

**Galt Joint Union Elementary School District**  
**Board of Education**  
*“Building a Bright Future for All Learners”*

**Special Board Meeting**  
Thursday, January 7, 2016  
5:45 p.m. Open Session

GJUESD District Office  
1018 C Street, Suite 210, Galt, CA 95632

# AGENDA

*Anyone may address the Board regarding any item that is within the Board’s subject matter jurisdiction. However, the Board may not take action on any item which is not on this agenda as authorized by Government Code Section 54954.2*

*Community members and employees may address items on the agenda by filling out a speaker’s request form and giving it to the board meeting assistant prior to the start of that agenda item.*

*Comments are limited to no more than 3 minutes or less pending Board President approval.*

**A. 5:45 p.m. – Open Session, Call Meeting to Order, Flag Salute**

**B. Public Comments** for topics not on the agenda

*Public comment should be limited to three minutes or less pending Board President approval. Community members who cannot wait for the related agenda item may also request to speak at this time by indicating this on the speaker’s request form.*

**C. Recommended Actions**

1. Routine Matters/New Business

131.700 Board Consideration of Approval of GJUESD 2014-15 Audit MOTION  
Report by Goodell, Porter, Sanchez & Bright, LLP

**D. GJUESD Board of Trustees Candidate Interviews**

131.701 Board Consideration of Appointment of Board Candidate to Fill MOTION  
Board Member Vacancy Position from January 2016 to December  
2016

131.702 Administer Oath of Office to Board Candidate Selected to Fill MOTION  
Board Member Vacancy Position from January 2016 to December  
2016

**E. Public Comments** for topics not on the agenda

*Public comment should be limited to three minutes or less pending Board President approval. Community members who cannot wait for the related agenda item may also request to speak at this time by indicating this on the speaker’s request form.*

**F. Pending Agenda Items**

1. Curriculum, Instruction, Assessment, Technology Alignment
2. Electronic Board Agenda Packet
3. Special Education Services
4. School Furniture Analysis
5. Illuminate Parent Portal
6. Governance Team Continuous Improvement

## **G. Adjournment**

*The next regular meeting of the GJUESD Board of Education: January 20, 2016*

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**Board agenda materials are available for inspection at the address below.**

Individuals who require disability-related accommodations or modifications including auxiliary aids and services in order to participate in the Board meeting should contact the Superintendent or designee in writing:

Karen Schauer Ed.D., District Superintendent  
Galt Joint Union Elementary School District  
1018 C Street, Suite 210, Galt, CA 95632  
(209) 744-4545

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## Board Meeting Agenda Item Information

<b>Meeting Date:</b> 1/7/16	<b>Agenda Item: 131.700</b> Board Consideration of Approval of GJUESD 2014-15 Audit Report by Goodell, Porter, Sanchez & Bright, LLP
<b>Presenter:</b> Tom Barentson	<b>Action Item:</b> XX <b>Information Item:</b>

Education Code 41020 requires an independent annual financial and compliance audit of a school district's financial statements and internal controls. The 2014-15 fiscal year Audit has been completed by Goodell, Porter, Sanchez & Bright, and will be presented to the Board by Michelle Hanson. The District is pleased that no findings or recommendations were determined as a result of the audit. The summary of results are on pages 81-83.

Board approval is recommended.

Fiscal impact: None

GALT JOINT UNION ELEMENTARY  
SCHOOL DISTRICT  
COUNTY OF SACRAMENTO  
GALT, CALIFORNIA

ANNUAL FINANCIAL REPORT

JUNE 30, 2015

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

JUNE 30, 2015

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JUNE 30, 2015

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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Galt Joint Union Elementary School District  
Galt, California

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Galt Joint Union Elementary School District as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Galt Joint Union Elementary School 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.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments the auditor considers internal control relevant to the 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, each major fund, and the aggregate remaining fund information of the Galt Joint Union Elementary School District, as of June 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

#### *Change in Accounting Principle*

As described in Note 11 to the financial statements, the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*. The District is recognizing its share of the unfunded liability for the California State Teachers' Retirement Plan (STRS) and the California Public Employees' Retirement System Schools Pool Cost-Sharing Multiple Employer Plan (PERS) for the first time based on the most recent actuarial valuations dated June 30, 2013. The District reported a net pension liability of \$28.4 million at June 30, 2015. Our opinion is not modified with respect to this matter.

### **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 12 and budgetary comparison information and accounting by employer for postemployment benefits and pensions on pages 55 through 58 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 conducted for the purpose of forming opinions on the financial statements that collectively comprise the Galt Joint Union Elementary School District's basic financial statements. The financial and statistical information listed as supplementary information in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The financial and statistical information listed as supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial and statistical information listed as supplementary information and the schedule of expenditures of federal awards is fairly stated, in all material respects in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2015, on our consideration of the Galt Joint Union Elementary School District's internal control over financial reporting and 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 Galt Joint Union Elementary School District's internal control over financial reporting and compliance.

*Goodell, Porter, Sanchez + Bright, LLP*

GOODELL, PORTER, SANCHEZ & BRIGHT, LLP  
Certified Public Accountants

December 3, 2015

# GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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The discussion and analysis of Galt Elementary School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the District's financial performance as a whole. To provide a complete understanding of the District's financial performance, please read it in conjunction with the Independent Auditor's Report on page 1, notes to the basic financial statements and the District's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments issued June 1999.

### FINANCIAL HIGHLIGHTS

- The District continues to implement the Race to the Top grant of \$9,999,973 awarded in December, 2012. This is a four year grant directed at student personalized learning to assure college and career readiness.
- Total General Fund (including the Other Post-Employment Fund) expenditures exceeded revenues by \$970 thousand.
- Enrollment in the District has decreased in each of the last four years with average daily attendance (ADA) decreasing by 106 from 2013-2014. With declining enrollment in 2014-2015, the District's State funding was based on 2013-2014 ADA. The impact of the 2014-2015 declining enrollment will be realized during 2015-2016 if enrollment does not increase.
- Net position in the District decreased by \$1.06 million during 2014-2015.
- The District maintains sufficient reserves for a district its size. It meets the state recommended minimum reserve for economic uncertainty of 3% of general fund expenditures, transfers out, and other uses (total outgo). At June 30, 2015, the District has available reserves of \$3.45 million in the General Fund, which represents a reserve of 9.9%.
- Long-term liabilities for General Obligation Bonds, Early Retirement Incentives, Capital Lease Obligations, and Compensated Absences have decreased by \$392 thousand.
- In complying with GASB 68, the District is recognizing its portion of the unfunded STRS and PERS pension liabilities for the first time in 2014-2015. These liabilities are based on the most recent actuarial valuations. Implementation of GASB 68 requires the District to restate the June 30, 2014 net position by recognizing the pension liabilities. Recognizing the liabilities decreased the June 30, 2014 total net position on the Statement of Net Position by \$33.6 million.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

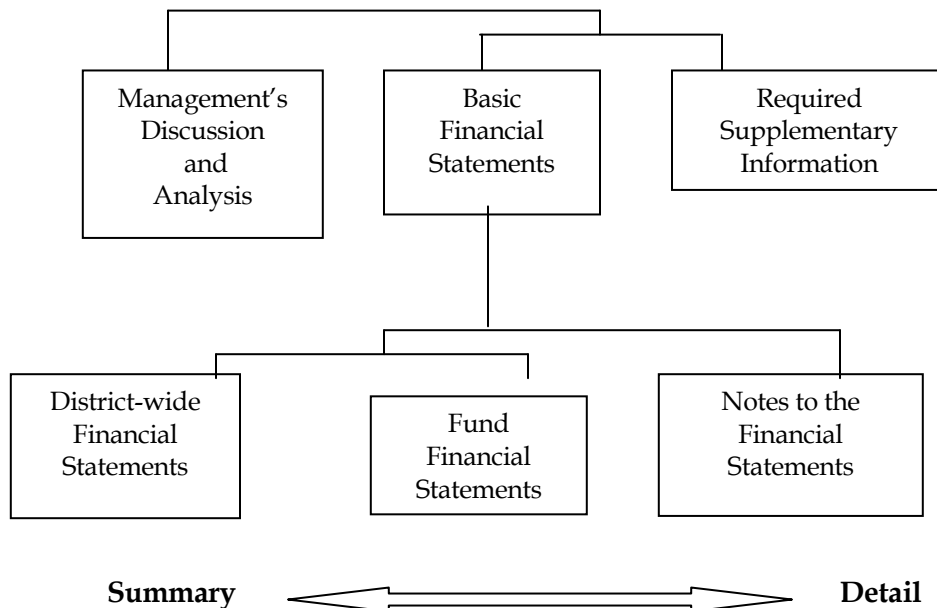
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts – management’s discussion and analysis (this section), the basic financial statements, and required supplementary information. These statements are organized so the reader can understand the Galt Joint Union Elementary School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

**Components of the Financial Section**



The first two statements are *district-wide financial statements*, the Statement of Net Position and Statement of Activities. These statements provide information about the activities of the whole District, presenting both an aggregate view of the District’s finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District’s more significant funds with all other non-major funds presented in total in one column. A comparison of the District’s general fund budget is included.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Reporting the School District as a Whole**

*Statement of Net Position and the Statement of Activities*

These two statements provide information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets and liabilities using the accrual basis of accounting. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid. These statements report information on the district as a whole and its activities in a way that helps answer the question, "How did we do financially during 2014-2015?"

These two statements report the District's net position and changes in that position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Over time, the increases or decreases in the District's net position, as reported in the Statement of Activities, are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses indicates the District's operating results. However, the District's goal is to provide services to our students, not to generate profits as commercial entities. One must consider many other non-financial factors, such as the quality of education provided and the safety of the schools to assess the overall health of the District.

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

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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**OVERVIEW OF THE FINANCIAL STATEMENTS (CONCLUDED)**

**Reporting the School District's Most Significant Funds**

*Fund Financial Statements*

The fund financial statements provide more detailed information about the District's most significant funds - not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required to be established by State law. However, the District establishes other funds to control and manage money for specific purposes.

◆ **Governmental Funds**

Most of the District's activities are reported in governmental funds. The major governmental funds of the District are the General Fund and Capital Facilities Fund. Governmental funds focus on how money flows into and out of the funds and the balances that remain at the end of the year. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's operations and services that help determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

◆ **Fiduciary Funds**

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

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS**

The District's net position was a deficit \$10 million at June 30, 2015. Of this amount a deficit \$32.6 million was unrestricted. Net investment in capital assets accounted for \$20 million of the total net position. A comparative analysis of government-wide data is presented in Table 1.

**(Table 1)**  
**Comparative Statement of Net Position**  
**June 30, 2015 and 2014**

	Governmental Activities	
	2015	2014
<b>ASSETS</b>		
Cash	\$ 6,973,772	\$ 2,688,581
Receivables	2,390,288	5,933,760
Stores inventory	25,768	44,597
Prepaid expenditures	9,247	1,283
Capital assets	27,259,945	29,415,332
Total assets	36,659,020	38,083,553
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred pension expense	2,253,000	0
<b>LIABILITIES</b>		
Deficit cash	244,537	13,444
Accounts payable and other current liabilities	2,461,759	1,934,786
Unearned revenue	33,882	6,480
Other postemployment benefits	2,084,879	1,840,470
Net pension liability	28,466,647	
Tax revenue anticipation notes		1,200,000
Long-term liabilities	8,095,598	8,487,972
Total liabilities	41,387,302	13,483,152
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred earnings on pension plan investments	7,562,512	0
<b>NET POSITION</b>		
Net investment in capital assets	19,991,523	21,831,648
Restricted	2,555,398	2,811,279
Unrestricted (deficit)	(32,584,715)	(42,526)
Total net position (deficit)	\$ (10,037,794)	\$ 24,600,401

The implementation of GASB 68 in the fiscal year ended June 30, 2015, resulted in a deficit net position.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS (CONTINUED)**

The District's net position decreased \$1.06 million this fiscal year (See Table 2.) The District's expenses for instructional and pupil services represented 81% percent of total expenses. The purely administrative activities of the District accounted for 6% percent, and unallocated depreciation accounted for 5% of total costs. The remaining 8% was spent in the areas of plant services and other expenses, interest on long-term debt and other outgo.

**(Table 2)  
Comparative Statement of Change in Net Position**

	Governmental Activities	
	2015	2014
<b>Revenues</b>		
Program revenues	\$ 11,559,114	\$ 11,519,661
General revenues		
Taxes levied for general purposes	3,611,307	3,084,489
Taxes levied for debt service	624,918	694,503
Taxes levied for other specific purposes	7,462	23,029
Federal and State aid not restricted to specific purposes	23,513,590	21,272,380
Interest and investment earnings	634	10,312
Interagency revenues	84,113	117,571
Miscellaneous	754,719	830,975
Total revenues	<u>40,155,857</u>	<u>37,552,920</u>
<b>Expenses</b>		
Instruction	24,184,058	22,709,345
Instruction related services	5,391,393	5,182,657
Pupil services	3,904,058	3,884,638
General administration	2,490,489	2,182,079
Plant services	2,616,348	2,486,517
Other	2,633,771	2,674,526
Total expenses	<u>41,220,117</u>	<u>39,119,762</u>
Decrease in net position	<u>\$ (1,064,260)</u>	<u>\$ (1,566,842)</u>



GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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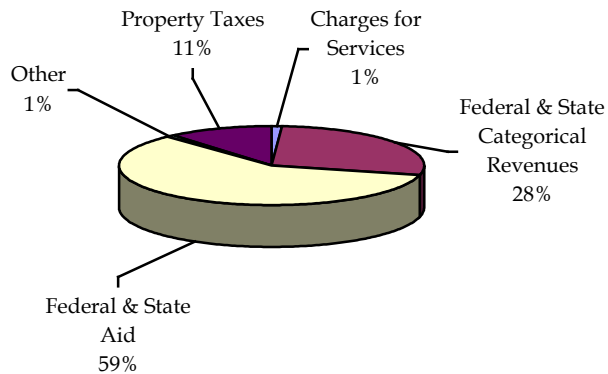
**FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS (CONCLUDED)**

**Governmental Activities**

As reported in the Statement of Activities, the cost of all of the District's governmental activities this year was \$41 million. The amount that our local taxpayers financed for these activities through property taxes was \$4.2 million. Federal and State aid not restricted to specific purposes totaled \$23.6 million. State and Federal Categorical revenue totaled over \$11.2 million, and covered 28% of the expenses of the entire District.

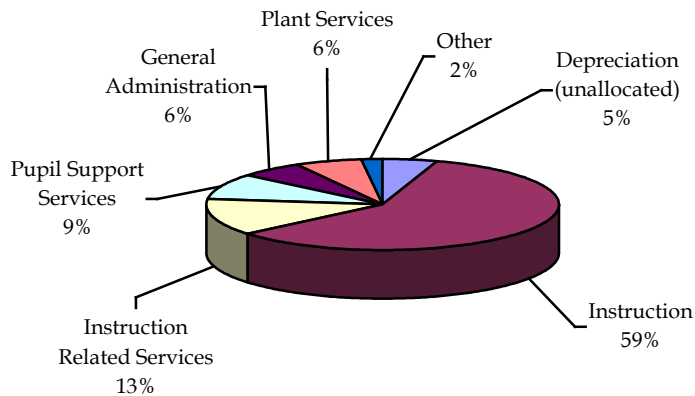
**Sources of Revenue for the 2014-2015 Fiscal Year**

**Figure 1**



**Expenses for the 2014-2015 Fiscal Year**

**Figure 2**



GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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**FINANCIAL ANALYSIS OF THE FUND STATEMENTS**

The fund financial statements focus on individual parts of the District's operations in more detail than the government-wide statements. The District's individual fund statements provide information on inflows and outflows and balances of spendable resources. The District's Governmental Funds reported a combined fund balance of \$6.7 million, an increase of \$1.1 million from the previous fiscal year's combined ending balance of \$5.6 million.

**General Fund Budgetary Highlights**

Over the course of the year, the District revised the annual operating budget monthly. The significant budget adjustments fell into the following categories:

- ◆ Budget revisions to the adopted budget required after approval of the State budget.
- ◆ Budget revisions to update revenues to actual enrollment information and to update expenditures for staffing adjustments related to actual enrollments.
- ◆ Budget revisions are routine in nature, including adjustments to categorical revenues and expenditures based on final awards, and adjustments between expenditure categories for school and department budgets.

The final revised budget for the General Fund reflected a net decrease to the ending balance of \$516 thousand.

The District ended the year with \$4.82 million in the General Fund ending balance, of which \$3.45 million is unrestricted. The remaining balance is made up of non-spendable, restricted and assigned fund balances. The State recommends an ending reserve for economic uncertainties of 3 percent. The District's available reserve was 9.9 percent.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

By the end of the 2014-2015 fiscal year, the District had invested \$64.7 million in a broad range of capital assets, including school buildings, athletic facilities, administrative buildings, site improvements, vehicles, and equipment.

**Table 3**  
**Comparative Schedule of Capital Assets**  
**(net of depreciation)**  
**June 30, 2015 and 2014**

	2015	2014	Difference (Decrease)
Land	\$ 3,885,138	\$ 3,885,138	
Site Improvements	25,911	9,742	\$ 16,169
Buildings	22,403,505	24,614,452	(2,210,947)
Machinery and Equipment	407,244	375,575	31,669
Work in Process	538,147	530,425	7,722
Totals	<u>\$ 27,259,945</u>	<u>\$ 29,415,332</u>	<u>\$ (2,155,387)</u>

The decrease in capital assets is primarily due to current year depreciation. The District purchased a new bus and upgraded the Lake Canyon track.

**Long-Term Debt**

At June 30, 2015, the District had \$8.01 million in long-term debt outstanding.

**Table 4**  
**Comparative Schedule of Outstanding Debt**  
**June 30, 2015 and 2014**

	2015	2014
General Obligation Bonds	\$ 7,138,684	\$ 7,583,684
Accreted Interest	603,613	528,951
Early Retirement Incentives	106,665	263,828
Capital Lease Obligations	129,738	
Compensated Absences	116,898	111,509
Totals	<u>\$ 8,095,598</u>	<u>\$ 8,487,972</u>

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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**CAPITAL ASSET AND DEBT ADMINISTRATION (CONCLUDED)**

**Long-Term Debt (Concluded)**

The District continues to maintain excellent credit ratings on all of its debt issues.

**FACTORS BEARING ON THE DISTRICT'S FUTURE**

Local Control Funding Formula (LCFF) - The LCFF is the largest unknown for the District. The new funding structure has no statutory cost of living allowance built into it and relies solely on the annual budget process at the legislative level. Planning for the "out years" will be much more difficult and volatile under the LCFF funding formula. The years necessary to bring the District to their target funding could be unpredictable and unstable, thereby creating a need for a larger reserve than past years. The ongoing unpredictability of the District's supplemental and concentration funding under the LCFF will also create unstable budgets even after the district's target has been met in 2020-2021.

Race to the Top - The District's RTTT grant will help move us toward all students college and career ready. RTTT will also augment our Common Core implementation efforts.

Enrollment decline and the State's economic condition are major factors affecting the District's future. The District's enrollment has decreased each year since 2006-2007. Student enrollment and attendance are primary factors in the computation of most funding formulas for public schools in the State of California. If the District enrollment continues to decline, we lose State revenue but do not lose expenses at the same rate.

If the District enrollment continues to decline, the District's revenue will likely decline and require further budget reductions. The future of the District's health requires management to plan carefully and prudently to provide the resources to meet student needs over the next seven years while the LCFF moves toward its target revenue amounts.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, parents, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Interim Director of Business Services, Galt Joint Union Elementary School District, 1018 C Street #210, Galt, California 95632.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

STATEMENT OF NET POSITION

JUNE 30, 2015

	Governmental Activities
<b>ASSETS</b>	
Cash (Note 2)	\$ 6,973,772
Accounts Receivable (Note 3)	2,390,288
Stores Inventory (Note 1H)	25,768
Prepaid Expenses (Note 1H)	9,247
Capital Assets, Net of Depreciation (Note 5)	27,259,945
	<hr/>
Total Assets	36,659,020
	<hr/>
<b>DEFERRED OUTFLOWS OF RESOURCES (NOTE 1H)</b>	
Deferred Pension Expense	2,253,000
	<hr/>
Total Deferred Outflows of Resources	2,253,000
	<hr/>
<b>LIABILITIES</b>	
Deficit Cash (Note 2)	244,537
Accounts Payable and Other Current Liabilities	2,461,759
Unearned Revenue (Note 1H)	33,882
Other Postemployment Benefits (Note 10)	2,084,879
Net Pension Liability (Note 11)	28,466,647
Long-term Liabilities (Note 9)	
Due Within One Year	735,905
Due After One Year	7,359,693
	<hr/>
Total Liabilities	41,387,302
	<hr/>
<b>DEFERRED INFLOWS OF RESOURCES (NOTE 1H)</b>	
Deferred Earnings on Pension Plan Investments	7,562,512
	<hr/>
Total Deferred Inflows of Resources	7,562,512
	<hr/>
<b>NET POSITION</b>	
Net Investment in Capital Assets	19,991,523
Restricted For:	
Capital Projects	1,030,868
Debt Service	742,195
Education Programs	663,433
Other Purposes (Expendable)	118,902
Unrestricted (Deficit)	(32,584,715)
	<hr/>
Total Net Position (Deficit)	\$ (10,037,794)
	<hr/> <hr/>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Governmental Activities	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Governmental Activities
Instruction	\$ 24,184,058	\$ 38,743	\$ 5,075,393	\$ (19,069,922)
Instruction-Related Services:				
Supervision of Instruction	1,806,470	20,586	1,261,942	(523,942)
Instructional Library, Media and Technology	558,025	82	547,619	(10,324)
School Site Administration	3,026,898	11,893	1,365,778	(1,649,227)
Pupil Services:				
Home-To-School Transportation	787,031	313	39,074	(747,644)
Food Services	1,786,351	194,150	1,430,018	(162,183)
All Other Pupil Services	1,330,676	3,057	563,950	(763,669)
General Administration:				
Data Processing	613,402		177,482	(435,920)
All Other General Administration	1,877,087	15,681	386,536	(1,474,870)
Plant Services	2,616,348	14,904	371,154	(2,230,290)
Ancillary Services	8,118		58	(8,060)
Community Services	120,554		13,726	(106,828)
Enterprise Activities	6,843	611	6,419	187
Interest on Long-Term Debt	212,010			(212,010)
Other Outgo	66,382		19,945	(46,437)
Depreciation (unallocated)*	2,219,864			(2,219,864)
Total Governmental Activities	\$ 41,220,117	\$ 300,020	\$ 11,259,094	(29,661,003)
General Revenues:				
Property Taxes Levied For:				
General Purposes				3,611,307
Debt Service				624,918
Other Specific Purposes				7,462
Federal and State Aid Not Restricted to Specific Purposes				23,513,590
Interest and Investment Earnings				634
Interagency Revenues				84,113
Miscellaneous				754,719
Total General Revenues				28,596,743
Change (Decrease) in Net Position				(1,064,260)
Net Position Beginning (Deficit) Restated - Note 14				(8,973,534)
Net Position Ending (Deficit)				\$ (10,037,794)

\* This amount excludes depreciation that is included in the direct expenses of various programs.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2015

	General Fund	Capital Facilities Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash (Note 2)	\$ 5,106,881	\$ 1,115,399	\$ 751,492	\$ 6,973,772
Accounts Receivable (Note 3)	1,949,550	2,287	438,451	2,390,288
Due From Other Funds (Note 4)	118,810	1	28,418	147,229
Stores Inventory (Note 1H)			25,768	25,768
Prepaid Expenditures (Note 1H)	9,048		199	9,247
<b>Total Assets</b>	<b>\$ 7,184,289</b>	<b>\$ 1,117,687</b>	<b>\$ 1,244,328</b>	<b>\$ 9,546,304</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Deficit Cash (Note 2)			\$ 244,537	\$ 244,537
Accounts Payable	\$ 2,306,717	\$ 59,422	39,720	2,405,859
Unearned Revenue (Note 1H)	33,821		61	33,882
Due to Other Funds (Note 4)	28,418	27,615	91,196	147,229
<b>Total Liabilities</b>	<b>2,368,956</b>	<b>87,037</b>	<b>375,514</b>	<b>2,831,507</b>
Fund Balances (Note 1H):				
Nonspendable	29,048		35,967	65,015
Restricted	655,934	1,030,650	832,847	2,519,431
Assigned	675,571			675,571
Unassigned	3,454,780			3,454,780
<b>Total Fund Balances</b>	<b>4,815,333</b>	<b>1,030,650</b>	<b>868,814</b>	<b>6,714,797</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 7,184,289</b>	<b>\$ 1,117,687</b>	<b>\$ 1,244,328</b>	<b>\$ 9,546,304</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
JUNE 30, 2015

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Total fund balance - governmental funds	\$	6,714,797
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets: 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:	\$	64,731,235	
Accumulated depreciation:		<u>(37,471,290)</u>	
Net:			27,259,945

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

(55,900)

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:

General obligation bonds	\$	7,138,684	
Accreted interest		603,613	
Net pension liability		28,466,647	
Other post-employment benefits		2,084,879	
Early retirement incentives		106,665	
Capital lease obligations		129,738	
Compensated absences		<u>116,898</u>	
Total			(38,647,124)

Deferred outflows and inflows 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 outflows of resources relating to pensions	\$	2,253,000	
Deferred inflows of resources relating to pensions		<u>(7,562,512)</u>	
Net			<u>(5,309,512)</u>

Total (decrease) net position - governmental activities	\$	<u><u>(10,037,794)</u></u>
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THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS



GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>General Fund</u>	<u>Capital Facilities Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Local Control Funding Formula Sources				
State Apportionments	\$ 22,712,051			\$ 22,712,051
Local Sources	<u>3,611,631</u>			<u>3,611,631</u>
Total Local Control Funding Formula Sources	26,323,682			26,323,682
Federal Revenue	4,603,733		\$ 1,480,237	6,083,970
Other State Revenue	2,557,840		456,556	3,014,396
Other Local Revenue	<u>2,504,000</u>	<u>\$ 477,338</u>	<u>844,447</u>	<u>3,825,785</u>
Total Revenues	<u>35,989,255</u>	<u>477,338</u>	<u>2,781,240</u>	<u>39,247,833</u>
<b>EXPENDITURES</b>				
Certificated Salaries	18,440,296		145,586	18,585,882
Classified Salaries	6,192,779	13,551	860,398	7,066,728
Employee Benefits	6,250,707	3,575	317,944	6,572,226
Books and Supplies	1,611,204	4,175	793,664	2,409,043
Services and Other				
Operating Expenditures	2,588,061	158,274	56,570	2,802,905
Capital Outlay	155,424	6,700	1,023	163,147
Debt Service:				
Principal Retirement	13,368		445,000	458,368
Interest and Fiscal Charges	2,094		138,499	140,593
Other Outgo	<u>(67,563)</u>		<u>128,256</u>	<u>60,693</u>
Total Expenditures	<u>35,186,370</u>	<u>186,275</u>	<u>2,886,940</u>	<u>38,259,585</u>
Excess of Revenues Over (Under) Expenditures	<u>802,885</u>	<u>291,063</u>	<u>(105,700)</u>	<u>988,248</u>
Other Financing Sources (Uses):				
Operating Transfers In (Note 5)	14,033			14,033
Operating Transfers Out (Note 5)		(14,033)		(14,033)
Other Sources	<u>153,522</u>			<u>153,522</u>
Total Other Financing Sources (Uses)	<u>167,555</u>	<u>(14,033)</u>	<u>0</u>	<u>153,522</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	970,440	277,030	(105,700)	1,141,770
Fund Balances - July 1, 2014	<u>3,844,893</u>	<u>753,620</u>	<u>974,514</u>	<u>5,573,027</u>
Fund Balances - June 30, 2015	<u>\$ 4,815,333</u>	<u>\$ 1,030,650</u>	<u>\$ 868,814</u>	<u>\$ 6,714,797</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Net change in fund balances - total governmental funds \$ 1,141,770

Amounts reported for governmental activities in the statement of activities are different because:

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

	Expenditures for capital outlay:	\$ 163,146	
	Depreciation expense:	(2,323,033)	
	Net:	(2,159,887)	(2,159,887)

Debt proceeds: In governmental funds, proceeds from debt are recognized as Other Financing Sources. In government-wide statements, proceeds from debt are reported as increases to liabilities. Amounts recognized in governmental funds as proceeds from debt were: (143,106)

Pensions: In government 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: (202,224)

Debt service: In governmental funds, repayments of long-term debt are reported as expenditures. In government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were: 458,368

Donated capital assets: In governmental funds, donated capital assets are not reported because they do not affect current financial resources. In the government-wide statements, donated capital assets are reported as revenue and as increases to capital assets, at their fair market value on the date of donation. The fair market value of capital assets donated was: 4,500

Unmatured interest on long-term debt: In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period, was: (71,046)

Compensated absences: In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amounts earned. The difference between compensated absences paid and compensated absences earned was: (5,389)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES (CONCLUDED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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Other expenditures relating to prior periods: Certain expenditures recognized in governmental funds relate to prior periods. These expenditures are recognized in the government-wide statement of activities in the period in which the obligations are first incurred, so they must not be recognized again in the current period. Expenditures relating to early retirement incentives offered in prior periods were: 157,163

Postemployment benefits other than pensions (OPEB): In governmental funds, OPEB costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This year, the difference between OPEB costs and actual employer contributions was: (244,409)

Total change (decrease) in net position - governmental activities \$ (1,064,260)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2015

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	<u>Agency Funds</u>
	Student Body Funds
	<u>                    </u>
<b>ASSETS</b>	
Cash (Note 2)	\$ 108,142
Total Assets	<u>\$ 108,142</u>
<b>LIABILITIES</b>	
Due to Student Groups	<u>\$ 108,142</u>
Total Liabilities	<u>\$ 108,142</u>
Total Net Position	<u>\$ 0</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments, boards and agencies that are not legally separate from the District. For Galt Joint Union Elementary School District, this includes general operations, food service and student related activities of the District. The District has considered all potential component units in determining how to define the reporting entity, using criteria set forth in generally accepted accounting principles. The District determined that there are no potential component units that meet the criteria for inclusion within the reporting entity.

B. 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 and its component units.

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

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

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Concluded)

Fund Financial Statements:

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

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

Fiduciary funds are reported using the economic resources measurement focus and the modified accrual basis of accounting.

C. Basis of Accounting

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

Revenues - exchange and non-exchange transactions:

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

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Revenues - exchange and non-exchange transactions (Concluded):

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

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. On governmental fund financial statements, receivables associated with non-exchange transactions that will not be collected within the availability period have also been recorded as unearned revenue.

Expenses/expenditures:

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

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. Expenditures incurred in the unrestricted resources shall be reduced first from the committed resources, then from assigned resources and lastly, the unassigned resources.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Concluded)

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 positions of the State Teachers Retirement Plan (STRS) and the CalPERS Schools Pool Cost-Sharing Multiple Employer Plan (PERS) and additions to/deductions from STRS and PERS fiduciary net positions have been determined on the same basis as they are reported separately by STRS and PERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2013
Measurement Date	June 30, 2014
Measurement Period	July 1, 2013 to June 30, 2014

D. Fund Accounting

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

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. The District accounted for the Special Reserve Fund for Other Post-employment Benefits separately, but it has been included with the General Fund in these financial statements to comply with GASB 54.

Capital Facilities Fund is used to account for resources received from developer impact fees assessed under provisions of the California Environmental Quality Act (CEQA). Expenditures are restricted to the purposes specified in Government Code Sections 65970-65981.



GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Fund Accounting (Concluded)

Additionally, the District reports the following fund type:

Fiduciary Funds are agency funds used to account for assets of others for which the District acts as an agent. The District maintains student body funds, which are used to account for the raising and expending of money to promote the general welfare, morale, and educational experience of the student body. Agency funds are custodial in nature and do not involve measurement of results of operations. Such funds have no equity accounts since all assets are due to individuals or entities at some future time.

E. Budgets and Budgetary Accounting

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

These budgets are revised by the District's Board of Trustees and District Superintendent during the year to give consideration to unanticipated income and expenditures. The final budgets for 2014-2015 were revised after June 30, 2015. The original and final revised budgets are presented for the General Fund as required supplementary information in the financial statements.

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

F. Encumbrances

Encumbrance accounting is used in all budgeted funds to reserve portions of the 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.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Estimates

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

H. Assets, Liabilities and Equity

1. Deposits and Investments

Cash balances held in commercial bank accounts are insured to \$250,000 by the Federal Deposit Insurance Corporation.

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

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 either are secured by federal depository insurance or are collateralized.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available. However, the District's financial statements do not reflect the fair value of investments as the differences between total investment cost and fair value has been determined to be immaterial.

2. Stores Inventory and Prepaid Expenditures

Inventories are recorded using the consumption method, in that inventory acquisitions are initially recorded in inventory (asset) accounts, and are charged as expenditures when used. Reported inventories are equally offset by nonspendable fund balance, which indicates that these amounts are not "available for appropriation and expenditure" even though they are a component of net current assets. The District's cafeteria inventory valuation is First-in-First-out (FIFO).

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Assets, Liabilities and Equity (Continued)

2. Stores Inventory and Prepaid Expenditures (Concluded)

Prepaid expenditures (expenses) represent amounts paid in advance of receiving goods or services. The District has the option of reporting an expenditure in governmental funds for prepaid items either when purchased or during the benefiting period. The District has chosen to report the expenditures in the benefited period.

3. Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over an estimated useful life of 5-50 years depending on the asset class.

4. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section from deferred outflows of resources. This separate financial section, deferred outflow of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

5. 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 exceeds qualified expenditures.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Assets, Liabilities and Equity (Continued)

6. Compensated Absences

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

Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expense in the period taken, since such benefits do not vest, nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires. At retirement, each classified member will receive .004 year of service credit for each day of unused sick leave. Credit for unused sick leave is applicable to all certificated employees and is determined by dividing the number of unused sick days by the number of base service days required to complete the last school year, if employed full-time.

7. 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.

8. Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction, or improvement of the assets.

Restricted Net Position - This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Assets, Liabilities and Equity (Continued)

8. Net Position (Concluded)

Unrestricted Net Position - This amount is all net position that does not meet the definition of "net investment in capital assets " or "restricted net position".

9. Use of Restricted/Unrestricted Net Position

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District's policy is to apply restricted net position first.

10. Fund Equity

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned or unassigned, based primarily on the extent to which the District is bound to honor constraints on how specific amounts are to be spent:

Nonspendable Fund Balance - Includes the portions of fund balance not appropriable for expenditures.

Restricted Fund Balance - Includes amounts subject to externally imposed and legally enforceable constraints.

Committed Fund Balance - Includes amounts subject to District constraints self-imposed by formal action of the District Governing Board. Expenditures of said funds for the committed purpose may be made by the Superintendent or designee without additional action by the Governing Board, though such expenditures shall be reported to the Governing Board with each of the first interim, second interim and unaudited actual reports.

Assigned Fund Balance - Includes amounts the District intends to use for a specific purpose. Assignments may be established by the District Governing Board, or the Superintendent of the District with the recommendation of the Director of Business Services and confirmed by the Governing Board.

Unassigned Fund Balance - Includes the residual balance that has not been assigned to other funds and is not restricted, committed, or assigned to specific purposes.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Assets, Liabilities and Equity (Continued)

10. Fund Equity (Continued)

*Fund Balances*

The District's fund balances at June 30, 2015 consisted of the following:

	General Fund	Capital Facilities Fund	Other Governmental Funds	Total
Nonspendable:				
Revolving Fund	\$ 20,000		\$ 10,000	\$ 30,000
Stores Inventory			25,768	25,768
Prepaid Expenditures	9,048		199	9,247
Total Nonspendable Fund Balance	<u>29,048</u>		<u>35,967</u>	<u>65,015</u>
Restricted For:				
Legally Restricted Categorical Funding	655,934		7,499	663,433
Debt Service			742,195	742,195
Purposes Specified in Government Code Sections 65970-65981		\$ 1,030,650		1,030,650
Cafeteria Program Operations			82,935	82,935
Facilities Construction			218	218
Total Restricted Fund Balance	<u>655,934</u>	<u>1,030,650</u>	<u>832,847</u>	<u>2,519,431</u>
Assigned For:				
Future Retiree Benefits	254,515			254,515
Program Carryover	62,100			62,100
Technology	358,956			358,956
Total Assigned Fund Balance	<u>675,571</u>	<u>0</u>	<u>0</u>	<u>675,571</u>
Unassigned:				
Reserve for Economic Uncertainties	2,430,197			2,430,197
Other Unassigned	1,024,583			1,024,583
Total Unassigned Fund Balance	<u>3,454,780</u>	<u>0</u>	<u>0</u>	<u>3,454,780</u>
Total Fund Balances	<u>\$ 4,815,333</u>	<u>\$ 1,030,650</u>	<u>\$ 868,814</u>	<u>\$ 6,714,797</u>

*Fund Balance Policy*

The District believes that sound financial management principles require that sufficient funds be retained by the District to provide a stable financial base at all times. To retain this stable financial base, the District needs to maintain unrestricted fund balance in its General Fund sufficient to fund cash flows of the District and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Assets, Liabilities and Equity (Continued)

10. Fund Equity (Concluded)

*Fund Balance Policy (Concluded)*

The purpose of the District's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels because of temporary revenue shortfalls or unpredicted one-time expenditures.

The District has adopted a policy to achieve and maintain unrestricted fund balance in the General Fund of 3% of total General Fund expenditures, other uses and transfers out at the close of each fiscal year, consistent with the recommended level promulgated by the State of California. If any portion of the 3% Reserve for Economic Uncertainties is spent, then the District shall reduce expenditures to reestablish the 3% Reserve for Economic Uncertainties.

Additional detailed information, along with the complete *Fund Balance Policy* can be obtained from the District.

11. Local Control Funding Formula/Property Tax

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

The county is responsible for assessing, collecting, and apportioning property taxes. Taxes are levied for each fiscal year on taxable real and personal property in the county. The levy is based on the assessed values as of the preceding 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 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 control funding formula sources by the District.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Assets, Liabilities and Equity (Concluded)

11. Local Control Funding Formula/Property Tax (Concluded)

The California Department of Education reduces the District's entitlement by the District local property tax revenue. The balance is paid from the state General Fund, and is known as the State Apportionment.

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

I. Impact of Recently Issued Accounting Principles

The GASB issued Statement 68, *Accounting and Financial Reporting for Pensions* in June 2012 to amend Statements 27 and 50 and improve accounting and financial reporting by state and local governments for pensions. The Statement details the recognition and disclosure requirements for employers with liabilities to a defined benefit pension plan. The Statement is effective beginning in fiscal year 2014-2015.

The GASB issued Statement 69, *Government Combinations and Disposals of Government Operations* in January 2013 to provide guidance for reporting mergers, acquisitions, transfers of operations, and disposals of government operations. The District does not have activities affected by the Standard and therefore the adoption of GASB 69 does not impact the District's financial statements. The Statement is effective beginning in fiscal year 2014-2015.

The GASB issued Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* which amends Statement 68 by requiring that, at transition, a government should recognize a beginning deferred outflow of resources for its pension contributions made after the measurement date of the beginning net pension liability. The Statement is effective beginning in fiscal year 2014-2015.

The GASB issued Statement 72, *Fair Value Measurement and Application* in February 2015 to enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using consistent and accepted valuation techniques. The Statement is effective beginning in fiscal year 2015-2016.



GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Impact of Recently Issued Accounting Principles (Continued)

The GASB issued Statement 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* in June 2015. The requirements of this Statement will improve financial reporting by establishing a single framework for the presentation of information about pensions, which will enhance the comparability of pension-related information reported by employers and nonemployer contributing entities. The Statement is effective beginning in fiscal year 2015-2016.

The GASB issued Statement 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* in June 2015. The Statement will require enhanced note disclosures and schedules of required supplementary information that will be presented for other post-employment benefit plans (OPEB) to enhance the decision-usefulness of the financial reports of those OPEB plans. The Statement is effective beginning in fiscal year 2015-2016.

The GASB issued Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* in June 2015. The requirements of this Statement will improve the decision-usefulness of financial information and will enhance its value for assessing accountability and interperiod equity by requiring recognition of the entire OPEB liability and a more comprehensive measure of OPEB expense. The Statement is effective beginning in fiscal year 2017-2018.

The GASB issued Statement 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* superseding Statement No. 55 in June 2015. The GAAP hierarchy consists of the sources of accounting principles used to prepare financial statements in conformity with GAAP and the framework for selecting those principles. As a result of implementing this Standard, governments will apply financial reporting guidance with less variation, which will improve the usefulness of financial statement information for making decisions and assessing accountability and enhance the comparability of financial statement information among governments. The Statement is effective beginning in fiscal year 2015-2016.

The GASB issued Statement 77, *Tax Abatement Disclosures* in August 2015. The Statement requires disclosure of tax abatement information to make these transactions more transparent to financial statement users. Users will be better equipped to understand how tax abatements affect a government's future ability to raise resources and the impact those abatements have on a government's financial position and economic condition. The Statement is effective beginning in fiscal year 2016-2017.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

I. Impact of Recently Issued Accounting Principles (Concluded)

The Office of Management and Budget issued the guidance *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance for Federal Awards) on December 29, 2013 which supersedes and streamlines requirements from eight different circulars into one document. The new administrative requirements and cost principles are required to be implemented for all federal awards made after December 26, 2014. The Uniform Guidance for Federal Awards will not affect the District until fiscal year 2015-2016 as all 2014-2015 federal awards occurred prior to December 26, 2014.

NOTE 2 - CASH

A. Summary of Cash

The following is a summary of cash at June 30, 2015:

<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
<u>\$6,729,235</u>	<u>\$108,142</u>	<u>\$6,837,377</u>

The District had the following cash at June 30, 2015:

	<u>Fair Value</u>	<u>Carrying Amount</u>	<u>Credit Quality Rating</u>
Cash			
Cash in Commercial Banks	\$ 109,142	\$ 109,142	Not Rated
Cash in Revolving Fund	30,000	30,000	Not Rated
Cash in County Treasury (net of \$244,537 deficit cash)	<u>6,684,255</u>	<u>6,698,235</u>	Not Rated
Total Cash	<u>\$ 6,823,397</u>	<u>\$ 6,837,377</u>	

B. Policies and Practices

The District is authorized by State statutes and in accordance with the District's Investment Policy (Policy) to invest in the following:

- Securities issued or guaranteed by the Federal Government or its agencies
- State Local Agency Investment Fund (LAIF)

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 2 - CASH (CONTINUED)

B. Policies and Practices (Concluded)

- Insured and/or collateralized certificates of deposit

The Policy, in addition to State statues, establishes that funds on deposit in banks must be federally insured or collateralized and investments shall (1) have maximum maturity not to exceed five years, (2) be laddered and based on cash flow forecasts; and (3) be subject to limitations to a certain percent of the portfolio for each of the authorized investments. The District's investments comply with the established policy.

Cash in Commercial Banks

Cash balances held in commercial bank accounts are insured to \$250,000 by the Federal Deposit Insurance Corporation. These amounts are held within various financial institutions. As of June 30, 2015 the carrying amount of the District's accounts was \$139,142, all of which was insured.

Cash in County Treasury

In accordance with *Education Code* Section 41001, the District maintains substantially all of its cash with the County Treasury as an involuntary participant of a common investment pool, which totaled \$3,003,364,715. The fair market value of this pool as of that date, as provided by the pool sponsor, was \$2,997,096,202. Interest is deposited into participating funds. The balance available for withdrawal is based on the accounting records maintained by the county treasurer, which is recorded on the amortized cost basis.

The District ended the year with a negative cash balance in the Child Development Fund and the Cafeteria Fund of \$200 and \$244,337, respectively. Under policies set by Sacramento County Treasurer's Office, the District allowed to carry a negative balance in the fund as long as the combined District cash is positive. The District is charged interest on the negative balance by the County Treasurer.

C. Risk Disclosures

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures.

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.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 2 - CASH (CONCLUDED)

C. Risk Disclosures (Concluded)

Interest Rate Risk (Concluded) - The District manages its exposure to interest rate risk by investing in the County Pool and having the pool purchase 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.

At June 30, 2015 the District had the following investment maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>		
		<u>Less than 1</u>	<u>1 to 4</u>	<u>More than 4</u>
Sacramento County Treasury	<u>\$6,684,255</u>	<u>\$4,959,717</u>	<u>\$1,461,847</u>	<u>\$262,691</u>

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The county is restricted by Government Code Section 53635 pursuant to Section 53601 to invest only 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. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the District was not exposed to credit risk.

Custodial Credit Risk - Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the District's name. At year end, the District was not exposed to custodial credit risk.

Concentration of Credit Risk - This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District was not exposed to concentration of credit risk.

Foreign Currency Risk - This is the risk that exchange rate will adversely affect the fair value of an investment. At year end, the District was not exposed to foreign currency risk.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 3- ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2015 consist of the following:

	General Fund	Capital Facilities Fund	Other Governmental Funds	Total
Federal Government				
Categorical Aid Programs	\$ 274,823		\$ 358,602	\$ 633,425
State Government				
Categorical Aid Programs	250,179		3,986	254,165
Lottery	316,176			316,176
Other			24,220	24,220
Total State Government	566,355		28,206	594,561
Local Government	217,998			217,998
Interest	8,293	\$ 2,287	28	10,608
Miscellaneous	882,081		51,615	933,696
Total Accounts Receivable	\$ 1,949,550	\$ 2,287	\$ 438,451	\$ 2,390,288

NOTE 4- 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. Transactions among governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Interfund Receivables/Payables (Due From/Due To)

Individual fund interfund receivable and payable balances at June 30, 2015 are as follows:

	Interfund Receivables	Interfund Payables
Major Governmental Funds:		
General Fund	\$ 118,810	\$ 28,418
Capital Facilities Fund	1	27,615
Non-Major Governmental Funds:		
Child Development Fund	28,133	21,589
Cafeteria Fund	285	69,606
County School Facilities Fund		1
Total	\$ 147,229	\$ 147,229

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 4- INTERFUND TRANSACTIONS (CONCLUDED)

Interfund Transfers

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

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds:		
General Fund	\$ 14,033	
Capital Facilities Fund		\$ 14,033
	<u>                    </u>	<u>                    </u>
Total	<u>\$ 14,033</u>	<u>\$ 14,033</u>

The District transferred \$14,033 from the Capital Facilities Fund to the General Fund which represents the 3% administrative expense based on collected developer fees.

NOTE 5 - CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended June 30, 2015, is shown below:

	Balance <u>July 01, 2014</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2015</u>
Capital assets, not being depreciated:				
Land	\$ 3,885,138			\$ 3,885,138
Work in progress	530,425	\$ 7,722		538,147
Total capital assets, not being depreciated	<u>4,415,563</u>	<u>7,722</u>		<u>4,423,285</u>
Capital assets being depreciated:				
Buildings	57,712,348			57,712,348
Improvements of sites	12,990	16,818		29,808
Equipment	2,461,679	143,106	\$ 38,991	2,565,794
Total capital assets, being depreciated	<u>60,187,017</u>	<u>159,924</u>	<u>38,991</u>	<u>60,307,950</u>
Less accumulated depreciation for:				
Buildings	33,097,896	2,210,947		35,308,843
Improvements of sites	3,248	649		3,897
Equipment	2,086,104	111,437	38,991	2,158,550
Total accumulated depreciation	<u>35,187,248</u>	<u>2,323,033</u>	<u>38,991</u>	<u>37,471,290</u>
Total capital assets, being depreciated, net	<u>24,999,769</u>	<u>(2,163,109)</u>	<u>0</u>	<u>22,836,660</u>
Governmental activities capital assets, net	<u>\$ 29,415,332</u>	<u>\$ (2,155,387)</u>	<u>\$ 0</u>	<u>\$ 27,259,945</u>

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 5 - CAPITAL ASSETS AND DEPRECIATION (CONCLUDED)

Depreciation expense was charged to governmental activities as follows:

Governmental Activities:

Instruction	\$	10,830
Home-to-School Transportation		72,075
Food Services		9,160
All Other General Administration		2,735
Centralizing Data Processing		3,183
Plant Services		5,186
Unallocated		<u>2,219,864</u>
Total	<u>\$</u>	<u>2,323,033</u>

NOTE 6 - GENERAL OBLIGATION BONDS PAYABLE

In July, 2012, the District issued 2012 General Obligation Refunding Bonds in an aggregate principal amount of \$7,880,000. The bonds were issued to refund a portion of the District's 2002 General Obligation Bonds. The bonds were comprised of Current Interest Bonds, bear an interest rate of 1.95% and are scheduled to mature through August, 2024.

The District has defeased this bond issue by creating a separate irrevocable trust fund. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the District's government-wide financial statements.

The outstanding general obligation bonded debt at June 30, 2015, is:

General Obligation Bonds

<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Maturity Date August 1</u>	<u>Amount of Original Issue</u>	<u>Outstanding July 1, 2014</u>	<u>Issued Current Year</u>	<u>Redeemed Current Year</u>	<u>Outstanding June 30, 2015</u>
2002	5.00	2027	\$ 258,684	\$ 258,684			\$ 258,684
2012	1.95	2024	<u>7,880,000</u>	<u>7,325,000</u>		\$ 445,000	<u>6,880,000</u>
Total			<u>\$ 8,138,684</u>	<u>\$ 7,583,684</u>	<u>\$ 0</u>	<u>\$ 445,000</u>	<u>\$ 7,138,684</u>

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 6 - GENERAL OBLIGATION BONDS PAYABLE (CONCLUDED)

Accreted Interest

<u>Series</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Outstanding July 1, 2014</u>	<u>Accretion Current Year</u>	<u>Payments Current Year</u>	<u>Outstanding June 30, 2015</u>
2002	9.25-9.28%	2017	<u>\$ 528,951</u>	<u>\$ 74,662</u>	<u>\$ 0</u>	<u>\$ 603,613</u>

The annual payments to amortize the General Obligation Bonds payable, are as follows:

<u>Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 485,000	\$ 129,431	\$ 614,431
2017	525,000	119,584	644,584
2018	565,000	108,957	673,957
2019	610,000	97,500	707,500
2020	655,000	85,166	740,166
2021-2025	4,040,000	207,382	4,247,382
2026-2028	<u>258,684</u>	<u>1,991,316</u>	<u>2,250,000</u>
Totals	<u>\$ 7,138,684</u>	<u>\$ 2,739,336</u>	<u>\$ 9,878,020</u>

NOTE 7 - EARLY RETIREMENT INCENTIVES

In addition to the other postemployment benefits described in Note 10 and the pension benefits described in Note 11, the District offered alternative retirement incentives during 2010-2011 and 2011-2012.

At June 30, 2015, the future liability for seven (7) former employees currently receiving benefits is as follows:

<u>Year Ended June 30</u>	<u>Early Retirement Incentives</u>
2016	<u>\$ 106,665</u>

The District has included the costs of early retirement incentives in long-term debt.



GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 8 - LEASES

A. Capital Lease Obligations

On July 1, 2014, the District entered into a sixty month lease for a thirty-seven (37) passenger Special Education School Bus. The agreement provides for title to pass upon expiration of the lease period. Future minimum lease payments under this agreement are as follows:

<u>Year Ended June 30</u>	<u>Lease Payment</u>
2016	\$ 30,928
2017	30,928
2018	30,929
2019	30,929
2020	<u>15,464</u>
Total payments	139,178
Less amounts representing interest	<u>(9,440)</u>
Present value of net minimum lease payments	<u><u>\$ 129,738</u></u>

B. Operating Leases

The District leases a portion of the District Office building to another business under a non-cancelable, triple-net operating lease agreement. The cost of the portion of the building leased out is \$562,039 and at June 30, 2015 the carrying amount of the asset was \$415,838. The current lease expires on December 31, 2018.

The District received \$62,304 in lease revenue during the current fiscal year, and will receive future lease payments in the following amounts:

<u>Year Ended June 30</u>	<u>Lease Revenue</u>
2016	\$ 72,000
2017	72,000
2018	72,000
2019	<u>36,000</u>
Total	<u><u>\$ 252,000</u></u>

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 9 - LONG-TERM DEBT

A schedule of changes in long-term debt for the year ended June 30, 2015, is shown below.

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015	Due Within One Year
General Obligation Bonds	\$ 7,583,684		\$ 445,000	\$ 7,138,684	\$ 485,000
Accreted Interest	528,951	\$ 74,662		603,613	
Early Retirement Incentives	263,828		157,163	106,665	106,665
Capital Lease Obligations		143,106	13,368	129,738	27,342
Compensated Absences	111,509	5,389		116,898	116,898
Totals	<u>\$ 8,487,972</u>	<u>\$ 223,157</u>	<u>\$ 615,531</u>	<u>\$ 8,095,598</u>	<u>\$ 735,905</u>

The compensated absences and early retirement incentives will be paid by the General Fund. Payments on the general obligation bonds are made by the Bond Interest and Redemption Fund with local revenues.

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS

In addition to the benefits described in Notes 7 and 11, the District provides postemployment healthcare premiums according to the following provisions:

- A. Certificated employees with 20 years of district service and age 55 receive the same benefits as a full-time teacher, including dependents, for a maximum of 5 years or to age 65.
- B. Classified employees with 20 years of district service and age 60 receive paid medical insurance for the retiree only to age 65.
- C. Confidential employees hired after June 15, 1992 with 20 years of district service and age 55 receive the same medical benefits as a full-time employee for 5 years or to age 65.
- D. Administrative, Confidential employees and Board members hired before June 15, 1992 with 20 years of district service will receive full medical, vision and dental insurance premiums for life.

*Funding Policy*

Employees are not required to contribute to the plan. In order to fully fund the plan, the District would be required to contribute the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

*Annual OPEB Cost and Net OPEB Obligation*

The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB liability:

	<u>June 30, 2015</u>
Annual required contribution	\$ 410,245
Interest on OPEB obligation	82,822
Adjustment to annual required contribution	<u>(95,193)</u>
Annual OPEB cost (expense)	397,874
Contributions made	<u>(153,465)</u>
Increase in net OPEB liability	244,409
Net OPEB obligation - beginning of year	<u>1,840,470</u>
Net OPEB obligation - end of year	<u>\$2,084,879</u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligations for the years June 30, 2015, 2014 and 2013 are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Actual Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2015	\$397,874	\$153,465	38.6%	\$2,084,879
June 30, 2014	\$325,020	\$146,077	44.9%	\$1,840,470
June 30, 2013	\$320,494	\$146,079	45.6%	\$1,661,527

*Funded Status and Funding Progress*

As of April 1, 2015, the most recent actuarial valuation date, the plan was unfunded. The actuarial accrued liability for benefits was \$5.1 million, all of which is unfunded.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

*Funded Status and Funding Progress (Concluded)*

Actuarial valuations 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 of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

*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 the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefits costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 1, 2015, actuarial valuation, the "entry age normal" actuarial cost method was used. The actuarial assumptions included a 4.5% investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 4% initially. The UAAL is being amortized as a level percentage of projected payroll on an open basis, with an open 30 year amortization period.

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS

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

*Pension Plan Fiduciary Net Position.* The plans fiduciary net positions disclosed in this report may differ from the plan assets reported in the funding actuarial valuations reported due to several reasons. First, for the accounting valuations, items such as deficiency reserves, fiduciary self-insurance and OPEB expense are included in fiduciary net positions. These amounts are excluded for rate setting purposes in the funding actuarial valuations. In addition, differences may result from early closing and final reconciled reserves.

*Plan Description.* The Galt Joint Union Elementary School District contributes to the State Teachers' Retirement System (STRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by STRS. The State of California is a Nonemployer Contributing Entity to STRS.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS

A. State Teachers' Retirement System (STRS)

*Plan Description (Concluded).* The plan provides retirement, disability, and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. Although CalSTRS is the administrator of the STRS, the state is the sponsor of the STRS and obligor of the trust. In addition, the state is both an employer and nonemployer contributing entity to the STRS. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 100 Waterfront Place, West Sacramento, California 95610.

*Benefit.* STRS provides defined benefit program benefits under two formulas: 2% at 60 for members hired on or before December 31, 2012 and 2% at 62 for members hired after that date. Both formulas define hire as the date at which the member was hired to perform service that could be creditable to CalSTRS. The benefit under each formula is calculated as 2% per year of creditable service. The 2% at 60 formula uses final compensation to calculate the benefit. The 2% at 62 formula uses an average of the highest compensation for three consecutive years to calculate the benefit.

*Funding Policy.* 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. Active plan members are required to contribute 8.15% of their salary and the Galt Joint Union Elementary School District and the State are required to contribute actuarially determined rates. The actuarial methods and assumptions used for determining the rates are those adopted by the STRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2013-2014 was 8.25% and for fiscal year 2014-2015 8.88% of annual payroll. The required State contribution rate for fiscal year 2014-2015 was 5.68%. The Galt Joint Union Elementary School District's contributions to STRS for the fiscal years ending June 30, 2015, 2014 and 2013 were \$1,608,005, \$1,406,654, and \$1,303,775, respectively, and equal 100% of the required contributions for each year.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* At June 30, 2015 the District reported a liability of \$22,790,430 for its proportionate share of the net pension liability for STRS. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2013. The District's proportion of the net pension liability was based on a projection of the District's and the State of California's (non-employer contributing entity) long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the state, actuarially determined. At June 30, 2014, the District's proportion of contributions was 0.0390 percent.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

A. State Teachers' Retirement System (STRS) (Continued)

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Concluded).* For the year ended June 30, 2015, the District recognized pension expense of \$2,506,012 which included the State's required on-behalf contribution. At June 30, 2015, 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>
Deferred Outflows and Inflows of Resources:		
Difference between expected and actual experience	-	-
Changes in Assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	\$ 5,612,100
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to measurement date of June 30, 2014	<u>\$ 1,608,005</u>	<u>-</u>
Totals	<u><u>\$ 1,608,005</u></u>	<u><u>\$ 5,612,100</u></u>

*Actuarial Assumptions.* The total pension liability for STRS was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2013, and rolling forward the total pension liability to June 30, 2014. The financial reporting actuarial valuation as of June 30, 2013, used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Experience Study	July 1, 2006, through June 30, 2010
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

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

A. State Teachers' Retirement System (STRS) (Continued)

*Actuarial Assumptions (Concluded).* CalSTRS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are based on RP2000 series table 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 lognormally 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 Allocation</u>	<u>Long-Term* Expected Real Rate of Return</u>
Global Equity	47%	4.50%
Private Equity	12%	6.20%
Real Estate	15%	4.35%
Inflation Sensitive	5%	3.20%
Fixed Income	20%	0.20%
Cash/Liquidity	1%	0.00%

\* 10-year geometric average

*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 the contributions from plan members and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.60 percent) and assuming the contributions, benefit payments, and administrative expense occurred midyear. Based on those assumptions, the STRS' 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 payment to determine the total pension liability.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

A. State Teachers' Retirement System (STRS) (Concluded)

*Discount Rate (Concluded).* Presented below is the District's proportionate share of the net pension liability of employers and the state using the current discount rate of 7.60 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one to three percent lower or one to three percent higher than the current rate:

Discount Rate	Net Pension Liability of Employers
3% Decrease (4.60%)	\$ 69,624,750
2% Decrease (5.60%)	50,923,470
1% Decrease (6.60%)	35,524,320
Current Discount Rate (7.60%)	22,790,430
1% Increase (8.60%)	12,172,680
2% Increase (9.60%)	3,251,040
3% Increase (10.60%)	(4,274,010)

B. California Public Employees Retirement System (CalPERS)

*Plan Description.* The Galt Joint Union Elementary 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. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 Q Street, Room 1820, Sacramento, CA 95814.

*Funding Policy.* Active plan members were required to contribute 6.974% of their salary and the Galt Joint Union Elementary School District was required to contribute an actuarially annually determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal 2013-2014 was 11.442% and for fiscal year 2014-2015 11.771% of annual payroll. The contribution requirements of the plan members are established by State statute. The Galt Joint Union Elementary School District's employer contributions to CalPERS for the fiscal year ending June 30, 2015, 2014 and 2013 were \$644,995, \$603,896 and \$508,434, respectively and equal 100% of the required contributions for each year.



GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

B. California Public Employees Retirement System (CalPERS) (Continued)

*Benefits.* CalPERS provides defined benefit program benefits based on members' years of service, age, final compensation and benefit formula. Members become fully vested in their retirement benefits earned to date after five years of credited service.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* At June 30, 2015, the District reported a liability of \$5,676,217 for its proportionate share of the net pension liability for CalPERS. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2013. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the state, actuarially determined. At June 30, 2014, the District's proportion of contributions was 0.0500 percent.

For the year ended June 30, 2015, the District recognized pension expense of \$644,995. At June 30, 2015, 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>
Deferred Outflows and Inflows of Resources:		
Difference between expected and actual experience	-	-
Changes in Assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	\$ 1,950,412
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to measurement date of June 30, 2014	<u>\$ 644,995</u>	<u>-</u>
Totals	<u><u>\$ 644,995</u></u>	<u><u>\$ 1,950,412</u></u>

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

B. California Public Employees Retirement System (CalPERS) (Continued)

*Actuarial Assumptions.* For the year ended June 30, 2014, the total pension liability was determined by rolling forward the June 30, 2013 total pension liability. The June 30, 2013 and the June 2014 total pension liabilities were based on the following actuarial methods and assumptions:

Experience Study	July 1, 1997 through June 30, 2011
Actuarial Cost Method	Entry age normal
Investment rate of return	7.50%
Consumer price inflation	2.75%
Wage Growth	Varies by entry age and service
Post-retirement Benefit Increases	Contract COLA up to 2.00% until purchasing power protection allowance floor on purchasing power applies, 2.75% thereafter

CalPERS uses a mortality table based on CalPERS specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

*Discount Rate.* The discount rate used to measure the total pension liability was 7.50 percent. A projection of the expected benefit payments and contributions was performed to determine if assets would run out. The test revealed the assets would not run out. Therefore the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Schools Pool.

The following presents the net pension liability of the Plan as of June 30, 2014, calculated using the discount rate of 7.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1percentage-point lower (6.50 percent) or 1 percentage-point higher (8.50 percent) than the current rate:

<u>Discount Rate</u>	<u>Plan's Net Pension Liability</u>
1% Decrease (6.50%)	\$ 9,929,567
Current Discount Rate (7.50%)	5,647,500
1% Increase (8.50%)	2,069,392

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.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (CONCLUDED)

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

*Discount Rate (Concluded).* The table below reflects 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 geometric rates of return are net of administrative expenses.

<u>New Strategic Asset Class</u>	<u>Real Return Allocation</u>	<u>Real Return Years 1-10<sup>1</sup></u>	<u>Years 11+<sup>2</sup></u>
Global Equity	47%	5.25%	5.71%
Global Fixed Income	19%	0.99%	2.43%
Inflation Sensitive	6%	0.45%	3.36%
Private Equity	12%	6.83%	6.95%
Real Estate	11%	4.50%	5.13%
Infrastructure and Forestland	3%	4.50%	5.09%
Cash/Liquidity	2%	(0.55)%	(1.05)%

<sup>1</sup> An expected inflation of 2.5% used for this period

<sup>2</sup> An expected inflation of 3.0% used for this period

C. Social Security

As established by Federal law, all public sector employees who are not members of their employer's existing retirement system (STRS or PERS) must be covered by social security or an alternative plan. The District has elected to use Social Security.

D. On Behalf Payment

The District was recipients of on-behalf payments made by the State of California to the State Teachers Retirement System (STRS). These payments consist of State general fund contributions of \$898,007 to STRS (5.68% of salaries subject to STRS).

NOTE 12 - COMMITMENTS AND CONTINGENCIES

A. Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2015.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 12 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

B. State and Federal Allowances, Awards and Grants

The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. If the review or audit discloses exceptions, the District may incur a liability to grantor agencies.

C. Joint Ventures

The District participates in joint ventures under joint powers agreements (JPA) with Schools Insurance Authority (SIA) and Galt Schools Joint Powers Authority. The relationship between the District and the JPA's is such that the JPA's are not a component unit of the District for financial reporting purposes.

1. Schools Insurance Authority

The Schools Insurance Authority, a California Joint Powers Authority (SIA) arranges for and/or provides insurance coverage for its members. SIA is governed by a board consisting of a representative from each member district. The board controls the operations of SIA, including any influence by the member districts beyond their representation on the coverage requested and shares surpluses and deficits proportionately to their participation in the SIA.

2. Galt Schools Joint Powers Authority

The Galt Schools Joint Powers Authority Community Facilities District No. 1988-1 (CFD) was formed by a Joint Powers Agreement among the Galt Joint Union Elementary School District and the Galt Joint Union High School District pursuant to the Mello-Roos Community Facilities Act of 1982 to issue debt and levy the special tax on property owners within the Community Facilities District. The CFD is governed by a board of directors consisting of two representatives from each member district and one representative chosen from the community. The board controls the operations, has decision-making authority, the power to designate management and primary accountability for fiscal matters of the CFD. The Board of Directors authorized a bond election, which passed on June 24, 1991, to incur a bonded indebtedness in the maximum aggregate principal amount of \$60,000,000, the proceeds of which were used for school construction in each member District.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 12 - COMMITMENTS AND CONTINGENCIES (CONCLUDED)

C. Joint Ventures (Concluded)

2. Galt Schools Joint Powers Authority (Concluded)

Condensed audited financial information of the Galt Schools Joint Powers Authority for the year ended June 30, 2015 is as follows:

Total Assets	\$3,758,297
Total Liabilities	<u>7,917,800</u>
Net Position (Restricted (\$4,679,813), Unrestricted \$520,310)	<u>(\$4,159,503)</u>
Total Revenues	\$1,250,335
Total Expenses	<u>421,365</u>
Increase in Net Position	<u>\$ 828,970</u>
Long-term debt outstanding at June 30, 2015	<u>\$7,880,000</u>

3. Galt Middle School Joint Powers Authority

The City of Galt and the Galt Joint Union Elementary District created the Galt Middle School Joint Power Authority (JPA) as a separate public entity. The purpose of this JPA was to facilitate the exchange of property owned by each entity. The JPA is administered by a separate governing board and is included as a component unit of the City of Galt.

NOTE 13 - RISK MANAGEMENT

A. Property and Liability

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year ending June 30, 2015, the District contracted with Schools Insurance Authority (SIA) Insurance Company for property and liability insurance coverage and also for theft insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant change in coverage from the prior year.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 13 - RISK MANAGEMENT (CONCLUDED)

B. Workers' Compensation

For fiscal year 2015, the District participated in Schools Insurance Authority's (SIA) insurance purchasing pool. The intent of the SIA pool is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the SIA pool. The workers' compensation experience of the participating districts is calculated as one experience and a common premium rate is applied to all districts in the SIA pool. Each participant pays its workers' compensation premium based on its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage. A participant will then either receive money from or be required to contribute to the "equity-pooling fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the SIA pool. Participation in the SIA pool is limited to districts that can meet the SIA pool selection criteria.

NOTE 14 - RESTATEMENT OF NET POSITION

The amounts previously reported as Governmental Activities Net Position at June 30, 2014 on the Government-Wide Statement of Net Position have been restated due to implementing Governmental Accounting Standards Board (GASB) Statement 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. The June 30, 2014, Net Position is being restated to recognize the net effect resulting from recognition of Deferred Outflows of Pension costs and related pension liability as follows:

	<u>Government-Wide Financial Statements</u>
Net Position, June 30, 2014 as originally reported	\$ 24,600,401
Retroactive recognition of the District's share of unfunded pension liabilities for STRS and PERS	<u>(33,573,935)</u>
Net Position, June 30, 2014 as restated	<u>\$ (8,973,534)</u>

NOTE 15 - SUBSEQUENT EVENTS

Galt Schools Joint Powers Authority which was created to collect developer fees for the Galt Jt. Union Elementary School District and the Galt Jt. Union High School District determine that a disbursement of funds collected were appropriate for the 2015-16 school year. The JPA identified \$1,000,000 to be disbursed to Galt JUESD @ 60% (\$600,000) and Galt JUHSD@ 40% (\$400,000). This transaction occurred on October 1, 2015.

Management has evaluated subsequent events through December 3, 2015, the date on which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET (GAAP) AND ACTUAL  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts (GAAP Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Local Control Funding Formula Sources:				
State Apportionments	\$ 22,665,960	\$ 23,197,385	\$ 22,712,051	\$ (485,334)
Local Sources	3,300,804	3,084,603	3,611,631	527,028
Total Local Control Funding Formula Sources	25,966,764	26,281,988	26,323,682	41,694
Federal Revenue	4,686,906	5,053,177	4,603,733	(449,444)
Other State Revenue	1,435,498	1,670,149	2,557,840	887,691
Other Local Revenue	2,235,069	2,391,158	2,504,000	112,842
Total Revenues	34,324,237	35,396,472	35,989,255	592,783
<b>EXPENDITURES</b>				
Certificated Salaries	18,273,827	18,863,394	18,440,296	423,098
Classified Salaries	5,993,898	6,210,761	6,192,779	17,982
Employee Benefits	5,253,132	5,351,655	6,250,707	(899,052)
Books and Supplies	1,469,623	2,280,922	1,611,204	669,718
Services and Other				
Operating Expenditures	3,436,049	3,274,955	2,588,061	686,894
Capital Outlay	154,616	143,106	155,424	(12,318)
Debt Service:				
Principal Retirement	26,002	25,489	13,368	12,121
Interest and Fiscal Charges	3,854	10,097	2,094	8,003
Other Outgo	(90,559)	(94,655)	(67,563)	(27,092)
Total Expenditures	34,520,442	36,065,724	35,186,370	879,354
Excess of Revenues Over (Under) Expenditures	(196,205)	(669,252)	802,885	1,472,137
Other Financing Sources:				
Operating Transfers In	14,000	10,000	14,033	4,033
Other Sources	143,106	143,106	153,522	10,416
Total Other Financing Sources	157,106	153,106	167,555	14,449
Excess of Revenues and Other Sources Over (Under) Expenditures	(39,099)	(516,146)	970,440	1,486,586
Fund Balances - July 1, 2014	2,947,096	3,844,893	3,844,893	0
Fund Balances - June 30, 2015	\$ 2,907,997	\$ 3,328,747	\$ 4,815,333	\$ 1,486,586

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS



GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
 SCHEDULE OF OTHER POSTEMPLOYMENT BENEFITS (OPEB)  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Schedule of Funding Progress							
Fiscal Year Ended	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
6/30/13	December 1, 2012	\$ -	\$ 3,880,386	\$ 3,880,386	0%	\$ 19,598,891	19.8%
6/30/14	December 1, 2012	\$ -	\$ 3,880,386	\$ 3,880,386	0%	\$ 22,088,930	17.6%
6/30/15	April 1, 2015	\$ -	\$ 5,189,497	\$ 5,189,497	0%	\$ 22,789,604	22.8%

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

SCHEDULES OF THE DISTRICT'S PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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**California State Teachers' Retirement System (CalSTRS)**

	<u>2015</u>
District's proportion of the net pension liability	0.0390%
District's proportionate share of the net pension liability	\$ 22,790,430
District's covered-employee payroll	\$ 17,050,352
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	134%
Plan fiduciary net position as a percentage of the total pension liability	77%

**Public Employee Retirement System (CalPERS)**

District's proportion of the net pension liability	0.0500%
District's proportionate share of the net pension liability	\$ 5,676,217
District's covered-employee payroll	\$ 5,277,886
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	108%
Plan fiduciary net position as a percentage of the total pension liability	83%

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

SCHEDULES OF THE DISTRICT CONTRIBUTIONS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**California State Teachers' Retirement System (CalSTRS)**

	<u>2015</u>
Contractually required contribution	\$ 1,406,654
Contributions in relation to the contractually required contribution	<u>1,406,654</u>
Contribution deficiency (excess)	<u>\$ 0</u>
District's covered-employee payroll	<u>\$ 17,050,352</u>
Contributions as a percentage of covered-employee payroll	<u>8.250%</u>

**Public Employee Retirement System (CalPERS)**

Contractually required contribution	\$ 603,896
Contributions in relation to the contractually required contribution	<u>603,896</u>
Contribution deficiency (excess)	<u>\$ 0</u>
District's covered-employee payroll	<u>\$ 5,277,886</u>
Contributions as a percentage of covered-employee payroll	<u>11.442%</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 1 - PURPOSE OF SCHEDULES

A. Budgetary Comparison Schedule

The District employs budget control by object codes and by individual appropriation accounts. Budgets are prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. The budgets are revised during the year by the Board of Trustees to provide for revised priorities. Expenditures cannot legally exceed appropriations by major object code. The originally adopted and final revised budgets for the General Fund are presented as Required Supplementary Information. The basis of budgeting is the same as GAAP.

The excess of expenditures over appropriations in individual governmental funds at June 30, 2015 are as follows:

<u>Fund</u>	<u>Excess Expenditures</u>
Major Governmental Funds:	
General Fund	
Employee Benefits	\$ 899,052
Capital Outlay	12,318
Other Outgo	27,092
Capital Facilities Fund	
Employee Benefits	184
Food and Supplies	4,175
Contract Services	40,064
Capital Outlay	4,200
Transfers Out	4,033
Non-Major Governmental Funds:	
Child Development Fund	
Employee Benefits	3,777
Contract Services	2,575
Cafeteria Fund	
Employee Benefits	16,724
Food and Supplies	79,460
Other Outgo	950

The District incurred unanticipated expenditures for which the budget was not revised.

The Governing Board does not adopt a budget for the Bond Interest and Redemption Fund because it is accounted for by Sacramento County.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONCLUDED)

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 1 - PURPOSE OF SCHEDULES (CONCLUDED)

A. Budgetary Comparison Schedule (Concluded)

The District did not revise the budget for the STRS pension expense covered by State of California direct payments.

B. Schedule of Other Postemployment Benefits Funding Progress

The Schedule of Funding Progress presents multi-year trend information which compares, over time, the actuarially accrued liability for benefits with the actuarial value of accumulated plan assets.

C. Schedules of District's Proportionate Share of the Net Pension Liability

These schedules present information on the District's portion of the Net Pension Liability of CalSTRS and the Net Pension Liability of CalPERS in compliance with GASB 68.

These will be 10-year schedules. However, this is the first year of implementation of GASB 68 and the information in these schedules is not required to be presented retroactively. Years will be added to these schedules in future fiscal years until 10 years of information is available.

D. Schedules of District Contributions

These schedules provide information about the District's required and actual contributions to CalSTRS and CalPERS during the year.

These will be 10-year schedules. However, this is the first year of implementation of GASB 68 and the information in these schedules is not required to be presented retroactively. Years will be added to these schedules in future fiscal years until 10 years of information is available.

SUPPLEMENTARY INFORMATION SECTION

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

GALT, CALIFORNIA

JUNE 30, 2015

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ORGANIZATION

The Galt Joint Union Elementary School District was established in 1869 and is comprised of an area of approximately 60 square miles located in Sacramento and San Joaquin counties. There were no changes in the boundaries of the District during the current year. The District is currently operating five elementary schools and one middle school.

GOVERNING BOARD

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
John Gordon	President	December, 2016
Kevin Papineau	Vice President	December, 2018
Matthew Giblin	Clerk	December, 2016
Wesley Cagle	Representative	December, 2018
Grace Malson	Representative	December, 2018

ADMINISTRATION

Karen Schauer  
District Superintendent

Vacant  
Director of Business Services

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

SCHEDULE OF AVERAGE DAILY ATTENDANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Revised Second Period Report	Annual Report
	<u>          </u>	<u>          </u>
Regular ADA		
Transitional Kindergarten through Third	1,463	1,463
Fourth through Sixth	1,259	1,256
Seventh and Eighth	808	806
Extended Year Special Education		
Transitional Kindergarten through Third	3	3
Fourth through Sixth	2	2
Seventh and Eighth	1	1
Extended Year Special Education - Nonpublic, Nonsectarian Schools		
Seventh and Eighth	<u>1</u>	<u>1</u>
ADA Totals	<u><u>3,537</u></u>	<u><u>3,532</u></u>

Average daily attendance is a measurement of the numbers 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 the school districts. This schedule provides information regarding the attendance of students at various grade levels and in different programs.



GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

SCHEDULE OF INSTRUCTIONAL TIME

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

<u>Grade Level</u>	<u>Minutes Requirement</u>	<u>Minutes Requirement As Reduced</u>	<u>2014-2015 Actual Minutes</u>	<u>Number of Days Traditional Calendar</u>	<u>Status</u>
Kindergarten	36,000	35,000	36,000	180	In Compliance
Grade 1	50,400	49,000	53,660	180	In Compliance
Grade 2	50,400	49,000	53,660	180	In Compliance
Grade 3	50,400	49,000	53,660	180	In Compliance
Grade 4	54,000	52,500	54,990	180	In Compliance
Grade 5	54,000	52,500	54,990	180	In Compliance
Grade 6	54,000	52,500	54,990	180	In Compliance
Grade 7	54,000	52,500	58,965	180	In Compliance
Grade 8	54,000	52,500	58,965	180	In Compliance

The District has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day. The District has not met its local control funding formula target.

Districts that participate in Longer Day Incentive Funding or that met or exceed their local control funding formula target, must provide at least the number of instructional minutes specified in Education Code Section 46201(b) or 46207(a), shown as the minutes requirement above.

For the 2014-2015 school year, a school district may reduce up to five days of instruction or equivalent number of minutes without incurring penalties pursuant to Education Code Sections 46201.2(b) and 46207(c).

SEE NOTES TO SUPPLEMENTARY INFORMATION

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

SCHEDULE OF CHARTER SCHOOLS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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This schedule is provided to list all charter schools chartered by the District and displays information for each charter school on whether or not the charter school is included in the District audit. There were no charter schools in the Galt Joint Union Elementary School District.

SEE NOTES TO SUPPLEMENTARY INFORMATION

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Program Name:	Federal Catalog Number	Pass-Through Entity Identifying Number	Program Expenditures
U.S. Department of Agriculture:			
Passed through the California Department of Education (CDE):			
Child Nutrition Cluster:			
National School Lunch (Sec 4 and Sec 11)	10.555	13523/13524	\$ 1,200,717
School Breakfast Needy	10.553	13526	216,691
Meal Supplements	10.556	13528	27,328
Subtotal Child Nutrition Cluster**			<u>1,444,736</u>
Total U.S. Department of Agriculture			<u>1,444,736</u>
U.S. Department of Interior Bureau of Land Management			
Fish, Wildlife and Plant Conservation Resource Management	15.231	N/A	<u>6,920</u>
U.S. Department of Education:			
ARRA: Race-to-the-Top	84.416A*	N/A	<u>2,694,962</u>
Passed Through California Department of Rehabilitation:			
Workability II, Transitions Partnership Program	84.158	10006	
Passed through CDE:			
Special Education Cluster:			
IDEA: Basic Local Assistance, Part B, Section 611	84.027	13379	781,348
IDEA: Local Assistance, Part B, Section 611, Private Schools ISPs	84.027	10115	4,722
IDEA: Preschool Local Entitlements Part B, Section 611	84.027A	13682	66,722
IDEA: Mental Health Allocation Plan, Part B, Section 611	84.027A	14468	39,136
IDEA: Preschool Grants	84.173	13430	34,836
Subtotal Special Education Cluster			<u>926,764</u>
Title II, Improving Teacher Quality Cluster:			
NCLB: Title II, Part A, Teacher Quality	84.367	14341	89,730
NCLB: Title II, Part A, Teacher Quality	84.367	ITQ-09-T601	1,352
NCLB: Title II, Part A, Administrator Training	84.367	14344	141
Subtotal Title II, Improving Teacher Quality Cluster			<u>91,223</u>
NCLB: Title I, Part A, Basic Grants Low Income and Neglected	84.010	14329	705,539
NCLB: Title III, Limited English Proficient (LEP) Student Program	84.365	14346	67,116
Total U.S. Department of Education			<u>4,492,524</u>
U.S. Department of Health and Human Services:			
Passed through California Department of Health Care Services:			
Title XIX Medicaid Cluster:			
Medi-Cal Billing Option	93.778*	10013	84,997
Medical Assistance Program (MAA)	93.778*	10060	26,212
Subtotal Title XIX, Medicaid Cluster			<u>111,209</u>
Passed through CDE:			
Child Development: Federal Child Care, Center Based	93.596	13609	35,501
Total U.S. Department of Health and Human Services			<u>146,710</u>
Total Federal Programs			<u>\$ 6,083,970</u>

\* Denotes a Major Program

\*\* Does not include the fair value of commodities received, which totaled \$85,966.

SEE NOTES TO SUPPLEMENTARY INFORMATION

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
RECONCILIATION OF UNAUDITED ACTUAL FINANCIAL  
REPORT WITH AUDITED FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	General Fund	Special Reserve Fund for Other Postemployment Benefits
June 30, 2015, Annual Unaudited Actual Financial Report Fund Balance	\$ 4,507,650	\$ 254,515
Adjustments and Reclassifications Increasing (Decreasing) the Fund Balance:		
Understatement of State lottery revenue	53,168	
To conform with GAAP, activity reported separately by the District in certain Special Revenue Funds is reported in the General Fund in these financial statements.	254,515	(254,515)
Net Adjustments and Reclassifications	307,683	(254,515)
June 30, 2015, Audited Financial Statement Fund Balance	\$ 4,815,333	\$ 0

Auditor's Comments

The audited financial statements of all other funds were in agreement with the Unaudited Actual Financial Report for the year ended June 30, 2015.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Budget 2015-2016	2014-2015	2013-2014	2012-2013
<u>General Fund</u>				
Revenues and Other Financial Sources	\$ 38,942,116	\$ 36,156,810	\$ 34,126,930	\$ 28,736,637
Expenditures (Total Outgo)	36,163,031	35,186,370	34,304,641	28,927,200
Change in Fund Balance (Deficit)	2,779,085	970,440	(177,711)	(190,563)
Ending Fund Balance	\$ 6,107,534	\$ 4,815,333	\$ 3,844,893	\$ 4,022,604
Available Reserves	\$ 4,178,644	\$ 3,454,780	\$ 2,423,958	\$ 3,041,062
Available Reserves as a Percentage of Total Outgo	11.6%	9.8%	7.1%	10.5%
Total Long-Term Debt	\$ 7,476,591	\$ 8,095,598	\$ 8,487,972	\$ 9,113,142
Average Daily Attendance at P-2	3,435	3,537	3,643	3,656

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

The General Fund balance has increased \$602,166 over the past three years. Available reserves consist of all unassigned fund balances in the General Fund. For a District this size the State recommends available reserves of at least 3 percent of total general fund expenditures, transfers out and other uses (total outgo).

Total long-term debt decreased \$1,017,544 during the past two years.

Average Daily Attendance (ADA) has decreased by 119 during the past two years.

The amounts presented as Budget 2015-2016 are provided for additional analysis and have not been audited.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

SCHEDULE OF FIRST FIVE PROGRAM EXPENDITURES

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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<u>FIRST FIVE COMMISSION</u>			
	Budget	Actual	Variance
Personal Services	\$ 220,245	\$ 220,245	
Benefits	49,046	49,046	
Material and Supplies	4,097	4,097	
Contractual Services	9,829	9,829	
Indirect Costs	16,783	16,783	
 Total	 \$ 300,000	 \$ 300,000	 \$ 0

The District accounts for these expenditures in the General Fund using a locally restricted resource code.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NON-MAJOR FUNDS  
 JUNE 30, 2015

	Child Development Fund	Cafeteria Fund	Bond Interest and Redemption Fund	County School Facilities Fund	Mello Roos Fund	Total Non-Major Governmental Funds
<b>ASSETS</b>						
Cash		\$ 10,000	\$ 741,274		\$ 218	\$ 751,492
Accounts Receivable	\$ 5,448	432,020	982	\$ 1		438,451
Due From Other Funds	28,133	285				28,418
Stores Inventory		25,768				25,768
Prepaid Expenditures		199				199
Total Assets	<u>\$ 33,581</u>	<u>\$ 468,272</u>	<u>\$ 742,256</u>	<u>\$ 1</u>	<u>\$ 218</u>	<u>\$ 1,244,328</u>
<b>LIABILITIES AND FUND BALANCE</b>						
Liabilities:						
Deficit Cash	\$ 200	\$ 244,337				\$ 244,537
Accounts Payable	4,293	35,427				39,720
Unearned Revenue			\$ 61			61
Due to Other Funds	21,589	69,606		\$ 1		91,196
Total Liabilities	<u>26,082</u>	<u>349,370</u>	<u>61</u>	<u>1</u>		<u>375,514</u>
Fund Balances:						
Nonspendable		35,967				35,967
Restricted	7,499	82,935	742,195		\$ 218	832,847
Total Fund Balances	<u>7,499</u>	<u>118,902</u>	<u>742,195</u>	<u>0</u>	<u>218</u>	<u>868,814</u>
Total Liabilities and Fund Balances	<u>\$ 33,581</u>	<u>\$ 468,272</u>	<u>\$ 742,256</u>	<u>\$ 1</u>	<u>\$ 218</u>	<u>\$ 1,244,328</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NON-MAJOR FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Child Development Fund	Cafeteria Fund	Bond Interest and Redemption Fund	County School Facilities Fund	Special Reserve Fund for Capital Outlay Projects	Mello Roos Fund	Total Non-Major Governmental Funds
<b>REVENUES</b>							
Federal Revenue	\$ 35,501	\$ 1,444,736					\$ 1,480,237
Other State Revenue	346,750	100,894	\$ 8,912				456,556
Other Local Revenue	10,637	217,651	616,158	\$ 1			844,447
<b>Total Revenues</b>	<b>392,888</b>	<b>1,763,281</b>	<b>625,070</b>	<b>1</b>			<b>2,781,240</b>
<b>EXPENDITURES</b>							
Certificated Salaries	145,586						145,586
Classified Salaries	123,697	736,701					860,398
Employee Benefits	72,177	245,767					317,944
Books and Supplies	9,422	784,242					793,664
Services and Other Operating Expenditures	20,396	36,174					56,570
Capital Outlay				934	\$ 89		1,023
Debt Service:							
Principal Retirement			445,000				445,000
Interest and Fiscal Charges			138,499				138,499
Other Outgo	21,589	106,300	367				128,256
<b>Total Expenditures</b>	<b>392,867</b>	<b>1,909,184</b>	<b>583,866</b>	<b>934</b>	<b>89</b>		<b>2,886,940</b>
Excess of Revenues Over (Under) Expenditures	21	(145,903)	41,204	(933)	(89)	\$ 0	(105,700)
Fund Balances - July 1, 2014	7,478	264,805	700,991	933	89	218	974,514
Fund Balances - June 30, 2015	<u>\$ 7,499</u>	<u>\$ 118,902</u>	<u>\$ 742,195</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 218</u>	<u>\$ 868,814</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS



GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 GENERAL FUND  
 JUNE 30, 2015

	<u>General Fund</u>	<u>Special Reserve Fund for Postemployment Benefits</u>	<u>Total General Fund</u>
<b>ASSETS</b>			
Cash	\$ 4,852,963	\$ 253,918	\$ 5,106,881
Accounts Receivable	1,948,953	597	1,949,550
Due From Other Funds	118,810		118,810
Prepaid Expenditures	<u>9,048</u>		<u>9,048</u>
Total Assets	<u><u>\$ 6,929,774</u></u>	<u><u>\$ 254,515</u></u>	<u><u>\$ 7,184,289</u></u>
<b>LIABILITIES</b>			
Liabilities:			
Accounts Payable	\$ 2,306,717		\$ 2,306,717
Unearned Revenue	33,821		33,821
Due to Other Funds	<u>28,418</u>		<u>28,418</u>
Total Liabilities	<u>2,368,956</u>		<u>2,368,956</u>
Fund Balances:			
Nonspendable	29,048		29,048
Restricted	655,934		655,934
Assigned	421,056	\$ 254,515	675,571
Unassigned	<u>3,454,780</u>		<u>3,454,780</u>
Total Fund Balances	<u>4,560,818</u>	<u>254,515</u>	<u>4,815,333</u>
Total Liabilities and Fund Balances	<u><u>\$ 6,929,774</u></u>	<u><u>\$ 254,515</u></u>	<u><u>\$ 7,184,289</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 GENERAL FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>General Fund</u>	<u>Special Reserve Fund for Postemployment Benefits</u>	<u>Total General Fund</u>
<b>REVENUES</b>			
Local Control Funding Formula Sources			
State Apportionments	\$ 22,712,051		\$ 22,712,051
Local Sources	3,611,631		3,611,631
Total Local Control Funding Formula Sources	26,323,682		26,323,682
Federal Revenue	4,603,733		4,603,733
Other State Revenue	2,557,840		2,557,840
Other Local Revenue	2,503,403	\$ 597	2,504,000
Total Revenues	<u>35,988,658</u>	<u>597</u>	<u>35,989,255</u>
<b>EXPENDITURES</b>			
Certificated Salaries	18,440,296		18,440,296
Classified Salaries	6,192,779		6,192,779
Employee Benefits	6,250,707		6,250,707
Books and Supplies	1,611,204		1,611,204
Services and Other			
Operating Expenditures	2,588,061		2,588,061
Capital Outlay	155,424		155,424
Debt Service:			
Principal Retirement	13,368		13,368
Interest and Fiscal Charges	2,094		2,094
Other Outgo	(67,563)		(67,563)
Total Expenditures	<u>35,186,370</u>	<u>0</u>	<u>35,186,370</u>
Excess of Revenues Over Expenditures	802,288	597	802,885
Other Financing Sources:			
Operating Transfers In	14,033		14,033
Other Sources	153,522		153,522
Total Other Financing Sources	<u>167,555</u>	<u>0</u>	<u>167,555</u>
Excess of Revenues and Other Sources Over Expenditures	969,843	597	970,440
Fund Balances - July 1, 2014	<u>3,590,975</u>	<u>253,918</u>	<u>3,844,893</u>
Fund Balances - June 30, 2015	<u>\$ 4,560,818</u>	<u>\$ 254,515</u>	<u>\$ 4,815,333</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND  
 LIABILITIES - AGENCY FUNDS - STUDENT ACTIVITIES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Beginning Balances	Additions	Deductions	Ending Balances
<u>Greer Elementary School</u>				
<b>ASSETS</b>				
Cash	\$ 15,293	\$ 44,638	\$ 42,633	\$ 17,298
<b>LIABILITIES</b>				
Due to Student Groups	\$ 15,293	\$ 44,638	\$ 42,633	\$ 17,298
<u>Lake Canyon Elementary School</u>				
<b>ASSETS</b>				
Cash	\$ 24,655	\$ 33,103	\$ 40,980	\$ 16,778
<b>LIABILITIES</b>				
Due to Student Groups	\$ 24,655	\$ 33,103	\$ 40,980	\$ 16,778
<u>Marengo Ranch Elementary School</u>				
<b>ASSETS</b>				
Cash	\$ 33,622	\$ 44,241	\$ 45,794	\$ 32,069
<b>LIABILITIES</b>				
Due to Student Groups	\$ 33,622	\$ 44,241	\$ 45,794	\$ 32,069
<u>McCaffrey Middle School</u>				
<b>ASSETS</b>				
Cash	\$ 15,015	\$ 115,805	\$ 118,117	\$ 12,703
<b>LIABILITIES</b>				
Due to Student Groups	\$ 15,015	\$ 115,805	\$ 118,117	\$ 12,703
<u>River Oaks Elementary School</u>				
<b>ASSETS</b>				
Cash	\$ 15,220	\$ 35,397	\$ 41,144	\$ 9,473
<b>LIABILITIES</b>				
Due to Student Groups	\$ 15,220	\$ 35,397	\$ 41,144	\$ 9,473
<u>Valley Oaks Elementary School</u>				
<b>ASSETS</b>				
Cash	\$ 23,279	\$ 19,286	\$ 22,744	\$ 19,821
<b>LIABILITIES</b>				
Due to Student Groups	\$ 23,279	\$ 19,286	\$ 22,744	\$ 19,821
<u>Total Agency Funds</u>				
<b>ASSETS</b>				
Cash	\$ 127,084	\$ 292,470	\$ 311,412	\$ 108,142
<b>LIABILITIES</b>				
Due to Student Groups	\$ 127,084	\$ 292,470	\$ 311,412	\$ 108,142

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT

NOTES TO SUPPLEMENTARY INFORMATION

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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NOTE 1 - PURPOSE OF STATEMENTS AND SCHEDULES

A. Schedule of Average Daily Attendance

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

B. Schedule of Instructional Time

This schedule presents information on the amount of instructional time and number of days offered by the District and whether the District complied with the provisions of Education Code Sections 46201 through 46208. The District has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day, and has not met its local control funding formula target.

C. Schedule of Charter Schools

This schedule is provided to list all charter schools chartered by the District and displays information for each charter school on whether or not the charter school is included in the District audit.

D. Schedule of Expenditures of Federal Awards

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

E. Reconciliation of Unaudited Actual Financial Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balances of all funds as reported on the Unaudited Actual Financial Report to the audited financial statements.

F. Schedule of Financial Trends and Analysis

This schedule is presented to improve the evaluation and reporting of the going concern status of the District.

G. Schedule of First 5 Program Expenditures

This schedule summarizes the District's budget and actual expenditures for the Sacramento County First 5 Program.

H. Combining Statements and Individual Fund Schedules

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

OTHER INDEPENDENT AUDITOR'S REPORTS SECTION

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

Board of Trustees  
Galt Joint Union Elementary School District  
Galt, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Galt Joint Union Elementary School District, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Galt Joint Union Elementary School District's basic financial statements and have issued our report thereon dated December 3, 2015.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Galt Joint Union Elementary School 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 Galt Joint Union Elementary School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Galt Joint Union Elementary School 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 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.

### **Compliance and Other Matters**

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

### **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.



GOODELL, PORTER, SANCHEZ & BRIGHT, LLP  
Certified Public Accountants

December 3, 2015

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Board of Trustees  
Galt Joint Union Elementary School District  
Galt, California

**Report on Compliance for Each Major Federal Program**

We have audited Galt Joint Union Elementary School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Galt Joint Union Elementary School District's major federal programs for the year ended June 30, 2015. Galt Joint Union Elementary School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of Galt Joint Union Elementary 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 Galt Joint Union Elementary 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 reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Galt Joint Union Elementary School District's compliance.

**Opinion on Each Major Federal Program**

In our opinion, Galt Joint Union Elementary School District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.




### Report on Internal Control Over Compliance

Management of Galt Joint Union Elementary 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 Galt Joint Union Elementary 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 OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Galt Joint Union Elementary 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 the internal control over compliance* is a deficiency, or a 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



GOODELL, PORTER, SANCHEZ & BRIGHT, LLP  
Certified Public Accountants

December 3, 2015

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Board of Trustees  
Galt Joint Union Elementary School District  
Galt, California

We have audited Galt Joint Union Elementary School District's compliance with the types of compliance requirements described in the *2014-2015 Guide for Annual Audits of K-12 Local Educational Agencies and State Compliance Reporting* that could have a direct and material effect on each of Galt Joint Union Elementary School District's State government programs as noted below for the year ended June 30, 2015.

**Management's Responsibility**

Management is responsible for compliance with the requirements of State laws and regulations.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance with State laws and regulations of Galt Joint Union Elementary School District's State government programs based on our audit of the types of compliance requirements referred to below. 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 *2014-2015 Guide for Annual Audits of K-12 Local Educational Agencies and State Compliance Reporting*. Those standards 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 the applicable State laws and regulations listed below occurred. An audit includes examining, on a test basis, evidence about Galt Joint Union Elementary 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. However, our audit does not provide a legal determination of Galt Joint Union Elementary School District's compliance with those requirements.

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

<u>Description</u>	<u>Procedures Performed</u>
<b>Local Education Agencies Other Than Charter Schools:</b>	
Attendance	Yes
Teacher Certification and Mis-assignments	Yes
Kindergarten Continuance	Yes
Independent Study	No (see next page)
Continuation Education	Not Applicable
Instructional Time	Yes
Instructional Materials	Yes
Ratio of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	Not Applicable
GANN Limit Calculation	Yes
School Accountability Report Card	Yes

<u>Description</u>	<u>Procedures Performed</u>
Juvenile Court Schools	Not Applicable
Middle or Early College High Schools	Not Applicable
K-3 Grade Span Adjustment	Yes
Transportation Maintenance of Effort	Yes
Regional Occupational Centers or Programs Maintenance of Effort	Not Applicable
Adult Education Maintenance of Effort	Not Applicable
<b>School Districts, County Office of Education and Charter Schools:</b>	
California Clean Energy Jobs Act	No (see below)
After School Education and Safety Program:	
General Requirements	Yes
After School	Yes
Before School	Not Applicable
Proper Expenditure of Education Protection Account Funds	Yes
Common Core Implementation Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
<b>Charter Schools:</b>	
Attendance	Not Applicable
Mode of Instruction	Not Applicable
Non Classroom-Based Instruction/Independent Study	Not Applicable
Determination of Funding for Non Classroom-Based Instruction	Not Applicable
Annual Instructional Minutes - Classroom Based	Not Applicable
Charter School Facility Grant Program	Not Applicable

Procedures were not performed for Independent Study attendance because the average daily attendance generated by the program was below the level required for testing.

Partial procedures were performed for California Clean Energy Jobs Act because the District is in the preliminary phase and has only incurred planning expenditures.

**Opinion on Each State Government Program**

In our opinion, Galt Joint Union Elementary School District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its State government programs for the year ended June 30, 2015.

**Purpose of this Report**

The purpose of this report on compliance is solely to describe the scope of our testing of compliance and the results of that testing based on the requirements of the 2014-2015 *Guide for Annual Audits of K-12 Local Educational Agencies and State Compliance Reporting* published by the Education Audit Appeals Panel. Accordingly, this report is not suitable for any other purpose.



GOODELL, PORTER, SANCHEZ & BRIGHT, LLP  
 Certified Public Accountants

December 3, 2015

FINDINGS AND QUESTIONED COSTS SECTION

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
 SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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**Section I - Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued: Unqualified

Internal control over financial reporting:  
 Material weakness(es) identified?  Yes  No  
 Significant deficiency(ies) identified  
 that are not considered to be material  
 weakness?  Yes  None reported

Noncompliance material to financial  
 statements noted?  Yes  No

*Federal Awards*

Internal control over financial reporting:  
 Material weakness(es) identified?  Yes  No  
 Significant deficiency(ies) identified  
 that are not considered to be material  
 weakness?  Yes  None reported

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

Any audit findings disclosed that are  
 required to be reported in accordance  
 with Section 510 (a) of OMB Circular A-133  Yes  No

Identification of major programs

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
84.416A	ARRA: Race-to-the-Top
93.778	Medicaid Cluster

Dollar threshold used to distinguish  
 between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee?  Yes  No

*State Awards*

Internal control over state programs:  
 Material weakness(es) identified?  Yes  No  
 Significant deficiency(ies) identified  
 that are not considered to be material  
 weakness?  Yes  None reported

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

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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**Section II - Financial Statements Findings**

No matters are reported.

**Section III - Federal Award Findings and Questioned Costs**

No matters are reported.

**Section IV - State Award Findings and Questioned Costs**

No matters are reported.

GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

JUNE 30, 2015

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There were no findings or recommendations considered reportable conditions determined as a result of our audit of Galt Joint Union Elementary School District for the year ended June 30, 2014.



## Board Meeting Agenda Item Information

<b>Meeting Date:</b> 1/7/16	<b>Agenda Item:</b> <b>Board of Trustees Candidate Interviews</b>
<b>Presenter:</b> Karen Schauer	<b>Action Item:</b> <b>Information Item:</b> XX

Board members will interview candidates in open session and take action to appoint a new Board member to fill the board vacancy created by Matthew Giblin's resignation.

The term of office for the position will run from January 7, 2016 to December 2016. The person appointed to the open board seat will have to run for election in the November, 2016 general election in order to continue in the position.

The Board has chosen to make an appointment to fill the position due to the fact that the next general election will not be held until November, 2016.

### Board of Trustees Candidates





### SCHOOL BOARD CANDIDATE INFORMATION SHEET & QUESTIONNAIRE

(This is a public document and open to public review)

Qualifications: Any person, regardless of sex, who is 18 years or older, a citizen of the state, a resident of the school district, a registered voter, and who is not disqualified by the Constitution or laws of the state from holding civil office, is eligible to be appointed to the Board of Education. Employees of the District are not eligible to serve. (Education Code section 35107)

Amos Kathleen S.  
Last Name First Name Middle

[Redacted], Galt 957632  
Address

[Redacted], Galt 957632 Attorney  
Place of Business Occupation or Title

[Redacted] [Redacted] [Redacted]  
Resident Telephone Alternate Telephone Email Address

1. Do you meet the eligibility requirements to serve as a school board member? Yes  No

2. Do you hold any other public office? Yes  No  Please identify:

3. Have you worked on any school committees or participated in any school activities recently?

Facilities committee @ high school  
Former member of GJUESD Board for 4 years.  
Former Commissioner, Galt Parks & Rec Commission

4. Other community or business activities:

Winter Bird Festival, Co-founder (9 yrs.)  
Galt Area Historical Society, Fireworks chair & Lifetime Member  
Orvell K. Fletcher Memorial Committee (ad hoc)

5. Why do you feel you want to be a school board member?

It would be an easy "fit" for me, as I transition towards retirement. I believe education is very important & I want to support good policy decisions. Also, I know & respect current Board members & Superintendent.

6. What do you see as the basic purpose of the public schools?

To insure that each student gets the tools & skills they need to become all that they can become!  
To help create happy, contributing members of society.

Kathleen A. Amos  
Signature

1-1-15  
Date

Please attach any pertinent information (resume, letters of reference, etc.) that you feel the GJUESD Board members would find helpful in their consideration of you to fill this vacancy.

# KATHLEEN S. AMOS

Galt, CA 95632

CA State Bar Number: 112395

\*CFLS (6/97-6/12)

**\*Certified Family Law Specialist, Certified by the CA Board of Legal Specialization (expired)**

## EDUCATION

J.D. Jun 1983                      McGeorge School of Law, University of the Pacific,  
Sacramento, CA

B.S. Aug 1972                      Drake University, Des Moines, IA/ Education  
U. of So. Dakota, Vermillion, SD (1 semester)  
University of Iowa, Iowa City, IA (3 semesters)

## HONORS

Scholarship, Women Lawyers of Sacramento  
Scholarship, Soroptimists International of Sacramento  
Solicited, Campus National Moot Court Executive Committee  
Solicited, Campus National Moot Court Honors Board  
Finalist, Best Oralist, Campus National Moot Court Competition, 1982  
Finalist, Best Brief, Campus National Moot Court Competition, 1982  
Recipient of Firestone Tire & Rubber 4-Year Academic Scholarship, 1969

## FAMILY & JUVENILE LAW EMPLOYMENT

1/05 to present	Self-employed in private family law practice which includes Divorce Mediation & Limited Scope Representation services
Spring 2004	Child Support Attorney IV, Sacramento County Dept. of Child Support Services/ temporary position
7/03-1/04	Family Law Facilitator, San Joaquin Court
10/97-6/03	Child Support Attorney III, Solano County Dept. of Child Support Services
10/89-9/97	Self-employed in private practice, primarily family law with some juvenile law
1988-1990	Part-time contract attorney for County Counsel, Sacramento County/Juvenile Court Division

1985-1989	Law Office of Ann Taylor Garrett, 2015 21st Street, Ste. 200, Sacramento, CA Attorney/Practiced family & juvenile law
1984-1985	Law Office of Judith (Trigueros) Anshin, Sacramento, CA Attorney/Practiced primarily family law, some probate/criminal law
1982-1983	United States Attorney's Office, Civil Division, Sacramento, CA Law clerk during law school
1980-1982	McGeorge Law Library, Sacramento, CA Student Research Assistant/assisted student research

### **PROFESSIONAL ASSOCIATIONS**

Connie Callahan Inns of Court, Stockton, CA / 2006-2013  
 Executive Committee, Volunteer Pro Per Mediation Panel for Sacramento Family Law Courts/2006-8  
 Member, Volunteer Pro Per Mediation Panel for Sacramento Family Law Courts/ 2005-2011  
 Member, Pro Tem Settlement Conference Judge Panel, Sacramento Family Law Courts/2005-2015  
 Member, Sacramento County Bar Assoc. & Family Law Section / 2004-2015  
 Member, San Joaquin County Bar Assoc. & MCLE Committee / 2004-2011  
 Member, Solano County Bar Assoc. / 1999-2003 & 2005-2009  
 Member, Solano Women Lawyers / 1997-2006  
 Treasurer, Solano County Bar Assoc. / 2003  
 Member, California Assoc. of Legal Mediators (C.A.L.M.) / 1994-1997  
 Member, Family Law Section Executive Subcommittee for Chemical  
 Dependency Workshop, sponsored by Sacramento bar / 1987-1998  
 Member, Women Lawyers of Sacramento, CA 1982-1990, 2004-2006  
 Wrote the Family Law Curriculum component of their High School education program  
 Member, Family Law Section, Sacramento County Bar / 1984-1998

### **SPECIAL MASTER TRAINING**

Sacramento Superior Court-sponsored (two times)	12 hrs.
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### **MEDIATION TRAINING**

Finding Common Ground, Spring 2005 to present	24 hrs.
San Joaquin Mediation Center, Fall 2004	28 hrs.
Collaborative Negotiations by Chip Rose, 1997	8 hrs.
Mediation With Attorneys by James Melamed, 1996	8 hrs.
Basic & Advanced Divorce Mediation Techniques by Adryenn Cantor, 1995-6	40 hrs.

### **MEDIATION EXPERIENCE**

Private Family Law practice in Galt, 2005 to present	36 hrs.
Volunteer Mediation in San Joaquin Small Claims Court, 2004-5	10 hrs.

Volunteer Community Mediations for San Joaquin Mediation Center, 2004-5	30 hrs.
Volunteer Mediation in Sacramento Family Law Court/Pro Per Calendars, 2005-11	77 hrs.
Mediations in Child Support Court cases, 1997-2003	20 hrs.
Mediations in Family Law Facilitator's Office, San Joaquin Court, 2003	4 hrs.
Private Family Law Mediations, 1996-2011	30 hrs.
Volunteer Mediation in Sacramento Family Court Pro Per Calendars, 1995-7	60 hrs.

## **COMMUNITY ACTIVITIES**

Member, First Baptist Church Holiday Choir / 2014-2015  
 Member, Galt Area Historical Society / 1997-present  
 Member, Horizon Community Church / 2002-2014  
 Leadership T.E.A.M., Celebrate Recovery at Horizon Community Church / 2007-2014  
 Trustee, Galt Joint United High School District Board / 2008 - 12 (elected office)  
 Commissioner, Galt Parks & Recreation Commission / 2005-2008  
 Member, Galt Joint Unified High School District Bond Oversight Committee / 2005-2007  
 Member, "The Journey" Leadership Study, Horizon Community Church / 2004-2010  
 Member, Galt Community Chorus & Kazoo Band / 2004-2008  
 Member, Galt High School Drama Booster Club / 2008-present  
 Member, Galt High School Athletic Booster Club / 1999-2012  
 Member, Galt High School Band Boosters / 1999-2012  
 Member, Galt High Quarterback Club / 1999-2003  
 Member, Greer Middle School Parent-Teacher Volunteers (PTV) / 1997-1999  
 Member, Galt Elementary District Parent Advisory Committee re Budget / mid-1990's  
 Member, Galt Elementary District Parent Advisory Committee re GATE / mid-1990's  
 President, Fairsite Elementary School Parent-Teacher Association (PTA) / 3 years  
 Member, Fairsite Elementary School PTA / 1990-1997  
 Member, Galt Chamber of Commerce / 1990-7, 2005-2008, 2012  
 President & Member, McGeorge Women's Caucus / 1980-1983  
 Board Member, Young Women's Resource Center, Des Moines, IA / 1979-80  
 Counselor, Shift Supervisor & Trainer-in-Training, Community Telephone Counseling, Inc.,  
 Des Moines, IA / 1977-1980

## **PRE-LAW SOCIAL SERVICES EXPERIENCE**

1979-1980	Iowa Runaway Service, Des Moines, IA Community Service Worker/coordinated one part of federal model program, consisting of workshops & youth involvement
1976-1979	Iowa Children's & Family Services, Des Moines, IA Educational Coordinator/coordinated educational placements of children in foster & group care and supervised independent living skills program in a therapeutic environment

## **PERSONAL:**

Interests include music, theater, movies, baking, bicycling, swimming, camping, & football.

## **REFERENCES AVAILABLE UPON REQUEST**

**SCHOOL BOARD CANDIDATE INFORMATION SHEET & QUESTIONNAIRE**

(This is a public document and open to public review)

Qualifications: Any person, regardless of sex, who is 18 years or older, a citizen of the state, a resident of the school district, a registered voter, and who is not disqualified by the Constitution or laws of the state from holding civil office, is eligible to be appointed to the Board of Education. Employees of the District are not eligible to serve. (Education Code section 35107)

Felix Matthew Christopher  
Last Name First Name Middle

[Redacted] Galt, California, 95632  
Address

State of California Administrative Law Judge  
Place of Business Occupation or Title

[Redacted] [Redacted] [Redacted]  
Resident Telephone Alternate Telephone Email Address

- 1. Do you meet the eligibility requirements to serve as a school board member? Yes  No
- 2. Do you hold any other public office? Yes  No  Please identify:
- 3. Have you worked on any school committees or participated in any school activities recently?  
No

4. Other community or business activities:  
Coaching: Galt Parks and Recreation

5. Why do you feel you want to be a school board member?  
To provide community service, specifically to the educational needs of our children.

6. What do you see as the basic purpose of the public schools?  
To prepare students for college and career of choice.

[Signature] December 27, 2015  
Signature Date

Please attach any pertinent information (resume, letters of reference, etc.) that you feel the GJUESD Board members would find helpful in their consideration of you to fill this vacancy.

## MATTHEW C. FELIX

### EXPERIENCE

#### *Administrative Law Judge (2012-present)*

*Department of Health Care Services,  
Office of Administrative Hearings and Appeals*

Conduct administrative hearings; administer oaths; instruct participants at hearings as to their rights; question witnesses; rule on the burden and order of proof, relevancy, and admissibility of evidence as provided by law; issue subpoenas for the attendance of witnesses; receive and review evidence; prepare decisions, orders and judgments; confer with colleagues on matters of policy, procedure, interpretation, and provide recommendations; conduct administrative hearings for other departments within the Agency pursuant to interdepartmental agreements; perform other related work as needed by the Office of Administrative Hearings and Appeals.

#### *Staff Counsel (2000-2012)*

*Department of Health Care Services*

Provided litigation counsel to representatives of the California Department of Health Care Services' (DHCS) Medi-Cal Program. Coordinated civil litigation with the Attorney General's Office to defend the Medi-Cal Program with focus on major fiscal, system, and policy issues. Prepared pleadings for civil litigation including declarations for DHCS management and staff. Analyzed relevant statutory, regulatory, and case authority in order to defend DHCS' administration of the Medi-Cal Program. Coordinated litigation demands with Medi-Cal Program support--a process that included meetings and review of DHCS' executive decisions which were challenged in civil litigation. Designed, developed, and implemented DHCS' response to demands arising from litigation driven events.

#### *Associate Attorney (1998-2000)*

*Law Offices of Katchis & Yempuku: Sacramento, California*

Litigated all aspects of administrative law in the defense field of California Workers' Compensation (including trials, hearings, depositions, and written discovery). Carried over 100 assigned administrative cases.

#### *Associate Attorney (1993-1998)*

*Law Offices of Mayall, Hurley, Knutsen, Smith & Green: Stockton, California*

Litigated all aspects of tort and contract law (including jury and bench trials, judicial arbitrations, mediations, motion hearings, depositions, written discovery, etc.); prepared pleadings (including appellate, trial, motion, etc.); prepared wills, trusts, and commercial documents (including leases, real estate and business sales contracts, etc.); performed extensive work in the field of insurance defense (including litigation involving insurance fraud). Carried over 20 assigned civil cases.

#### *Legal Internship: Los Angeles Organized Crime Strike Force (1993)*

*United States Attorney's Office: Central District of California*

Analyzed issues arising from prosecuting criminal defendants. Prepared memoranda advising Assistant United States Attorneys regarding federal statutory, regulatory, and case authority. Prepared opposition briefs to defendants' motions to exclude evidence and to dismiss indictments.

#### *Judicial Externship: The Honorable Robert M. Stone (1992)*

*United States District Court: Central District of California*

Analyzed petitions for writ of habeas corpus and petitions for alleged civil rights violations. Prepared briefs, reports, and recommendations regarding federal statutory, regulatory, and case authority.

### EDUCATION

#### *University of Southern California Law Center (1990-1993)*

USC Merit Award: Three-quarter Tuition Scholarship (1990-1993)

High Honors: Dissertation: "The Defendant Never Saw It Coming: Morrison v. Estelle"

Honors: Constitutional Law; Pretrial Advocacy; Gifts, Wills & Trusts

#### *California State University, Sacramento (1985-1989)*

Bachelor of Science: Finance

Minor: Economics

Honors at Entrance (1985)

Dean's Honor List (1986-1989)

Honors at Graduation (1989)

Phi Kappa Phi Honor Society

REFERENCES

Jeffrey David Nedrow, Assistant United States Attorney  
(408) 535-5045

Tod Beach, Assistant Chief Counsel (retired), Department of Health Care Services  
(916) 359-4217

J. Anthony Abbott, Senior Partner, Law Offices of Mayall, Hurley, Knutsen, Smith & Green  
(209) 477-3833

SUZANNE SOULIGNY

GALT, CA 95632

January 4, 2016

Re: School Board Member Position

Dr. Schauer and Board Members:

I am forwarding my resume for consideration of a School Board position with the Galt Joint Union Elementary School District.

As a former elementary administrator and teacher in this district, I bring an extensive amount of experience in working with students, parents and staff as well as a strong educational knowledge base. I've had the pleasure of working in the district for over 30 years and possess a significant understanding of the processes and standards by which the district functions.

I would welcome the opportunity to interview for the Galt Joint Union Elementary School Board Member position and I am confident I can be an asset to the school board.

Thank you for your consideration.

Sincerely



Suzanne Souligny



**SCHOOL BOARD CANDIDATE INFORMATION SHEET & QUESTIONNAIRE**

(This is a public document and open to public review)

*Qualifications: Any person, regardless of sex, who is 18 years or older, a citizen of the state, a resident of the school district, a registered voter, and who is not disqualified by the Constitution or laws of the state from holding civil office, is eligible to be appointed to the Board of Education. Employees of the District are not eligible to serve. (Education Code section 35107)*

Souigny	Suzanne	Marie
Last Name	First Name	Middle
[Redacted]	Galt, CA	
Address		
Retired	Administrator, Teacher K-6	
Place of Business	Occupation or Title	
[Redacted]	[Redacted]	[Redacted]
Resident Telephone	Alternate Telephone	Email Address

1. Do you meet the eligibility requirements to serve as a school board member? Yes  No

2. Do you hold any other public office? Yes  No  Please identify:

3. Have you worked on any school committees or participated in any school activities recently? In 2013, I served on several committees focusing on language arts, mathematics, common core, Smarter Balance, Race To The Top, MAP, PLP, safety and facility repairs/upgrades. Prior to this time, I fulfilled numerous committee responsibilities during 32 years of service ranging from MTYRE to bond initiatives.

4. Other community or business activities: Mustard Seed School, Children's Receiving Home and Children's Courage Worldwide Organization received my support for the past two years.

5. Why do you feel you want to be a school board member? I am committed to provide knowledge and experience to develop, support and sustain quality educational policies.

6. What do you see as the basic purpose of the public schools? Public schools provide a personalized and comprehensive education. Teachers and administrators, working with parents, are the means by which children are able to meet and exceed their potential to be college and career ready.

*Suzanne Marie Souigny* 1-03-16  
Signature Date

Please attach any pertinent information (resume, letters of reference, etc.) that you feel the GJUESD Board members would find helpful in their consideration of you to fill this vacancy.

# SUZANNE SOULIGNY

GALT, CA 95632

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## PROFILE STATEMENT

### EXTENSIVE KNOWLEDGE BASE / COMMITTED TO STUDENTS / STRONG COMMUNICATION SKILLS

Highly motivated, goal-oriented individual committed to achieving quality education for students and a professional work environment for employees.

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## PROFESSIONAL EXPERIENCE

*RETIRED – (2013-2016)*

### *K-6 ADMINISTRATOR – Lake Canyon Elementary (2004-2013) Galt Joint Union Elementary School District*

- Participated in the planning and construction of Lake Canyon Elementary.
- Facilitated parent meetings to report progress, elicit feedback and review goals and objectives.
- Collaborated to build staff composed of certificated and classified employees to support the vision "All Children Can Succeed."
- Recipient of California Distinguished School Award.

### *K-6 ADMINISTRATOR – Valley Oaks Elementary (1997-2004) Galt Joint Union Elementary School District*

- Collaborated with staff to implement strategies to meet and exceed state assessment targets avoiding Program Improvement sanctions.
- Administrator to over 1,000 students on a Traditional Calendar.
- Coordinated the conversion from Traditional to Multi-Track Year Round to Traditional Calendars.
- Program Quality Reviewer for California State Department of Education

### *K-6 TEACHER – Valley Oaks Elementary (1980-1997) Galt Joint Union Elementary School District*

- Teacher primary and intermediate grades.
- Participated in the development of strategic plans in various subject areas: Language Arts, Mathematics, Writing, History, Social Studies, Science and Physical Education.
- Assisted in the development and scoring of state writing assessments, California Department of Education.

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## EDUCATION & PROFESSIONAL DEVELOPMENT

MASTERS IN EDUCATIONAL LEADERSHIP – UNIVERSITY OF CALIFORNIA, SACRAMENTO, CA

ADMINISTRATIVE LEADERSHIP CREDENTIAL- UNIVERSITY OF CALIFORNIA, SACRAMENTO, CA

CROSS-CULTURAL LANGUAGE ACADEMIC DEVELOPMENT (CLAD) CERTIFICATE

MULTIPLE SUBJECT K-8 CREDENTIAL-UNIVERSITY OF CALIFORNIA, SACRAMENTO, CA

BACHELOR OF ARTS – UNIVERSITY OF CALIFORNIA, SACRAMENTO, CA

EXTENSION PROGRAM / CERTIFICATES – JOHN DYER EFFECTIVE MEETING CERTIFICATION, WEST ED ENGLISH LEARNERS & COMMON CORE

PROFESSIONAL AND PERSONAL REFERENCES AVAILABLE ON REQUEST

**SCHOOL BOARD CANDIDATE INFORMATION SHEET & QUESTIONNAIRE**

(This is a public document and open to public review)

Qualifications: Any person, regardless of sex, who is 18 years or older, a citizen of the state, a resident of the school district, a registered voter, and who is not disqualified by the Constitution or laws of the state from holding civil office, is eligible to be appointed to the Board of Education. Employees of the District are not eligible to serve. (Education Code section 35107)

Wakefield  
Last Name

Lawrence  
First Name

Allen  
Middle

[Redacted]  
Address

Retired from Stockton USD  
Place of Business

Retired Instructional Literacy Coach  
Occupation or Title

[Redacted]  
Resident Telephone

[Redacted]  
Alternate Telephone

[Redacted]  
Email Address

1. Do you meet the eligibility requirements to serve as a school board member? Yes  No

2. Do you hold any other public office? Yes  No  Please identify:

3. Have you worked on any school committees or participated in any school activities recently? In June of 2015 I retired as a ILC from Stockton Unified. I worked there twenty nine years: 14 as a classroom teacher, 9 as a Program Specialist and the rest as a ILC. I hold a MS teaching credential.

4. Other community or business activities:  
I have lived in Galt four years and since retiring have joined the Galt Lions Club.

5. Why do you feel you want to be a school board member? I feel that I can bring a plethora of educational experience, an understanding of current curricula and understanding of different phases of child development. I'm available if you want me.

6. What do you see as the basic purpose of the public schools? The purpose of the public schools is to assist children in attaining their own world views. This includes a reasonable understanding of their place and how to think critically and reflect on their progress so that they have the ability to stand upright independently.

Lawrence P. Wakefield  
Signature

December 30, 2015  
Date

Please attach any pertinent information (resume, letters of reference, etc.) that you feel the GJUESD Board members would find helpful in their consideration of you to fill this vacancy.

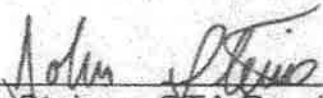
*Stockton Teachers Association  
Certificate of Excellence*

*Presented to*

*Lawrence Wakefield  
Madison Elementary*

*for your Outstanding Performance, Service and Dedication*

*Awarded on this 22nd day of May 2015*

  
\_\_\_\_\_  
John Steiner, STA President





## Board Meeting Agenda Item Information

<b>Meeting Date:</b> 1/7/16	<b>Agenda Item: 131.701</b> Board Appointment of Board Candidate to Fill Board Member Vacancy Position from January 2016 to December 2016
<b>Presenter:</b> Karen Schauer	<b>Action Item:</b> XX <b>Information Item:</b>

Following the open session interviews, the Board will take action to appoint a board candidate.

The term of office for the position will run from January 7, 2016 to December 2016. The person appointed to the open board seat will have to run for election in the November, 2016 general election in order to continue in the position.



## Board Meeting Agenda Item Information

<b>Meeting Date:</b> 1/7/16	<b>Agenda Item: 131.702</b> Administer Oath of Office to Board Candidate Selected to Fill Board Member Vacancy Position from January 2016 to December 2016
<b>Presenter:</b> Karen Schauer	<b>Action Item:</b> XX <b>Information Item:</b>

The Oath of Office will be administered to the individual selected to fill the Board Member vacancy.