepared by or excerpted from the sources noted herein and has not been reviewed for accuracy by the District, Bond Counsel, the Underwriter or the financial advisor.

General

The City of Carpinteria. The City of Carpinteria was incorporated in 1965 and it is a general law city with a Council–Manager form of government. The City Council consists of a Mayor and four members who are elected at large to staggered four-year terms. Located on the Central Coast of California, Carpinteria has a total area of 9.2 square miles, of which 6.7 square miles is water. It is just east of the city of Santa Barbara and is mostly residential. New development is constrained by lack of available land, as well as policies intended to protect coastal resources. Its key economic revenues are in the form of tourism, as it encompasses several beaches on the Pacific Ocean.

Santa Barbara County. One of the original 27 California counties, Santa Barbara County was incorporated in 1850. Policymaking and legislative authority is vested in the elected supervisors from each of five districts who make up the County Board of Supervisors. Each supervisor serves a four-year staggered term. Located approximately 300 miles south of San Francisco and 100 miles north of Los Angeles, the County’s largest employment categories include services, wholesale and retail trade, public administration and manufacturing. Spanning over 2,700 square miles, the County is also a picturesque tourist and recreational area.

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Population

The following table shows historical population figures for the City, the County and the State of California for the past 10 years.

POPULATION ESTIMATES
2009 through 2018
City of Carpinteria, Santa Barbara County and the State of California

<u>Year</u> ⁽¹⁾	<u>City of Carpinteria</u>	<u>Santa Barbara County</u>	<u>State of California</u>
2009	13,139	421,197	36,966,713
2010 ⁽²⁾	13,044	423,895	37,253,956
2011	12,990	424,400	37,529,913
2012	13,029	428,194	37,874,977
2013	13,134	433,073	38,234,391
2014	13,510	438,512	38,568,628
2015	13,580	442,987	38,912,464
2016	13,705	447,073	39,179,627
2017	13,697	450,025	39,500,973
2018	13,704	453,457	39,809,693

⁽¹⁾ As of January 1.

⁽²⁾ As of April 1.

Source: 2010: U.S. Department of Commerce, Bureau of the Census, for April 1.

2009-10, 2011-18 (2000 and 2010 DRU Benchmark): California Department of Finance for January 1.

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Income

The following table shows the per capita personal income for the County, the State of California and the United States for the past 10 years of data that is currently available.

PER CAPITA PERSONAL INCOME
2007 through 2016
Santa Barbara County, the State of California, and the United States

<u>Year</u>	<u>Santa Barbara County</u>	<u>State of California</u>	<u>United States</u>
2007	\$46,373	\$43,692	\$39,821
2008	46,237	44,162	41,082
2009	44,587	42,224	39,376
2010	45,196	43,317	40,277
2011	48,436	45,849	42,461
2012	50,557	48,369	44,282
2013	49,915	48,570	44,493
2014	52,483	51,344	46,494
2015	55,843	54,718	48,451
2016	56,048	56,374	49,246

Note: Per capita personal income is the total personal income divided by the total mid-year population estimates of the U.S. Bureau of the Census. Estimates for 2010 through 2016 reflect county population estimates available as of March 2017. All dollar estimates are in current dollars (not adjusted for inflation).

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

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Principal Employers

The following tables show the principal employers located in the City and the County.

PRINCIPAL EMPLOYERS

2017

City of Carpinteria

<u>Employer</u>	<u>Industry</u>	<u>Number of Employees</u>
Procore	Business Services: Computer Programming Services	455
Nusil Technology	Manufacturing: Medical and Optical Goods	403
LinkedIn	Business Services: Computer Programming Services	400
Carpinteria Unified School District	Educational Services	349
DAKO Corporation	Manufacturing: Measuring, Analyzing and Controlling Instruments; Medical and Optical Goods	250
AGIA Inc.	Insurance Agents, Brokers and Service	212
Albertson's	Retail Trade: Food Stores	120
Gigavac	Manufacturing: Electronic and Other Electrical Equipment and Components; Switchgear	119
Bega Lighting	Manufacturing: Electronic and Other Electrical Equipment and Components; Lighting	110
Helix Medical Inc.	Manufacturing: Measuring, Analyzing and Controlling Instruments; Medical and Optical Goods	90

Source: City of Carpinteria Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017.

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**PRINCIPAL EMPLOYERS
2017
Santa Barbara County**

<u>Employer</u>	<u>Industry</u>	<u>Number of Employees</u>
University of California, Santa Barbara	Educational Services	10,726
Vandenberg Air Force Base	National Security	6,100
County of Santa Barbara	Public Administration	4,900
Cottage Health Organization	Health Services	3,790
Santa Barbara City College	Educational Services	2,280
Santa Barbara Unified School District	Educational Services	2,185
Marian Medical Center	Health Services	1,884
City of Santa Barbara	Public Administration	1,771
Chumash Casino Resort	Services: Casino Hotels	1,716
Santa Maria-Bonita School District	Educational Services	1,696

Source: County of Santa Barbara Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017.

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Employment

The following table summarizes the labor force, employment and unemployment figures for the years 2013 through 2017 for the City, the County, the State of California and the United States.

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT 2013 through 2017⁽¹⁾ City of Carpinteria, Santa Barbara County, the State of California, and the United States

<u>Year and Area</u>	<u>Labor Force</u>	<u>Employment</u> ⁽²⁾	<u>Unemployment</u>	<u>Unemployment Rate (%)</u> ⁽³⁾
<u>2013</u>				
City of Carpinteria	7,700	7,200	500	6.3
Santa Barbara County	217,300	201,700	15,600	7.2
State of California	18,624,300	16,958,700	1,665,600	8.9
United States	155,389,000	143,929,000	11,460,000	7.4
<u>2014</u>				
City of Carpinteria	7,700	7,300	400	5.4
Santa Barbara County	218,200	204,900	13,300	6.1
State of California	18,755,000	17,348,600	1,406,400	7.5
United States	155,922,000	146,305,000	9,617,000	6.2
<u>2015</u>				
City of Carpinteria	7,700	7,400	400	4.6
Santa Barbara County	217,800	206,300	11,500	5.3
State of California	18,893,200	17,723,300	1,169,900	6.2
United States	157,130,000	148,834,000	8,296,000	5.3
<u>2016</u>				
City of Carpinteria	7,700	7,300	300	4.4
Santa Barbara County	216,600	205,800	10,800	5.0
State of California	19,102,700	18,065,000	1,037,700	5.4
United States	159,187,000	151,436,000	7,751,000	4.9
<u>2017</u>				
City of Carpinteria	7,400	7,100	300	3.9
Santa Barbara County	217,000	207,300	9,700	4.5
State of California	19,312,000	18,393,100	918,900	4.8
United States	160,320,000	153,337,000	6,982,000	4.4

Note: Data is not seasonally adjusted.

(1) Annual averages, unless otherwise specified.

(2) Includes persons involved in labor-management trade disputes.

(3) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures in this table.

Source: U.S. Department of Labor – Bureau of Labor Statistics, California Employment Development Department, March 2017 Benchmark.

Industry

The County is included in the Santa Maria-Santa Barbara Metropolitan Statistical Area (the “MSA”). The distribution of employment in the MSA is presented in the following table for the last 5 years. These figures may be multi county-wide statistics and may not necessarily accurately reflect employment trends in the County.

INDUSTRY EMPLOYMENT & LABOR FORCE ANNUAL AVERAGES 2013 through 2017 Santa Barbara County (Santa Maria-Santa Barbara MSA)

<u>Category</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Total Farm	19,300	21,000	21,000	20,900	21,500
Total Nonfarm	173,700	176,400	179,400	180,500	182,500
Total Private	135,800	138,100	140,700	142,400	143,700
Goods Producing	20,500	21,000	21,900	22,500	22,300
Mining and Logging	1,200	1,300	1,100	900	900
Construction	7,200	7,400	7,800	8,200	8,400
Manufacturing	12,100	12,300	13,000	13,400	13,100
Durable Goods	8,700	8,700	9,200	9,400	9,200
Service Providing	153,200	155,400	157,500	158,000	160,200
Private Service Providing	115,300	117,100	118,800	119,900	121,300
Trade, Transportation and Utilities	26,700	27,200	27,500	27,200	27,200
Wholesale Trade	4,600	4,600	4,800	4,800	5,100
Retail Trade	18,900	19,300	19,500	19,200	18,900
Transportation, Warehousing and Utilities	3,300	3,300	3,300	3,300	3,300
Information	4,300	4,400	4,500	5,000	5,000
Financial Activities	6,500	6,400	6,400	6,500	6,600
Professional and Business Services	23,300	22,700	22,300	21,500	21,400
Educational and Health Services	24,600	25,100	25,700	26,600	27,500
Leisure and Hospitality	24,400	25,500	26,500	27,100	27,700
Other Services	5,500	5,700	5,900	6,000	6,000
Government	<u>37,900</u>	<u>38,300</u>	<u>38,700</u>	<u>38,100</u>	<u>38,900</u>
Total, All Industries	<u>193,000</u>	<u>197,300</u>	<u>200,400</u>	<u>201,400</u>	<u>204,000</u>

Note: The “Total, All Industries” data is not directly comparable to the employment data found herein.

Source: *State of California, Employment Development Department, Labor Market Information Division, Santa Maria-Santa Barbara MSA Industry Employment & Labor Force by Annual Average. March 2017 Benchmark.*

Commercial Activity

Summaries of annual taxable sales for the City and the County from 2012 through 2016 are shown in the following tables.

ANNUAL TAXABLE SALES 2012 through 2016 City of Carpinteria (Dollars in Thousands)

<u>Year</u>	<u>Retail Permits</u>	Retail Stores Taxable <u>Transactions</u>	<u>Total Permits</u>	Total Taxable <u>Transactions</u>
2012	331	\$125,623	510	\$164,138
2013	358	129,053	530	170,926
2014	385	124,694	540	171,081
2015	--	124,788	--	171,512
2016	--	122,654	--	165,451

Note: Beginning in 2015, the outlet counts in these reports show the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers. Industry-level data for 2015 on are not comparable to that of prior years.

Source: "Taxable Sales in California (Sales & Use Tax)," California State Board of Equalization.

ANNUAL TAXABLE SALES 2012 through 2016 Santa Barbara County (Dollars in Thousands)

	<u>Retail Permits</u>	Retail Stores Taxable <u>Transactions</u>	<u>Total Permits</u>	Total Taxable <u>Transactions</u>
2012	7,862	\$4,302,083	12,400	\$6,051,129
2013	8,244	4,533,338	12,708	6,332,059
2014	8,492	4,733,311	12,989	6,613,353
2015	--	4,804,407	--	6,767,900
2016	--	4,856,924	--	6,861,202

Note: Beginning in 2015, the outlet counts in these reports show the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers. Industry-level data for 2015 on are not comparable to that of prior years.

Source: "Taxable Sales in California (Sales & Use Tax)," California Board of Equalization.

Construction Activity

The following tables show the annual building permit valuations and number of permits for new dwelling units issued from 2013 through 2017 for the City and the County.

BUILDING PERMITS AND VALUATIONS 2013 through 2017 City of Carpinteria (Dollars in Thousands)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Valuation					
Residential	\$3,921	\$1,560	\$4,329	\$1,493	\$1,362
Non-Residential	<u>1,351</u>	<u>3,855</u>	<u>8,788</u>	<u>6,636</u>	<u>2,912</u>
Total	\$5,272	\$5,415	\$13,117	\$8,129	\$4,274
Units					
Single Family	7	2	5	0	0
Multiple Family	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	7	2	5	0	0

Note: Totals may not add to sum due to rounding.

Source: Construction Industry Research Board.

BUILDING PERMITS AND VALUATIONS 2013 through 2017 Santa Barbara County (Dollars in Thousands)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Valuation					
Residential	\$204,288	\$290,490	\$350,587	\$343,379	\$441,039
Non-Residential	<u>185,127</u>	<u>183,825</u>	<u>228,961</u>	<u>260,239</u>	<u>258,437</u>
Total	\$389,415	\$474,315	\$579,548	\$603,618	\$699,476
Units					
Single Family	307	369	377	367	704
Multiple Family	<u>119</u>	<u>552</u>	<u>694</u>	<u>550</u>	<u>609</u>
Total	426	921	1,071	917	1,313

Note: Totals may not add to sum due to rounding.

Source: Construction Industry Research Board.

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APPENDIX E

SANTA BARBARA COUNTY INVESTMENT POOL

The following information concerning the Santa Barbara County Investment Pool (the "Investment Pool") has been provided by the Treasurer-Tax Collector-Public Administrator of the County (the "Treasurer"), and has not been confirmed or verified by the District, the Financial Advisor or the Underwriter. None of the District, the Financial Advisor or the Underwriter have made an independent investigation of the investments in the Investment Pool or made an assessment of the current County investment policy. The value of the various investments in the Investment Pool will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Additionally, the Treasurer, with the consent of the County Board of Supervisors, may change the County investment policy at any time. Therefore, there can be no assurance that the values of the various investments in the Investment Pool will not vary significantly from the values described herein. Finally, none of the District, the Financial Advisor or the Underwriter make any representation as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof, or that the information contained is correct as of any time subsequent to its date. Additional information regarding the Investment Pool may be obtained from the Treasurer at <http://www.countyofsb.org/ttcpapg/treas/index.aspx>. However, the information presented on such website is not incorporated into this Official Statement by any reference.

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County of Santa Barbara

Treasurer's Investment Pool

Performance Report

Quarter Ended March 31, 2018

Harry E. Hagen, CPA, CPFO, ACPFIM, CFIP
Treasurer-Tax Collector

105 E. Anapamu St. Rm 109
Santa Barbara, CA 93101
(805)568-2490
www.countyofsb.org/ttccpag

Portfolio Composition:

Principal Cost	\$1,547,282,790
Market Value	\$1,538,168,191
Percentage of Market to Cost Value	99.41%
Weighted Average Days to Maturity (WAM)	479

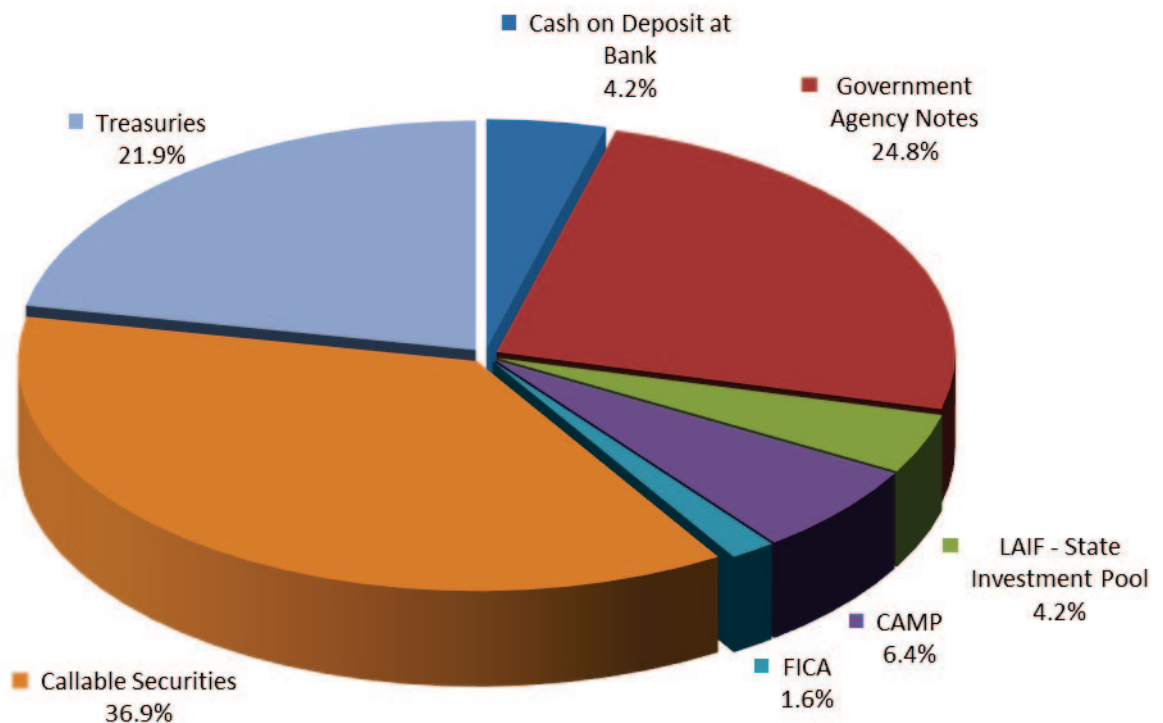
History

Quarter Ending	Interest Rate	WAM
6/30/17	0.869%	405
9/30/17	0.987%	471
12/31/17	1.041%	432
3/31/18	1.314%	479

Return on Assets:

Net Earnings	\$5,069,799
Average Daily Balance	\$1,565,279,061
Interest Rate	1.314%

Treasurer's Investment Pool Composition as of 3/31/2018



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