

AGREEMENT

This Agreement is made and entered into this ____ day of _____, 2012, by and between Marysville Joint Unified School District, hereinafter referred to as "District," and the County of Yuba, a political subdivision of the State of California, hereinafter referred to as "County."

WHEREAS, the primary objectives of the Probation and Schools Success (PASS) Program are to reduce the dropout rate amongst students, assist school administrators with the safe operation of their schools, reduce disciplinary problems within the school, and enhance the individual potential of students as a means of protecting the welfare of the community and its youth; and

WHEREAS, it is a further objective of PASS to involve the parents, school and criminal justice personnel in a collaborative effort of support for educational achievement by youth; and

WHEREAS, the County is willing to provide the employment of a Deputy Probation Officer through the Probation Department to be funded by the District;

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. County will employ one qualified full-time Deputy Probation Officer for 12 months beginning July 1, 2012 and ending June 30, 2013.
2. Said employee will be appointed and supervised by the Chief Probation Officer or his designee. Qualifications for said position will include those requirements mandated by law for peace officers within the State of California as well as skills requirements necessary to carry out the functions of the position and program service delivery components.
3. The County will provide clerical support for the position. The District will provide office space for the position.
4. The Deputy Probation Officer will provide intervention services to all students referred for program participation by the designated school administrators at Lindhurst High School.
5. The Deputy Probation Officer will provide services to parents as required or requested.
6. The District will pay to the County the costs of this program in an amount not to exceed \$58,174 as provided in Attachment A "PASS Budget." The County will bill the District for actual costs of the program on a quarterly basis. Payment for actual program costs shall be made by the District on a quarterly basis within 30 days of said billing. Failure to make timely payments will be considered a material breach of contract.
7. The District will provide school time and space for program service delivery and designate personnel at each participating school for the referral of students for program participation.

8. The Probation Program Manager and the School Site Administrator (Principal) will jointly evaluate the performance of the Deputy Probation Officer assigned pursuant to this agreement.
9. The Parties agree to jointly participate in an evaluative outcome process to assess the effectiveness of the Program and make modifications as appropriate.
10. Annually, the Chief Probation Officer and Superintendent will meet to review the evaluative components of the Agreement.
11. District agrees to indemnify, defend and save harmless County, its officers, agents and employees from any and all claims and losses occurring or resulting to any person, firm, corporation or entity who may be injured or damaged by the District in the performance of this contract, including attorney fees and costs.
County agrees to indemnify, defend and save harmless District, its officers, agents and employees from any and all claims and losses occurring or resulting to any person, firm, corporation or entity who may be injured or damaged by the County in the performance of this contract.
12. This contract may be terminated by either party for material breach or by providing the other party 60 days written notice.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the day and date first above shown.

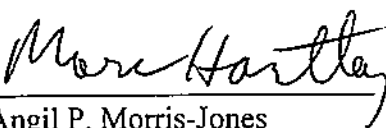
ATTEST: Donna Stottlemeyer
Clerk of the Board of Supervisors

COUNTY OF YUBA:

Chairman of the Board of Supervisors

Approved as to form:

MARYSVILLE JOINT UNIFIED
SCHOOL DISTRICT:



Angil P. Morris-Jones
County Counsel

Superintendent of Schools

ATTACHMENT A

PROBATION AND SCHOOL SUCCESS PROGRAM

YUBA COUNTY PROBATION

PROJECT (PASS) BUDGET

BUDGET CATEGORY AND LINE ITEM DETAIL		COST
Actual Salary & Benefit Cost:		\$ 92,218
Salary	\$ 60,936	
Medicare	884	
PERS	11,548	
Health Ins	16,336	
Life Ins	29	
Unemployment Ins	305	
Workers Comp	2,180	
Salary & Benefits to be paid by Yuba County Non-General Funds:		(34,044)
A	Salary to be paid by Marysville Joint Unified School District:	
	1 - Deputy Probation Officer	38,454
B.	Benefits to be paid by Marysville Unified School District:	
	Medicare	558
	PERS	7,287
	Health & Life Insurance	10,310
	Unemployment Insurance	192
	Workers Comp	<u>1,373</u>
	Subtotal Benefits:	19,720
	Total Salary and Benefits:	58,174
TOTAL CONTRACT AMOUNT		\$58,174

AGREEMENT

This Agreement is made and entered into this ____ day of _____, 2012, by and between Marysville Joint Unified School District, hereinafter referred to as "District," and the County of Yuba, a political subdivision of the State of California, hereinafter referred to as "County."

WHEREAS, the primary objectives of the Probation and Schools Success (PASS) Program are to reduce the dropout rate amongst students, assist school administrators with the safe operation of their schools, reduce disciplinary problems within the school, and enhance the individual potential of students as a means of protecting the welfare of the community and its youth; and

WHEREAS, it is a further objective of PASS to involve the parents, school and criminal justice personnel in a collaborative effort of support for educational achievement by youth; and

WHEREAS, the County is willing to provide the employment of a Deputy Probation Officer through the Probation Department to be funded by the District;

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. County will employ one qualified full-time Deputy Probation Officer for 12 months beginning July 1, 2012 and ending June 30, 2013.
2. Said employee will be appointed and supervised by the Chief Probation Officer or his designee. Qualifications for said position will include those requirements mandated by law for peace officers within the State of California as well as skills requirements necessary to carry out the functions of the position and program service delivery components.
3. The County will provide clerical support for the position. The District will provide office space for the position.
4. The Deputy Probation Officer will provide intervention services to all students referred for program participation by the designated school administrators at Marysville High School.
5. The Deputy Probation Officer will provide services to parents as required or requested.
6. The District will pay to the County the costs of this program in an amount not to exceed \$65,902 as provided in Attachment A "PASS Budget." The County will bill the District for actual costs of the program on a quarterly basis. Payment for actual program costs shall be made by the District on a quarterly basis within 30 days of said billing. Failure to make timely payments will be considered a material breach of contract.
7. The District will provide school time and space for program service delivery and designate personnel at each participating school for the referral of students for program participation.

8. The Probation Program Manager and the School Site Administrator (Principal) will jointly evaluate the performance of the Deputy Probation Officer assigned pursuant to this agreement.
9. The Parties agree to jointly participate in an evaluative outcome process to assess the effectiveness of the Program and make modifications as appropriate.
10. Annually, the Chief Probation Officer and Superintendent will meet to review the evaluative components of the Agreement.
11. District agrees to indemnify, defend and save harmless County, its officers, agents and employees from any and all claims and losses occurring or resulting to any person, firm, corporation or entity who may be injured or damaged by the District in the performance of this contract, including attorney fees and costs.
12. This contract may be terminated by either party for material breach or by providing the other party 60 days written notice.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the day and date first above shown.


ATTEST: Donna Stottlemeyer
Clerk of the Board of Supervisors

COUNTY OF YUBA:

Chairman of the Board of Supervisors

Approved as to form:

MARYSVILLE JOINT UNIFIED
SCHOOL DISTRICT:


Angil P. Morris-Jones
County Counsel

Superintendent of Schools

ATTACHMENT A
 PROBATION AND SCHOOL SUCCESS PROGRAM
 YUBA COUNTY PROBATION
 PROJECT (PASS) BUDGET

BUDGET CATEGORY AND LINE ITEM DETAIL		COST
Actual Salary & Benefit Costs:		\$ 115,357
Salary	\$ 80,076	
Medicare	1,161	
PERS	15,175	
Health Insurance	16,336	
Life Insurance	29	
Unemployment Insurance	400	
Worker's Compensation	2,180	
Salary & Benefits to be paid by Yuba County Non-General Funds:		(49,455)
A	Salary:	
	1 – Deputy Probation Officer	\$45,747
B.	Benefits:	
	Medicare	663
	PERS	8,670
	Health & Life Insurance	9,348
	Unemployment & Life Insurance	229
	Workers Compensation	1,245
	Subtotal Benefits:	\$20,155
	Total Salary and Benefits:	\$65,902
TOTAL CONTRACT AMOUNT		\$65,902

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AGREEMENT

This Agreement is made and entered into this _____ day of _____, 2012, by and between Marysville Joint Unified School District, hereinafter referred to as "District," and the County of Yuba, a political subdivision of the State of California, hereinafter referred to as "County."

WHEREAS, the primary objectives of the Probation and Schools Success (PASS) Program are to reduce the dropout rate amongst students, assist school administrators with the safe operation of their schools, reduce disciplinary problems within the school, and enhance the individual potential of students as a means of protecting the welfare of the community and its youth; and

WHEREAS, it is a further objective of PASS to involve the parents, school and criminal justice personnel in a collaborative effort of support for educational achievement by youth; and

WHEREAS, the County is willing to provide the employment of a Deputy Probation Officer through the Probation Department to be funded by the District;

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. County will employ one qualified full-time Intervention Counselor or Deputy Probation Officer for 12 months beginning July 1, 2012 and ending June 30, 2013.
2. Said employee will be appointed and supervised by the Chief Probation Officer or his designee. Qualifications for said position will include those requirements mandated by law for peace officers within the State of California as well as skills requirements necessary to carry out the functions of the position and program service delivery components.
3. The County will provide clerical support for the position. The District will provide office space for the position.
4. The Deputy Probation Officer or Intervention Counselor will provide intervention services to all students referred for program participation by the designated school administrators at Anna McKenney.
5. The Deputy Probation Officer or Intervention Counselor will provide services to parents as required or requested.
6. The District will pay to the County the costs of this program in an amount not to exceed \$50,808 as provided in Attachment A "PASS Budget." The County will bill the District for actual costs of the program on a quarterly basis. Payment for actual program costs shall be made by the District on a quarterly basis within 30 days of said billing. Failure to make timely payments will be considered a material breach of contract.
7. The District will provide school time and space for program service delivery and designate personnel at each participating school for the referral of students for program participation.

8. The Probation Program Manager and the School Site Administrator (Principal) will jointly evaluate the performance of the Deputy Probation Officer assigned pursuant to this agreement.
9. The Parties agree to jointly participate in an evaluative outcome process to assess the effectiveness of the Program and make modifications as appropriate.
10. Annually, the Chief Probation Officer and Superintendent will meet to review the evaluative components of the Agreement.
11. District agrees to indemnify, defend and save harmless County, its officers, agents and employees from any and all claims and losses occurring or resulting to any person, firm, corporation or entity who may be injured or damaged by the District in the performance of this contract, including attorney fees and costs.
County agrees to indemnify, defend and save harmless District, its officers, agents and employees from any and all claims and losses occurring or resulting to any person, firm, corporation or entity who may be injured or damaged by the County in the performance of this contract.
12. This contract may be terminated by either party for material breach or by providing the other party 60 days written notice.

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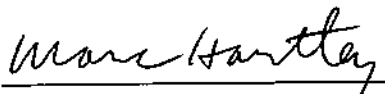
ATTEST: Donna Stottlemeyer
Clerk of the Board of Supervisors

COUNTY OF YUBA:

Chairman of the Board of Supervisors

Approved as to form:

MARYSVILLE JOINT UNIFIED
SCHOOL DISTRICT:



Angil P. Morris-Jones
County Counsel

Gay Todd, Ed.D.
Superintendent of Schools

ATTACHMENT A

PROBATION AND SCHOOL SUCCESS PROGRAM

YUBA COUNTY PROBATION

PROJECT (PASS) BUDGET

BUDGET CATEGORY AND LINE ITEM DETAIL		COST
Actual Salary & Benefit Costs:		\$ 71,861
Salary	\$ 45,882	
Medicare	665	
PERS	6,534	
Health Insurance	16,342	
Life Insurance	29	
Unemployment Insurance	2,180	
Salary & Benefits to be paid by Yuba County Non-General Funds:		(21,053)
A	Salary:	
	1 – Intervention Counselor	31,900
B.	Benefits:	
	Medicare	463
	PERS	4,434
	Health & Life Insurance	12,011
	Unemployment Insurance	160
	Workers Compensation	<u>1,840</u>
	Subtotal Benefits:	18,908
	Total Salary and Benefits:	50,808
TOTAL CONTRACT AMOUNT		\$50,808

AGREEMENT

This Agreement is made and entered into this _____ day of _____, 2012, by and between Marysville Joint Unified School District, hereinafter referred to as "District," and the County of Yuba, a political subdivision of the State of California, hereinafter referred to as "County."

WHEREAS, the primary objectives of the Probation and Schools Success (PASS) Program are to reduce the dropout rate amongst students, assist school administrators with the safe operation of their schools, reduce disciplinary problems within the school, and enhance the individual potential of students as a means of protecting the welfare of the community and its youth; and

WHEREAS, it is a further objective of PASS to involve the parents, school and criminal justice personnel in a collaborative effort of support for educational achievement by youth; and

WHEREAS, the County is willing to provide the employment of a Deputy Probation Officer or Supervising Group Counselor through the Probation Department to be funded by the District;

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. County will employ one qualified full-time Deputy Probation Officer or Supervising Group Counselor for 12 months beginning July 1, 2012 and ending June 30, 2013.
2. Said employee will be appointed and supervised by the Chief Probation Officer or his designee. Qualifications for said position will include those requirements mandated by law for peace officers within the State of California as well as skills requirements necessary to carry out the functions of the position and program service delivery components.
3. The County will provide clerical support for the position. The District will provide office space for the position.
4. The Deputy Probation Officer or Supervising Group Counselor will provide intervention services to all students referred for program participation by the designated school administrators at Yuba Gardens Intermediate School.
5. The Deputy Probation Officer or Supervising Group Counselor will provide services to parents as required or requested.
6. The District will pay to the County the costs of this program in an amount not to exceed \$82,919 as provided in Attachment A "PASS Budget." The County will bill the District for actual costs of the program on a quarterly basis. Payment for actual program costs shall be made by the District on a quarterly basis within 30 days of said billing. Failure to make timely payments will be considered a breach of contract.
7. The District will provide school time and space for program service delivery and designate personnel at each participating school for the referral of students for program participation.

8. The Probation Program Manager and the School Site Administrator (Principal) will jointly evaluate the performance of the Deputy Probation Officer or Supervising Group Counselor assigned pursuant to this agreement.
9. The Parties agree to jointly participate in an evaluative outcome process to assess the effectiveness of the Program and make modifications as appropriate.
10. Annually, the Chief Probation Officer and Superintendent will meet to review the evaluative components of the Agreement.
11. District agrees to indemnify, defend and save harmless County, its officers, agents and employees from any and all claims and losses occurring or resulting to any person, firm, corporation or entity who may be injured or damaged by the District in the performance of this contract, including attorney fees and costs.
County agrees to indemnify, defend and save harmless District, its officers, agents and employees from any and all claims and losses occurring or resulting to any person, firm, corporation or entity who may be injured or damaged by the County in the performance of this contract.
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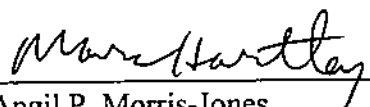
ATTEST: Donna Stottlemeyer
Clerk of the Board of Supervisors

COUNTY OF YUBA:

Chairman of the Board of Supervisors

Approved as to form:

MARYSVILLE JOINT UNIFIED
SCHOOL DISTRICT:



Angil P. Morris-Jones
County Counsel

Superintendent of Schools

ATTACHMENT A
 PROBATION AND SCHOOL SUCCESS PROGRAM
 YUBA COUNTY PROBATION
 PROJECT (PASS) BUDGET

BUDGET CATEGORY AND LINE ITEM DETAIL		COST
Actual Salary & Benefit Costs:		\$ 90,498
Salary	\$ 63,591	
Medicare	0	
PERS	12,051	
Health Insurance	12,329	
Life Insurance	29	
Unemployment Insurance	318	
Worker's Compensation	2,180	
Salary & Benefits to be paid by Yuba County Non-General Funds:		(7,579)
A	Salary:	
	1 - Deputy Probation Officer/Supervising Group Counselor	58,220
B.	Benefits:	
	Medicare	0
	PERS	11,033
	Health & Life Insurance	11,369
	Unemployment Insurance	291
	Workers Compensation	2,006
	Subtotal Benefits:	24,699
	Total Salary and Benefits:	82,919
		\$82,919

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NEW MANAGEMENT, INC.

6512 Edmonton Avenue San Diego, CA 92122 858-455-6000

Consultation Agreement

Page 1 of 1

This agreement is entered into this 5th day of July, 2012 by and between New Management, Inc., hereinafter called the **CONSULTANT**, and Marysville Joint Unified School District, hereinafter called the **DISTRICT**.

The parties to this agreement do mutually agree as follows:

The term of this agreement shall commence on August 6, 2012 and end on August 9, 2012.

CONSULTANT (Rick Morris) will present four six-hour workshops on effective teaching practices for meeting student needs, promoting student involvement in the learning process, and interactive discipline techniques.

In consideration of said services the **DISTRICT** agrees to pay the **CONSULTANT** the following sums:

Speaking fee:	\$7700 (four days)
Materials:	waived; duplicated by DISTRICT

Air travel:	billed at actual cost; approx. \$500
Car rental:	billed at actual cost; approx. \$500
Lodging:	four nights; billed at actual cost; approx. \$600

Upon conclusion of the presentation and receipt of invoice, **DISTRICT** will remit payment within thirty days.

This agreement may be terminated by either party serving written notice thirty (30) days in advance. In the event of cancellation by **DISTRICT**, there will be a charge for any non-refundable transportation costs.

Marysville Joint Unified School District

New Management, Inc.

13

MTC

MENDES TRAINING & CONSULTING, INC.

Facilitating Personal and
Interpersonal Effectiveness

Ernest Mendes, Ph.D

July 2, 2012

Training Agreement

Marysville Joint USD
1919 B Street, Marysville, Ca. 95901
Attn: Lennie Tate

TERMS	PURCHASE ORDER #	
Net due		
"Collegial Coaching Training"		
Staff development August 6, 7, 8, 9, 2012		\$10,400.00
*Travel expenses are additional and include Flight, hotel, airport parking, rental car, meals, etc.		
Not to exceed		\$1,800.00

Authorized Signature, Ernest J. Mendes, Ph.D.

Mendes Training & Consulting, Inc.
8024 Paseo Avellano
Carlsbad CA 92009
Tax ID #42-1564737
Tel: 760/994-8880 • Fax: 760/944-9468

Authorized Signature, Gay Todd, Ed.D.
Superintendent

Marysville Joint USD
1919 B Street
Marysville CA 95901

MJUSD
Personnel Dept.

JUL 03 2012

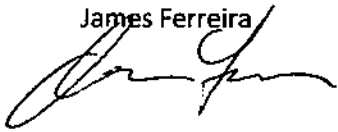
RECEIVED

Marysville Joint Unified School District

To Whom It May Concern:

I hereby tender my resignation effective June 30th, 2012.

James Ferreira



Mr. Ramiro Carreon

Assistant Superintendant of Personnel Services

Marysville Joint Unified School District

1919 B Street, Marysville, CA 95901

MJUSD
Personnel Dept.
JUL 03 2012
RECEIVED



July 2, 2012

Dear Mr. Carreon,

This letter is to inform you that I am moving, with my family, to Río Rancho, New Mexico.

Please regard this as my official letter of resignation. I want to let you know that we officially planned moving today. The moment that we knew Jeremy had a job, I wrote this letter to you.

I would like to express my sincere appreciation to you as my supervisor, as well as to everyone who has supported Jeremy and me in the past 5 years. We have truly enjoyed working for MJUSD and are truly blessed to have had this opportunity to learn and grow as educators.

I wish all of you at Marysville Joint Unified continued success in the future. I will really miss working with everyone here.

Sincerely,

Andrea E. Presser

(530) 415-6305

Mr. Ramiro Carreon
Assistant Superintendant of Personnel Services
Marysville Joint Unified School District
1919 B Street, Marysville, CA 95901

MJUSD
Personnel Dept.

JUL 03 2012

RECEIVED



July 2, 2012

Dear Mr. Carreon,

This letter is to inform you that I have taken a position at Rio Rancho Public Schools in Rio Rancho, NM. Please regard this as my official letter of resignation. My last day of work will be July 9, 2012. I feel that I have trained my fellow special education teachers to work well in our successful and strong program.

I would like to express my sincere appreciation to you as my supervisor, as well as to everyone who has supported Andrea and me in the past 5 years. I have truly enjoyed my years working here and am very glad to have had this opportunity to learn and grow as an educator.

On a personal note, I want to let you know that I just had my interview and accepted the position today. The moment that I knew, I wrote this letter to you.

I wish all of you at Marysville Joint Unified continued success in the future. I will really miss it here.

Sincerely,

Jeremy R. Presser
(530) 923-3098

MJUSD
Personnel Dept.

JUL 11 2012



RECEIVED

Jennifer Dearing
1819 Kenwood Way
Marysville, CA 95901

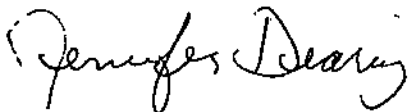
7/6/2012

To Romero Carreon/ Governing Board of Trustees:

I am writing to you to submit a formal request for an extension of unpaid leave for an additional sixty days. My doctor has scheduled an appointment on July 19, 2012 for my release to return to work. My physician will be happy to provide a formal medical certification document on my behalf.

Please let me know the next steps I should take to secure approval for this request. Thank you in advance for your consideration. I look forward to returning to the classroom and the children, in the upcoming school year.

Sincerely,



Jennifer Dearing

M. Sonia Mendoza
8331 Bailey Rd
Yuba City, CA 95993

June 27, 2012

Ramiro Carreón
Assistant Superintendent
Director of Personnel
Marysville Joint Unified School District
1919 B Street
Marysville, CA 95901

Dear Mr. Carreón,

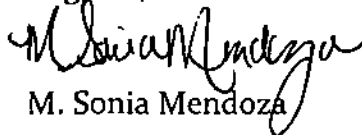
The purpose of this letter is to announce my resignation as Counseling Secretary at Marysville High effective June 30, 2012.

My decision to resign from my current position is due to family reasons. I feel that this decision will greatly benefit my family in many ways.


In the past 11 years I have been given the opportunity to work with and assist many wonderful people such as staff, students, and their parents. I sincerely thank you for all the opportunities and support that have been given to me throughout the years. I will look back on these experiences with great fondness.

If I could be of assistance during the transition, please let me know. I am happy to help in anyway possible.

Regards,


M. Sonia Mendoza

cc: Gary Cena

MJUSD
Personnel Dept.
JUN 27 2012

RECEIVED

MJUSD
Personnel Dept.

JUL 03 2012

RECEIVED



July 2, 2012

Mr. Ramiro Carreon
Assistant Superintendent of Personnel
Marysville Joint Unified School District
1919 B Street
Marysville, CA 95901

Dear Mr. Carreon:

I am writing to let you know that I have decided to retire from the Marysville Joint Unified School District due to budget cuts.

I am submitting my final notification effective today, July 2, 2012 as well as accepting the early retirement incentive program.

If you need any other information, please let me know.

Sincerely,

Mary L. Potteet
Mary Potteet

Valenzuela/CAHSEE Lawsuit Settlement
Quarterly Report on Williams Uniform Complaints
 [Education Code § 35186(d)]
 2011-2012

District: MARYSVILLE JOINT UNIFIED SCHOOL DISTRICT

Person completing this form: Ramiro G. Carreón Title: Asst. Superintendent/Personnel

Quarterly Report Submission Date:
 (check one)

- ☐ October 2010-1st quarter-(7/1-9/30/10)
☐ January 2011-2nd quarter (10/1-12/31/10)
☐ April 2011-3rd quarter (1/1/11-3/31/11)
☒ July 2012-4th quarter (4/1/12-6/30/12)

Date for information to be reported publicly at governing board meeting: July 24, 2012

Please check the box that applies:

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

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

Dr. Gay Todd
 Print Name of District Superintendent

Gay Todd
 Signature of District Superintendent

July 12, 2012
 Date

**MEMORANDUM OF UNDERSTANDING
AND AGREEMENT TO PROVIDE STUDENT TEACHING, ASSISTING & OBSERVATION
EXPERIENCES**

This Memorandum of Understanding and Agreement to Provide Student Teaching, Assisting and Observation Experiences ("Agreement"), is entered into this ____th day of _____, 2012, by and between the William Jessup University ("University") and the Marysville Joint Unified School District ("District").

RECITALS

WHEREAS, pursuant to the provisions of the Education Code of the State of California, the governing board of any school district is authorized to enter into agreements with any institution approved by the California Commission on Teacher Credentialing (CCTC) as a teacher education institution to provide teaching experience to students enrolled in the teacher preparation curricula of such institutions; and

WHEREAS, University is approved by the CCTC as a teacher education institution.

TERMS

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement, University and District agree as follows:

I. DISTRICT RESPONSIBILITIES

A. District shall provide student teaching ("Teaching"), Assisting and/or Observation experiences in the schools or classes of District, based on mutual agreement by District and University. Such experiences shall be under the direct supervision, evaluation, and instruction of District and University employees, through their duly authorized representatives. "Teaching" as used in this Agreement means active participation in the duties and functions of classroom teaching under the supervision and instruction of employees of District. These employees will: a) hold valid teaching credentials issued by the CCTC, other than emergency or provisional credentials, authorizing them to serve as classroom teachers in the schools and classes of District; b) be identified as a teacher excellence; c) have at least 5 years of teaching experience.

"Assisting" as used in this Agreement means active participation in specific and targeted functions of classroom teaching under the supervision and instruction of employees of District. These employees will hold valid teaching credentials issued by the CCTC, other than emergency or provisional credentials, authorizing them to serve as classroom teachers in the schools and classes of District.

"Observation" as used in this Agreement means observing multiple and specific grade levels, subjects and programs in the schools and/or classes of District under the supervision and instruction of employees of District. These employees will hold valid teaching credentials issued by the CCTC, other than emergency or provisional credentials, authorizing them to serve as classroom teachers in the schools and classes of District.

B. The assignment of candidates of the University for "Teaching," "Assisting" and/or "Observing" experiences is by mutual agreement of District and University. Such experiences shall be under the direct supervision, evaluation, and instruction of District and University employees, through their duly authorized representatives.

The assignment of a candidate of the University for "Teaching" in the District shall be deemed effective for the purpose of this Agreement as of the date the Student Teaching Plan is reviewed, complete and signed by District and University employee, through their duly authorized representatives.

The assignment of a candidate of the University for "Assisting" in the District shall be deemed effective for the purposes of this Agreement as of the date an Assisting Letter is reviewed and signed by the District, through their duly authorized representatives.



The assignment of a student of the University for "Observing" in the District shall be deemed effective for the purposes of this Agreement as of the date an Observation Letter is reviewed signed by the District, through their duly authorized representatives.

C. District for good cause, may refuse to accept "Teaching", "Assisting", or "Observing" students from University. Additionally, District for good cause, may terminate any student's "Teaching", "Assisting", or "Observing" experience.

II. UNIVERSITY RESPONSIBILITIES

A. University "Teaching" candidates will have an assigned University Supervisor. This Supervisor will meet with District (principal(s) and Cooperating Master Teacher(s)) to review and clarify University's Field Experience Manual including number of observations, starting and ending dates, orientation to Teacher Performance Expectations and Teacher Performance Assessments, and honorarium process.

University "Teaching" candidates will teach in the District, based on mutual agreement by District and University, for a term as agreed to on the Student Teaching Plan. The candidate will be concurrently enrolled in University coursework, which supports their "Teaching" experience.

University "Assisting" candidates will assist in the District, based on mutual agreement by District, for a term as agreed to on the Assisting Letter. The candidate will be concurrently enrolled in University coursework, which supports their "Assisting" experience.

University students will "Observe" in the District, based on mutual agreement by District, for a term as agreed to on the Observation Letter. The student will be concurrently enrolled in University coursework, which supports their "Observing" experience.

B. University "Teaching" candidates will possess valid CCTC Certificates of Clearance and have passed the California Basic Educational Skills Test (CBEST) and passed all California Subject Examinations for Teachers (CSET).

University "Assisting" students will possess valid CCTC Certificates of Clearance and have passed the CBEST.

University "Observing" students will possess valid CCTC Certificates of Clearance.

III. HONORARIUM FOR COOPERATING MASTER TEACHERS (TEACHING)

In support of a University candidate who is "Teaching", the University will pay the Cooperating Master Teacher an honorarium for the performance of all services required to be performed by District and University under this Agreement and listed in the Field Experience Manual for Student Teaching. The Cooperating Master Teacher must complete a W-9 and sign an Independent Service Agreement. The honorarium is for serving as full-time Cooperating Master Teacher is four hundred (\$400.00) per student teacher supervision placement completed in a semester within District. The honorarium is paid within 30 days of the completion of the student teaching supervision experience, providing University has completed W-9, Independent Service Agreement.

If University terminates the assignment of a student to teach in District, the Cooperating Master Teacher shall receive payment of an amount for such student as though there had been no termination of the assignment.

If the District terminates the assignment of a student to teach in District, the Cooperating Master Teacher shall receive a prorated amount based on the number of completed weeks of teaching.

IV. INDEMNITY

District and University agree to protect, hold harmless, indemnify and defend each other (including their respective officers, officials, employees, students and volunteers) from any and all liability (including reasonable attorneys fees) resulting from injury to or death sustained by any person or damage to property of any kind, which is in any

way connected with the performance of this Agreement, except that said hold harmless and indemnification shall not be applicable to liability arising from the sole negligence or the sole willful misconduct of District or University.

V. DISTRICT AND UNIVERSITY INSURANCE

District and University each agree to keep in full force and effect, during the term of this Agreement, insurance to meet their respective obligations and liabilities hereunder and such insurance shall include but not be limited to the following:

- Workers' Compensation coverage

Each insurance policy required above shall be endorsed to state that coverage shall not be suspended, voided, or canceled by either party, except after sixty (60) days prior written notice by certified mail, return receipt requested, has been given to the other party to this Agreement.

District and University, upon request of either party, shall each cause to be issued to the other evidence of such insurance prior to the commencement of this Agreement and annually thereafter.

VI. DISPUTES

In the event that a dispute arises between the parties with regard to the rights or duties created by this Agreement, or in the event of a breach of this Agreement by either party, the parties hereto agree to meet and confer in good faith in an effort to resolve the dispute or issue.

In the event the parties are unable to informally resolve the dispute within thirty (30) days after the dispute has arisen, the parties agree to decide whether to attempt to settle the dispute through arbitration or litigation. In order to send a dispute to arbitration, both parties must agree in writing that arbitration is their chosen method of resolving the dispute in question.

VII. GENERAL PROVISIONS

A. Term of Agreement. The term of this Agreement shall commence on August 1, 2012 and shall terminate on June 30, 2017.

B. Termination. This Agreement may be terminated by either party without cause upon thirty (30) days prior written notice; provided, however, that any such termination by District shall not be effective as to any student who at the date of mailing of the notice by District was receiving teaching or counseling experience within District until the student has completed his or her assignment, except at the election of University.

C. Entire Agreement; Modification. This Agreement contains all the terms between the parties and may be modified only in writing signed by both parties.

D. Applicable Law. The terms and conditions of this Agreement shall be interpreted in accordance with the laws of the State of California.

E. Severability. In the event any court of competent jurisdiction determines that any paragraph or subparagraph of this Agreement is invalid or unenforceable for any reason, all remaining paragraphs or subparagraphs shall remain in full force and effect.

F. Confidentiality. Both parties shall protect the confidentiality of each others records and information, and shall not disclose confidential information without the prior written consent of the other party. University agrees to comply with District policy and procedure related to patient confidentiality.

G. Notices. Any notice to either party hereunder must be in writing signed by the party giving notice, and shall be served either personally or by registered or certified mail addressed as follows:

24

To University:

Tim Gillespie
Director of Field Experience
William Jessup University
333 Sunset Blvd.
Rocklin, CA 95675

To District:

and

Gene De Young
VP for Finance and Administration
William Jessup University
333 Sunset Blvd.
Rocklin, CA 95675

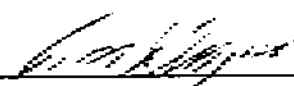
H. Status of the Parties. It is expressly understood and agreed that this Agreement is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture or association between University and District; rather it is an affiliation between independent contractors, these being University and District.

IN WITNESS WHEREOF, this Agreement has been executed by and on behalf of the parties hereto, the date written above

William Jessup University

District

By:



Name

By:

Name

Director Liberal Studies and Credentialing
Title

Title

Date

Date

Marysville Joint Unified School District

Resolution 2012-13/01

**ELIMINATION OF CLASSIFIED STAFF DUE
TO ELIMINATION OF PARTICULAR KINDS OF SERVICE (PKS)**

WHEREAS, district staff has made determinations based on budget shortfalls and the need to identify savings, the Governing Board of Trustees is being asked to approve the elimination of Particular Kinds of Service (PKS) among classified personnel in order to permit the layoff of classified employees.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Trustees, that:

1. The services set forth in Attachment A (incorporated by reference) shall be eliminated at the close of the 2011-12 school year for the 2012-13 school year, pursuant to Education Code Section 45117(b), which provides that employees being laid off due to a lack of work or lack of funds must receive notice forty-five (45) days before the effective date of the layoff.
2. The Board has considered anticipated classified employee attrition (resignations, retirements, etc.). Nevertheless, it is still necessary to terminate classified full-time equivalent positions as referenced in Attachment A and leave vacant positions unfilled due to program funding reductions.
3. It may be necessary to retain the services of some classified employees due to seniority. In doing so, the district will apply the "bumping" process afforded to employees affected by the elimination of these classified positions and as afforded to them by the collective bargaining agreements and/or memorandums of understanding with their respective bargaining groups.
4. The Superintendent, or designee, is authorized and directed to send notice(s) of non-reemployment pursuant to E.C. 45117(b) to any employee whose services shall be terminated by virtue of this resolution. Termination will become effective in accordance with the required forty-five (45) day notice procedures.

PASSED AND ADOPTED THIS 24th DAY OF JULY 2012.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Jeff Boom
President to Board of Trustees

Jim Flurry
Clerk to Board of Trustees

**CLASSIFIED PARTICULAR KINDS OF SERVICES (PKS)
TO BE ELIMINATED FOR 2012-13**

Service	Full Time Equivalent
Child Development PreSchool Aides	(4@3.75 hrs) 1.875
Total	1.875 FTE

27

Marysville Joint Unified School District

Resolution 2012-13/02

**ELIMINATION OF PERMIT-HOLDER/PRESCHOOL AND CHILDREN
CENTER TEACHERS DUE TO ELIMINATION OF
PARTICULAR KINDS OF SERVICE (PKS)**

WHEREAS, district staff has made determinations based on budget shortfalls and the need to identify savings, the governing board is being asked to approve the elimination of Particular Kinds of Service (PKS) among Permit holders/Preschool and Children Center teachers in order to permit the layoff of employees in accordance with state statutes.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Trustees, that:

1. The services set forth in Attachment A (incorporated by reference) shall be eliminated at the close of the 2011-12 school year for the 2012-13 school year, pursuant to Education Code Section 8366, which provides in relevant part: "A district may lay off an employee required to have such a permit at any time during the school year for lack of work or lack of funds. . . The order of layoff shall be determined by length of service."
2. The Board has considered anticipated classified employee attrition (resignations, retirements, etc.). Nevertheless, it is still necessary to terminate preschool and/or Children Center teachers in full-time equivalent positions as referenced in Attachment A.
3. It may be necessary to retain the services of some permit-holding employees due to seniority. In doing so, the district will apply the "bumping" process afforded to employees affected by the elimination of these positions and as afforded to them by the collective bargaining agreements and/or memorandums of understanding with their respective bargaining groups.
4. The Superintendent, or designee, is authorized and directed to send notice(s) of non-reemployment pursuant to E.C. 45117(b), to any employee whose services shall be terminated by virtue of this resolution. Termination will become effective in accordance with the required 45-day notice procedures. Layoff of classified employees, including permit holders, are generally covered by Education Code Sections 45101(g), 45114, 45115, 45117, 45298, and 45308.

PASSED AND ADOPTED THIS 24th DAY OF JULY 2012.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Jeff Boom
President to Board of Trustees

Jim Flurry
Clerk to Board of Trustees

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(Page 1 of 2)

Position	No. of Hrs Each Position	Full Time Equivalent
Child Dev. Presch. Teacher	2 @ 4.50	1.125
District Total		1.125

MARYSVILLE JOINT UNIFIED SCHOOL DISTRICT

RESOLUTION No. 2012-13/03

DECLARATION OF NEED FOR FULLY QUALIFIED EDUCATORS

WHEREAS, the California Commission on Teacher Credentialing requires that this ***Declaration of Need for Fully Qualified Educators*** be submitted to them each year before July 1;

WHEREAS, the Marysville Joint Unified School District must assure the Commission through a resolution that it has made reasonable efforts to recruit fully prepared teachers for all assignments;

WHEREAS, this assures the Commission that if a fully prepared teacher is not available, the district has made reasonable efforts to recruit for an individual in the following order:

- A candidate who is scheduled to complete initial preparation requirements with six months.
- A candidate who is qualified to participate in an approved internship program in the region of the school district.

NOW, THEREFORE, BE IT RESOLVED, that if a suitable individual who meets the priorities is not found, then the district may request approval for placement of an individual on an emergency permit. Failing to find an individual who qualifies for an emergency permit, the district may then request a credential waiver.

PASSED AND ADOPTED THIS 24TH DAY OF July 2012.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Gay S. Todd, Superintendent
Secretary - Board of Trustees

Jeff D. Boom
President - Board of Trustees



DECLARATION OF NEED FOR FULLY QUALIFIED EDUCATORS

☒ Original Declaration of Need for year: 2012-2013

☐ Revised Declaration of Need for year: _____

FOR SERVICE IN A SCHOOL DISTRICT

Name of District: Marysville Joint Unified School District District CDS Code: 58-72736

Name of County: Yuba County CDS Code: _____

By submitting this annual declaration, the district is certifying the following:

- A diligent search, as defined below, to recruit a fully prepared teacher for the assignment(s) was made
- If a suitable fully prepared teacher is not available to the school district, the district will make a reasonable effort to recruit based on the priority stated below

The governing board of the school district specified above adopted a declaration at a regularly scheduled public meeting held on 7 / 24 / 12 certifying that there is an insufficient number of certificated persons who meet the district's specified employment criteria for the position(s) listed on the attached form. The attached form was part of the agenda, and the declaration did NOT appear as part of a consent calendar.

► *Enclose a copy of the board agenda item*

With my signature below, I verify that the item was acted upon favorably by the board. The declaration shall remain in force until June 30, 2013.

Submitted by (Superintendent, Board Secretary, or Designee):

Ramiro G. Carreon

Name

530-741-7899

Fax Number

1919 B Street, Marysville, CA 95901

Mailing Address

ysanchez@mjUSD.com

Email Address

Signature

530-749-6145

Telephone Number

Asst. Superintendent Personnel

Title

7/11/12

Date

FOR SERVICE IN A COUNTY OFFICE OF EDUCATION, STATE AGENCY OR NONPUBLIC SCHOOL OR AGENCY

Name of County _____ County CDS Code _____

Name of State Agency _____

Name of NPS/NPA _____ County of Location _____

The Superintendent of the County Office of Education or the Director of the State Agency or the Director of the NPS/NPA specified above adopted a declaration on ____ / ____ / ____, at least 72 hours following his or her public announcement that such a declaration would be made, certifying that there is an insufficient number of certificated persons who meet the county's, agency's or school's specified employment criteria for the position(s) listed on the attached form.

The declaration shall remain in force until June 30, _____.

► *Enclose a copy of the public announcement*

Submitted by Superintendent, Director, or Designee:

Ramiro G. Carreon

Asst. Superintendent, Personne

Name
530-741-7899

Signature
530-749-6145

Title
7/11/12

Fax Number
1919 B Street, Marysville, CA 95901

Telephone Number

Date

Mailing Address
ysanchez@mjuds.com

Email Address

- This declaration must be on file with the Commission on Teacher Credentialing before any emergency permits will be issued for service with the employing agency

AREAS OF ANTICIPATED NEED FOR FULLY QUALIFIED EDUCATORS

Based on the previous year's actual needs and projections of enrollment, please indicate the number of emergency permits the employing agency estimates it will need in each of the identified areas during the valid period of this Declaration of Need for Fully Qualified Educators. This declaration shall be valid only for the type(s) and subjects(s) identified below.

This declaration must be revised by the employing agency when the total number of emergency permits applied for exceeds the estimate by ten percent. Board approval is required for a revision.

Type of Emergency Permit	Estimated Number Needed
<input checked="" type="checkbox"/> CLAD/English Learner Authorization (applicant already holds teaching credential)	10
<input checked="" type="checkbox"/> Bilingual Authorization (applicant already holds teaching credential)	2
List target language(s) for bilingual authorization:	
<input type="checkbox"/> Resource Specialist	
<input type="checkbox"/> Teacher Librarian Services	
<input type="checkbox"/> Visiting Faculty Permit	

LIMITED ASSIGNMENT PERMITS

Limited Assignment Permits may only be issued to applicants holding a valid California teaching credential based on a baccalaureate degree and a professional preparation program including student teaching.

Based on the previous year's actual needs and projections of enrollment, please indicate the number of Limited Assignment Permits the employing agency estimates it will need in the following areas:

TYPE OF LIMITED ASSIGNMENT PERMIT	ESTIMATED NUMBER NEEDED
Multiple Subject	20
Single Subject	20
Special Education	
TOTAL	40

EFFORTS TO RECRUIT CERTIFIED PERSONNEL

The employing agency declares that it has implemented in policy and practices a process for conducting a diligent search that includes, but is not limited to, distributing job announcements, contacting college and university placement centers, advertising in local newspapers, exploring incentives included in the Teaching as a Priority Block Grant (refer to www.cde.ca.gov for details), participating in state and regional recruitment centers and participating in job fairs in California.

If a suitable fully prepared teacher is not available to the school district, the district made reasonable efforts to recruit an individual for the assignment, in the following order:

- A candidate who qualifies and agrees to participate in an approved intern program in the region of the school district
- An individual who is scheduled to complete initial preparation requirements within six months

EFFORTS TO CERTIFY, ASSIGN, AND DEVELOP FULLY QUALIFIED PERSONNEL

Has your agency established a District Intern program?

☐ Yes

☒ No

If no, explain. _____

Does your agency participate in a Commission-approved college or university intern program?

☒ Yes

☐ No

If yes, how many interns do you expect to have this year? _____

If yes, list each college or university with which you participate in an intern program.

LaVerne, Chico State, Chapman, Project Impact, Sacramento State University

If no, explain why you do not participate in an intern program.

MARYSVILLE JOINT UNIFIED SCHOOL DISTRICT

RESOLUTION 2012-13/04

Reduced Workload Program

WHEREAS, the State Teachers Retirement System and the Education Code Sections 22713 and 44922 may provide for a Reduced Workload Program for any member who has reached the age of fifty-five (55) and has worked full-time for at least ten (10) years;

WHEREAS, the Marysville Joint Unified School District Board of Trustees must grant members the right to participate in this Reduced Workload Program;

NOW, THEREFORE, BE IT RESOLVED that Janice Rosner, psychologist, and Judith Mckeehan, teacher, have been granted the right to participate in the Reduced Workload Program for the 2012-13 school year.

PASSED AND ADOPTED by the Board of Trustees of the Marysville Joint Unified School District at its regular meeting held on the 24th day of July 2012.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Gay S. Todd, Superintendent
Secretary - Board of Trustees

Jeff D. Boom
President - Board of Trustees

MJUSD
Personnel Dept.

June 13th, 2012

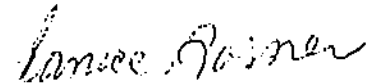
JUN 13 2012

RECEIVED

To: Board of Trustees
Marysville Joint Unified School District

I am writing to request a review of my participation in the reduced work load program. When I signed up for the program in May of 2008, I signed up for it with the understanding that I could participate in the program for 10 years. This coincided with the year that I would turn 65. Apparently since that time the number of years that a person can participate in the program has been reduced to 5. I am requesting that the board continue my participation in the reduced workload program based on the rules under which I signed up.

Thank you,



Janice Rosner
School Psychologist
Marysville Joint Unified School District

June 25, 2012

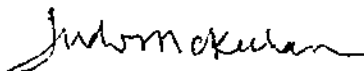
Dear Mrs. Sanchez,

I am requesting a leave under the Willie Brown Reduced Work Load Program. I would like to work 3 days/week or 60% for the next three year. I am finding it increasingly difficult due to problems with my feet, knees and hips, to continue to work full time. Pending your approval, I have arranged a partnership with Miranda Hartridge, who wants to return to Edgewater School for the 40% of the position.

Miranda and I are dedicating much planning time to making our year together go smoothly. We are excited to be working with one another. Our intention is to substitute for one another whenever possible so that continuity is maintained.

Thank-you for considering my request.

Sincerely,



Judi McKeehan
10373 Tillicum Way
Nevada City, CA 95959
530-265-3969

MARYSVILLE JOINT UNIFIED SCHOOL DISTRICT

RESOLUTION 2012-13/05

RESOLUTION OF THE GOVERNING BOARD OF THE MARYSVILLE JOINT UNIFIED SCHOOL DISTRICT OF YUBA COUNTY SETTING FORTH THE BOARD'S DESIRE TO APPROVE THE CHILD DEVELOPMENT CONTRACT THAT HAVE BEEN SUBMITTED BY THE CALIFORNIA DEPARTMENT OF EDUCATION AND TO APPROVE THE PROPOSED BUDGET FOR THE FISCAL YEAR 2012-13

WHEREAS, The California Department of Education, Child Development Services, has submitted the 2012-13 contract to the Marysville Joint Unified School District for approval to promote interactive literacy activities for children and families enrolled in the Prekindergarten and Family Literacy Program.

NOW, THEREFORE, BE IT RESOLVED, that the District approves the following contracts and adopt the income and expenditure accounts budgeted for the 2012-13 school year.

INCOME:

CPKS-2121	12-6052-0- - -8590- -9218	\$ 5,000.00
TOTAL REVENUE		\$ 5,000.00

EXPENDITURES:

	12- -0- - -1000- -	
	12- -0- - -2000- -	
	12- -0- - -3000- -	
	12- -0- - -4000- -	
	12- -0- - -5000- -	
	12- -0- - -6000- -	
	12- -0- - -7000- -	
TOTAL EXPENDITURES		\$ 5,000.00

PASSED AND ADOPTED THIS 24TH DAY OF July 2012.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Gay S. Todd, Superintendent
Secretary - Board of Trustees

Jeff D. Boom
President - Board of Trustees

**CALIFORNIA DEPARTMENT OF EDUCATION**

1430 N Street

Sacramento, CA 95814-5901

F.Y. 12 - 13

DATE: July 01, 2012

CONTRACT NUMBER: CPKS-2121

PROGRAM TYPE: PREKINDERGARTEN AND
FAMILY LITERACY PROG

PROJECT NUMBER: 58-7273-00-2

LOCAL AGREEMENT FOR CHILD DEVELOPMENT SERVICES**CONTRACTOR'S NAME:** MARYSVILLE JOINT UNIFIED SCHOOL DISTRICT


By signing this contract and returning it to the State, you are agreeing to use the funds identified below for support and to promote the interactive literacy activities for children and families enrolled in the Prekindergarten and Family Literacy Program, in accordance with the attached PROGRAM REQUIREMENTS FOR PREKINDERGARTEN AND FAMILY LITERACY PROGRAM, Exhibit B, (also available online at <http://www.cde.ca.gov/fg/aa/cd/>) which by this reference incorporated into this contract. The Contractor's signature also certifies compliance with "General Terms and Conditions," (GTC-610/Exhibit A) which are attached hereto and by this reference incorporated herein.

Funding of this contract is contingent upon appropriation and availability of funds. This contract may be terminated immediately by the State if funds are not appropriated or available in amounts sufficient to fund the State's obligations under this contract. The period of performance for this contract is July 01, 2012 through June 30, 2013. The total amount payable pursuant to this agreement shall not exceed \$5,000.00.

Expenditure of these funds shall be reported quarterly to the Child Development Fiscal Services (CDFS) on form CDFS-9529. Reporting must be submitted for reimbursement of expenditures. For non-local educational agencies, expenditures made for the period July 1, 2012 through June 30, 2013 shall be included in their fiscal year 2012-13 audit due by the 15th day of the fifth month following the end of the contractor's fiscal year or earlier if specified by CDE. The audits for School Districts and County Offices shall be submitted in accordance with Education Code Section 41020.

Any provision of this contract found to be in violation of Federal or State statute or regulation shall be invalid but such a finding shall not affect the remaining provisions of this contract.

Exhibit A, General Terms and Conditions attached.

STATE OF CALIFORNIA		CONTRACTOR			
BY (AUTHORIZED SIGNATURE)		BY (AUTHORIZED SIGNATURE)			
PRINTED NAME OF PERSON SIGNING Margie Burke, Manager		PRINTED NAME AND TITLE OF PERSON SIGNING Gay Todd, Superintendent			
TITLE Contracts, Purchasing & Conference Services		ADDRESS 1919 B Street, Marysville, CA 95901			
AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 5,000	PROGRAM/CATEGORY (CODE AND TITLE) Child Development Programs		FUND TITLE General		Department of General Services use only
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT \$ 0	(OPTIONAL USE) 0656 24859-7273				
TOTAL AMOUNT ENCUMBERED TO DATE \$ 5,000	ITEM 30.10.010. 6110-196-0001	CHAPTER B/A	STATUTE 2012	FISCAL YEAR 2012-2013	
OBJECT OF EXPENDITURE (CODE AND TITLE) 702 SACS: Res-6052 Rev-8590					
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.					
SIGNATURE OF ACCOUNTING OFFICER 		T.B.A. NO.		B.R. NO.	
		DATE			

MARYSVILLE JOINT UNIFIED SCHOOL DISTRICT

RESOLUTION 2012-13/06

RESOLUTION OF THE GOVERNING BOARD OF THE MARYSVILLE JOINT UNIFIED SCHOOL DISTRICT OF YUBA COUNTY SETTING FORTH THE BOARD'S DESIRE TO APPROVE THE CHILD DEVELOPMENT CONTRACTS THAT HAVE BEEN SUBMITTED BY THE CALIFORNIA DEPARTMENT OF EDUCATION AND TO APPROVE THE PROPOSED BUDGET FOR THE FISCAL YEAR 2012-13

WHEREAS, The California Department of Education, Child Development Services, has submitted the 2012-13 contracts to the Marysville Joint Unified School District for approval to provide preschool and child care services.

NOW, THEREFORE, BE IT RESOLVED that the District approves the following contracts and adopt the income and expenditure accounts budgeted for the 2012-13 school year.

INCOME:

CSPP-2674	12-5025-0- - -8290- -9201	\$ 159,072.00
	12-6105-0- - -8590- -9210	\$ 942,995.00
	12-6105-0- - -8530- -9213	\$ 201,862.00
	12-6105-0- - -8590- -9217	\$ 141,818.00
CCTR-2349	12-5025-0- - -8290- -9201	\$ 62,223.00
	12-6105-0- - -8530- -9212	\$ 78,961.00

TOTAL REVENUE \$1,586,931.00

EXPENDITURES:

12- -0- - -1000- -
12- -0- - -2000- -
12- -0- - -3000- -
12- -0- - -4000- -
12- -0- - -5000- -
12- -0- - -6000- -
12- -0- - -7000- -

TOTAL EXPENDITURES \$1,586,931.00

PASSED AND ADOPTED THIS 24TH DAY OF July 2012.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Gay S. Todd, Superintendent
Secretary - Board of Trustees

Jeff D. Boom
President - Board of Trustees

**CALIFORNIA DEPARTMENT OF EDUCATION**

1430 N Street

Sacramento, CA 95814-5901

F.Y. 12 - 13

DATE: July 01, 2012

CONTRACT NUMBER: CSPP-2674

PROGRAM TYPE: CALIFORNIA STATE
PRESCHOOL PROGRAM

PROJECT NUMBER: 58-7273-00-2

LOCAL AGREEMENT FOR CHILD DEVELOPMENT SERVICES**CONTRACTOR'S NAME:** MARYSVILLE JOINT UNIFIED SCHOOL DISTRICT

By signing this contract and returning it to the State, you are agreeing to provide services in accordance with the FUNDING TERMS AND CONDITIONS (FT&C - available online at <http://www.cde.ca.gov/fg/aa/cd/>) and the CURRENT APPLICATION which by this reference are incorporated into this contract. The FT&C and Requirements specify the contractual responsibilities of the State and the contractor. The contractor's signature also certifies compliance with "General Terms and Conditions," (GTC 610/Exhibit A) which by this reference is incorporated herein.

Funding of this contract is contingent upon appropriation and availability of sufficient funds. This contract may be terminated immediately by the State if funds are not appropriated or available in amounts sufficient to fund the State's obligations under this contract.

The period of performance for this contract is July 01, 2012 through June 30, 2013. For satisfactory performance of the required services, the contractor shall be reimbursed in accordance with the Determination of Reimbursable Amount Section of the FT&C, at a rate not to exceed \$34.38 per child per day of full-time enrollment and a Maximum Reimbursable Amount (MRA) of \$1,445,747.00.

SERVICE REQUIREMENTS

Minimum Child Days of Enrollment (CDE) Requirement 42,052.0

Minimum Days of Operation (MDO) Requirement 175

Any provision of this contract found to be in violation of Federal and State statute or regulation shall be invalid, but such a finding shall not affect the remaining provisions of this contract.

Exhibit A, General Terms and Conditions attached.

STATE OF CALIFORNIA		CONTRACTOR	
BY (AUTHORIZED SIGNATURE)		BY (AUTHORIZED SIGNATURE)	
PRINTED NAME OF PERSON SIGNING Margie Burke, Manager		PRINTED NAME AND TITLE OF PERSON SIGNING Gay Todd, Superintendent	
TITLE Contracts, Purchasing & Conference Services		ADDRESS 1919 B Street, Marysville, CA 95901	
AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 1,445,747	PROGRAM/CATEGORY (CODE AND TITLE) Child Development Programs	FUND TITLE	
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT \$ 0	(OPTIONAL USE) See Attached	Department of General Services use only	
TOTAL AMOUNT ENCUMBERED TO DATE \$ 1,445,747	ITEM See Attached	CHAPTER	STATUTE
	OBJECT OF EXPENDITURE (CODE AND TITLE) 702	FISCAL YEAR	
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.		T.B.A. NO.	B.R. NO.
SIGNATURE OF ACCOUNTING OFFICER See Attached		DATE	

40

**CALIFORNIA DEPARTMENT OF EDUCATION**

1430 N Street

Sacramento, CA 95814-5901

F.Y. 12 - 13

DATE: July 01, 2012

CONTRACT NUMBER: CCTR-2349

PROGRAM TYPE: GENERAL CHILD CARE &
DEV PROGRAMSPROJECT NUMBER: 58-7273-00-2**LOCAL AGREEMENT FOR CHILD DEVELOPMENT SERVICES****CONTRACTOR'S NAME:** MARYSVILLE JOINT UNIFIED SCHOOL DISTRICT

By signing this contract and returning it to the State, you are agreeing to provide services in accordance with the FUNDING TERMS AND CONDITIONS (FT&C - available online at <http://www.cde.ca.gov/fg/aa/cd/>) and the CURRENT APPLICATION which by this reference are incorporated into this contract. The FT&C and Requirements specify the contractual responsibilities of the State and the contractor. The contractor's signature also certifies compliance with "General Terms and Conditions," (GTC 610/Exhibit A) which by this reference is incorporated herein.

Funding of this contract is contingent upon appropriation and availability of sufficient funds. This contract may be terminated immediately by the State if funds are not appropriated or available in amounts sufficient to fund the State's obligations under this contract.

The period of performance for this contract is July 01, 2012 through June 30, 2013. For satisfactory performance of the required services, the contractor shall be reimbursed in accordance with the Determination of Reimbursable Amount Section of the FT&C, at a rate not to exceed \$34.38 per child per day of full-time enrollment and a Maximum Reimbursable Amount (MRA) of \$141,184.00.

SERVICE REQUIREMENTS

Minimum Child Days of Enrollment (CDE) Requirement 4,107.0

Minimum Days of Operation (MDO) Requirement 236

Any provision of this contract found to be in violation of Federal and State statute or regulation shall be invalid, but such a finding shall not affect the remaining provisions of this contract.

Exhibit A, General Terms and Conditions attached.

STATE OF CALIFORNIA		CONTRACTOR	
BY (AUTHORIZED SIGNATURE)		BY (AUTHORIZED SIGNATURE)	
PRINTED NAME OF PERSON SIGNING Margie Burke, Manager		PRINTED NAME AND TITLE OF PERSON SIGNING Gay Todd, Superintendent	
TITLE Contracts, Purchasing & Conference Services		ADDRESS 1919 B Street, Marysville, CA 95901	
AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 141,184	PROGRAM/CATEGORY (CODE AND TITLE) Child Development Programs	FUND TITLE	
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT \$ 0	(OPTIONAL USE) See Attached	Department of General Services use only	
TOTAL AMOUNT ENCUMBERED TO DATE \$ 141,184	ITEM See Attached	CHAPTER	STATUTE
	OBJECT OF EXPENDITURE (CODE AND TITLE) 702	FISCAL YEAR	
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.		T.B.A. NO.	B.R. NO.
SIGNATURE OF ACCOUNTING OFFICER See Attached		DATE	

**Marysville Joint Unified School District
Actuarial Study of
Retiree Health Liabilities
As of February 1, 2012**

*Prepared by:
Total Compensation Systems, Inc.*

Date: May 10, 2012

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Marysville Joint Unified School District
Actuarial Study of Retiree Health Liabilities

PART I: EXECUTIVE SUMMARY

A. Introduction

Marysville Joint Unified School District engaged Total Compensation Systems, Inc. (TCS) to analyze liabilities associated with its current retiree health program as of February 1, 2012 (the valuation date). The numbers in this report are based on the assumption that they will first be used to determine accounting entries for the fiscal year ending June 30, 2012. If the report will first be used for a different fiscal year, the numbers will need to be adjusted accordingly.

This report does not reflect any cash benefits paid unless the retiree is required to provide proof that the cash benefits are used to reimburse the retiree's cost of health benefits. Costs and liabilities attributable to cash benefits paid to retirees are reportable under Governmental Accounting Standards Board (GASB) Standards 25/27.

This actuarial study is intended to serve the following purposes:

- » To provide information to enable Marysville Joint USD to manage the costs and liabilities associated with its retiree health benefits.
- » To provide information to enable Marysville Joint USD to communicate the financial implications of retiree health benefits to internal financial staff, the Board, employee groups and other affected parties.
- » To provide information needed to comply with Governmental Accounting Standards Board Accounting Standards 43 and 45 related to "other postemployment benefits" (OPEB's).

Because this report was prepared in compliance with GASB 43 and 45, as appropriate, Marysville Joint USD should not use this report for any other purpose without discussion with TCS. This means that any discussions with employee groups, governing Boards, etc. should be restricted to the implications of GASB 43 and 45 compliance.

This actuarial report includes several estimates for Marysville Joint USD's retiree health program. In addition to the tables included in this report, we also performed cash flow adequacy tests as required under Actuarial Standard of Practice 6 (ASOP 6). Our cash flow adequacy testing covers a twenty-year period. We would be happy to make this cash flow adequacy test available to Marysville Joint USD in spreadsheet format upon request.

We calculated the following estimates separately for active employees and retirees. As requested, we also separated results by the following employee classifications: Certificated, Management, Operating Engineers and Supervisors. We estimated the following:

- the total liability created. (The actuarial present value of total projected benefits or APVTPB)
- the ten year "pay-as-you-go" cost to provide these benefits.
- the "actuarial accrued liability (AAL)." (The AAL is the portion of the APVTPB attributable to employees' service prior to the valuation date.)

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- the amount necessary to amortize the UAAL over a period of 30 years.
- the annual contribution required to fund retiree benefits over the working lifetime of eligible employees (the "normal cost").
- The Annual Required Contribution (ARC) which is the basis of calculating the annual OPEB cost and net OPEB obligation under GASB 43 and 45.

We summarized the data used to perform this study in Appendix A. No effort was made to verify this information beyond brief tests for reasonableness and consistency.

All cost and liability figures contained in this study are estimates of future results. Future results can vary dramatically and the accuracy of estimates contained in this report depends on the actuarial assumptions used. Normal costs and liabilities could easily vary by 10 - 20% or more from estimates contained in this report.

B. General Findings

We estimate the "pay-as-you-go" cost of providing retiree health benefits in the year beginning February 1, 2012 to be \$1,123,613 (see Section IV.A.). The "pay-as-you-go" cost is the cost of benefits for current retirees.

For current employees, the value of benefits "accrued" in the year beginning February 1, 2012 (the normal cost) is \$543,131. This normal cost would increase each year based on covered payroll. Had Marysville Joint USD begun accruing retiree health benefits when each current employee and retiree was hired, a substantial liability would have accumulated. We estimate the amount that would have accumulated to be \$13,784,886. This amount is called the "actuarial accrued liability" (AAL). The remaining unamortized initial unfunded AAL is \$17,439,487. This leaves a "residual" UAAL of a *negative* \$3,654,601.

We calculated the annual cost to amortize the unfunded residual actuarial accrued liability using a 5% discount rate. We used an open 30 year amortization period. The current year cost to amortize the unfunded "residual" actuarial accrued liability is a *negative* \$237,737.

Combining the normal cost with both the initial and residual UAAL amortization costs produces an annual required contribution (ARC) of \$1,518,562. The ARC is used as the basis for determining expenses and liabilities under GASB 43/45. The ARC is used in lieu of (rather than in addition to) the "pay-as-you-go" cost.

We based all of the above estimates on employees as of January, 2012. Over time, liabilities and cash flow will vary based on the number and demographic characteristics of employees and retirees.

C. Description of Retiree Benefits

Following is a description of the current retiree benefit plan:

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	<u>Certificated</u>	<u>Management</u>	<u>Operating Engineers*</u>	<u>Supervisors</u>
Benefit types provided	Medical only	Medical only	Medical only	Medical only
Duration of Benefits	To age 65	To age 65	To age 65	To age 65
Required Service	15 years	15 years	25 years	20 years
Minimum Age	55	55	60	60
Dependent Coverage	Yes	Yes	Yes	Yes
District Contribution %	100%	100%	100%	100%
District Cap	None	None	None	None

* Applies only to those hired prior to July 1, 2007

D. Recommendations

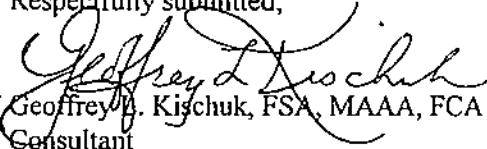
It is outside the scope of this report to make specific recommendations of actions Marysville Joint USD should take to manage the substantial liability created by the current retiree health program. Total Compensation Systems, Inc. can assist in identifying and evaluating options once this report has been studied. The following recommendations are intended only to allow the District to get more information from this and future studies. Because we have not conducted a comprehensive administrative audit of Marysville Joint USD's practices, it is possible that Marysville Joint USD is already complying with some or all of our recommendations.

- We recommend that Marysville Joint USD inventory all benefits and services provided to retirees – whether contractually or not and whether retiree-paid or not. For each, Marysville Joint USD should determine whether the benefit is material and subject to GASB 43 and/or 45.
- We recommend that Marysville Joint USD conduct a study whenever events or contemplated actions significantly affect present or future liabilities, but no less frequently than every two or three years, as required under GASB 43/45.
- We recommend that the District communicate the magnitude of these costs to employees and include employees in discussions of options to control the costs.
- Under GASB 45, it is important to isolate the cost of retiree health benefits. Marysville Joint USD should have all premiums, claims and expenses for retirees separated from active employee premiums, claims, expenses, etc. To the extent any retiree benefits are made available to retirees over the age of 65 – *even on a retiree-pay-all basis* – all premiums, claims and expenses for post-65 retiree coverage should be segregated from those for pre-65 coverage. Furthermore, Marysville Joint USD should arrange for the rates or prices of all retiree benefits to be set on what is expected to be a self-sustaining basis.
- Marysville Joint USD should establish a way of designating employees as eligible or ineligible for future OPEB benefits. Ineligible employees can include those in ineligible job classes; those hired after a designated date restricting eligibility; those who, due to their age at hire cannot qualify for District-paid OPEB benefits; employees who exceed the termination age for OPEB benefits, etc.
- Several assumptions were made in estimating costs and liabilities under Marysville Joint USD's retiree health program. Further studies may be desired to validate any assumptions where there is any doubt that the assumption is appropriate. (See Appendices B and C for a

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list of assumptions and concerns.) For example, Marysville Joint USD should maintain a retiree database that includes – in addition to date of birth, gender and employee classification – retirement date and (if applicable) dependent date of birth, relationship and gender. It will also be helpful for Marysville Joint USD to maintain employment termination information – namely, the number of OPEB-eligible employees in each employee class that terminate employment each year for reasons other than death, disability or retirement.

Respectfully submitted,



Geoffrey L. Kischuk, FSA, MAAA, FCA
Consultant

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PART II: BACKGROUND

A. Summary

Accounting principles provide that the cost of retiree benefits should be “accrued” over employees' working lifetime. For this reason, the Governmental Accounting Standards Board (GASB) issued in 2004 Accounting Standards 43 and 45 for retiree health benefits. These standards apply to all public employers that pay any part of the cost of retiree health benefits for current or future retirees (including early retirees).

B. Actuarial Accrual

To actuarially accrue retiree health benefits requires determining the amount to expense each year so that the liability accumulated at retirement is, on average, sufficient (with interest) to cover all retiree health expenditures without the need for additional expenses. There are many different ways to determine the annual accrual amount. The calculation method used is called an “actuarial cost method.”

Under most actuarial cost methods, there are two components of actuarial cost - a “normal cost” and amortization of something called the “unfunded actuarial accrued liability.” Both accounting standards and actuarial standards usually address these two components separately (though alternative terminology is sometimes used).

The normal cost can be thought of as the value of the benefit earned each year if benefits are accrued during the working lifetime of employees. This report will not discuss differences between actuarial cost methods or their application. Instead, following is a description of a commonly used, generally accepted actuarial cost method that will be permitted under GASB 43 and 45. This actuarial cost method is called the “entry age normal” method.

Under the entry age normal cost method, the actuary determines the annual amount needing to be expensed from hire until retirement to fully accrue the cost of retiree health benefits. This amount is the normal cost. Under GASB 43 and 45, normal cost can be expressed either as a level dollar amount or a level percentage of payroll.

The normal cost is determined using several key assumptions:

- The current *cost of retiree health benefits* (often varying by age, Medicare status and/or dependent coverage). The higher the current cost of retiree benefits, the higher the normal cost.
- The “*trend*” rate at which retiree health benefits are expected to increase over time. A higher trend rate increases the normal cost. A “cap” on District contributions can reduce trend to zero once the cap is reached thereby dramatically reducing normal costs.
- *Mortality rates* varying by age and sex. (Unisex mortality rates are not often used as individual OPEB benefits do not depend on the mortality table used.) If employees die prior to retirement, past contributions are available to fund benefits for employees who live to retirement. After retirement, death results in benefit termination or reduction. Although higher mortality rates reduce normal costs, the mortality assumption is not likely to vary from employer to employer.
- *Employment termination rates* have the same effect as mortality inasmuch as higher termination rates reduce normal costs. Employment termination can vary considerably between public agencies.
- The *service requirement* reflects years of service required to earn full or partial retiree benefits.

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While a longer service requirement reduces costs, cost reductions are not usually substantial unless the service period exceeds 20 years of service.

- *Retirement rates* determine what proportion of employees retire at each age (assuming employees reach the requisite length of service). Retirement rates often vary by employee classification and implicitly reflect the minimum retirement age required for eligibility. Retirement rates also depend on the amount of pension benefits available. Higher retirement rates increase normal costs but, except for differences in minimum retirement age, retirement rates tend to be consistent between public agencies for each employee type.
- *Participation rates* indicate what proportion of retirees are expected to elect retiree health benefits if a significant retiree contribution is required. Higher participation rates increase costs.
- The *discount rate* estimates investment earnings for assets earmarked to cover retiree health benefit liabilities. The discount rate depends on the nature of underlying assets. For example, employer funds earning money market rates in the county treasury are likely to earn far less than an irrevocable trust containing a diversified asset portfolio including stocks, bonds, etc. A higher discount rate can dramatically lower normal costs. GASB 43 and 45 require the interest assumption to reflect likely *long term* investment return.

The assumptions listed above are not exhaustive, but are the most common assumptions used in actuarial cost calculations. The actuary selects the assumptions which - taken together - will yield reasonable results. It's not necessary (or even possible) to predict individual assumptions with complete accuracy.

If all actuarial assumptions are exactly met and an employer expensed the normal cost every year for all past and current employees and retirees, a sizeable liability would have accumulated (after adding interest and subtracting retiree benefit costs). The liability that would have accumulated is called the actuarial accrued liability or AAL. The excess of AAL over the *actuarial value of plan assets* is called the *unfunded* actuarial accrued liability (or UAAL). Under GASB 43 and 45, in order for assets to count toward offsetting the AAL, the assets have to be held in an irrevocable trust that is safe from creditors and can only be used to provide OPEB benefits to eligible participants.

The actuarial accrued liability (AAL) can arise in several ways. At inception of GASB 43 and 45, there is usually a substantial UAAL. Some portion of this amount can be established as the "transition obligation" subject to certain constraints. UAAL can also increase as the result of operation of a retiree health plan - e.g., as a result of plan changes or changes in actuarial assumptions. Finally, AAL can arise from actuarial gains and losses. Actuarial gains and losses result from differences between actuarial assumptions and actual plan experience.

Under GASB 43 and 45, employers have several options on how the UAAL can be amortized as follows:

- The employer can select an amortization period of 1 to 30 years. (For certain situations that result in a reduction of the AAL, the amortization period must be at least 10 years.)
- The employer may apply the same amortization period to the total combined UAAL or can apply different periods to different components of the UAAL.
- The employer may elect a "closed" or "open" amortization period.
- The employer may choose to amortize on a level dollar or level percentage of payroll method.

PART III: LIABILITIES AND COSTS FOR RETIREE BENEFITS

A. Introduction.

We calculated the actuarial present value of projected benefits (APVPB) separately for each employee. We determined eligibility for retiree benefits based on information supplied by Marysville Joint USD. We then selected assumptions for the factors discussed in the above Section that, based on plan experience and our training and experience, represent our best prediction of future plan experience. For each employee, we applied the appropriate factors based on the employee's age, sex and length of service.

We summarized actuarial assumptions used for this study in Appendix C.

B. Medicare

The extent of Medicare coverage can affect projections of retiree health costs. Because District-paid benefits end at or before age 65, Medicare integration methods have a minimal impact on retiree health costs and liabilities.

C. Liability for Retiree Benefits.

For each employee, we projected future premium costs using an assumed trend rate (see Appendix C). To the extent Marysville Joint USD uses contribution caps, the influence of the trend factor is further reduced.

We multiplied each year's projected cost by the probability that premium will be paid; i.e. based on the probability that the employee is living, has not terminated employment and has retired. The probability that premium will be paid is zero if the employee is not eligible. The employee is not eligible if s/he has not met minimum service, minimum age or, if applicable, maximum age requirements.

The product of each year's premium cost and the probability that premium will be paid equals the expected cost for that year. We discounted the expected cost for each year to the valuation date February 1, 2012 at 5% interest.

Finally, we multiplied the above discounted expected cost figures by the probability that the retiree would elect coverage. A retiree may not elect to be covered if retiree health coverage is available less expensively from another source (e.g. Medicare risk contract) or the retiree is covered under a spouse's plan.

For any current retirees, the approach used was similar. The major difference is that the probability of payment for current retirees depends only on mortality and age restrictions (i.e. for retired employees the probability of being retired and of not being terminated are always both 1.0000).

We added the APVPB for all employees to get the actuarial present value of total projected benefits (APVTPB). The APVTPB is the estimated present value of all future retiree health benefits for all current employees and retirees. The APVTPB is the amount on February 1, 2012 that, if all actuarial assumptions are exactly right, would be sufficient to expense all promised benefits until the last current employee or retiree dies or reaches the maximum eligibility age.

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Actuarial Present Value of Total Projected Benefits

February 1, 2012

	<u>Total</u>	<u>Certificated</u>	<u>Management</u>	<u>Operating Engineers</u>	<u>Supervisors</u>
Active: Pre-65	\$16,825,573	\$8,179,780	\$3,665,159	\$4,162,400	\$818,234
Post-65	\$0	\$0	\$0	\$0	\$0
Subtotal	\$16,825,573	\$8,179,780	\$3,665,159	\$4,162,400	\$818,234
Retiree: Pre-65	\$2,954,525	\$1,953,382	\$511,410	\$468,428	\$21,305
Post-65	\$0	\$0	\$0	\$0	\$0
Subtotal	\$2,954,525	\$1,953,382	\$511,410	\$468,428	\$21,305
Grand Total	\$19,780,097	\$10,133,162	\$4,176,568	\$4,630,828	\$839,539
Subtotal Pre-65	\$19,780,097	\$10,133,162	\$4,176,568	\$4,630,828	\$839,539
Subtotal Post-65	\$0	\$0	\$0	\$0	\$0

The APVTPB should be accrued over the working lifetime of employees. At any time much of it has not been "earned" by employees. The APVTPB is used to develop expense and liability figures. To do so, the APVTFB is divided into two parts: the portions attributable to service rendered prior to the valuation date (the past service liability or actuarial accrued liability under GASB 43 and 45) and to service after the valuation date but prior to retirement (the future service liability).

The past service and future service liabilities are each funded in a different way. We will start with the future service liability which is funded by the normal cost.

D. Cost to Prefund Retiree Benefits

1. Normal Cost

The average hire age for eligible employees is 32. To accrue the liability by retirement, the District would accrue the retiree liability over a period of about 28 years (assuming an average retirement age of 60). We applied an "entry age normal" actuarial cost method to determine funding rates for active employees. The table below summarizes the calculated normal cost.

Normal Cost Year Beginning

February 1, 2012

	<u>Total</u>	<u>Certificated</u>	<u>Management</u>	<u>Operating Engineers</u>	<u>Supervisors</u>
# of Employees	615	404	56	136	19
Per Capita Normal Cost					
Pre-65 Benefit	N/A	\$657	\$1,079	\$1,360	\$1,701
Post-65 Benefit	N/A	\$0	\$0	\$0	\$0
First Year Normal Cost					
Pre-65 Benefit	\$543,131	\$265,428	\$60,424	\$184,960	\$32,319
Post-65 Benefit	\$0	\$0	\$0	\$0	\$0
Total	\$543,131	\$265,428	\$60,424	\$184,960	\$32,319

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Accruing retiree health benefit costs using normal costs levels out the cost of retiree health benefits over time and more fairly reflects the value of benefits "earned" each year by employees. This normal cost would increase each year based on covered payroll.

2. Amortization of Unfunded Actuarial Accrued Liability (UAAL)

If actuarial assumptions are borne out by experience, the District will fully accrue retiree benefits by expensing an amount each year that equals the normal cost. If no accruals had taken place in the past, there would be a shortfall of many years' accruals, accumulated interest and forfeitures for terminated or deceased employees. This shortfall is called the actuarial accrued liability (AAL). We calculated the AAL as the APVTPB minus the present value of future normal costs.

The initial UAAL was amortized using a closed amortization period of [30] years. The District can amortize the remaining or residual UAAL over many years. The table below shows the annual amount necessary to amortize the UAAL over a period of 30 years at 5% interest. (Thirty years is the longest amortization period allowable under GASB 43 and 45.) GASB 43 and 45 will allow amortizing the UAAL using either payments that stay the same as a dollar amount, or payments that are a flat percentage of covered payroll over time. The figures below reflect the flat dollar amount method. This amortization payment would remain the same for 30 years, after which time amortization payments would end.

Actuarial Accrued Liability as of February 1, 2012

	<u>Total</u>	<u>Certificated</u>	<u>Management</u>	<u>Operating Engineers</u>	<u>Supervisors</u>
Active: Pre-65	\$10,830,362	\$5,235,949	\$2,996,770	\$2,042,125	\$555,518
Post-65	\$0	\$0	\$0	\$0	\$0
Subtotal	\$10,830,362	\$5,235,949	\$2,996,770	\$2,042,125	\$555,518
Retiree: Pre-65	\$2,954,525	\$1,953,382	\$511,410	\$468,428	\$21,305
Post-65	\$0	\$0	\$0	\$0	\$0
Subtotal	\$2,954,525	\$1,953,382	\$511,410	\$468,428	\$21,305
Subtot Pre-65	\$13,784,886	\$7,189,331	\$3,508,179	\$2,510,553	\$576,823
Subtot Post-65	\$0	\$0	\$0	\$0	\$0
Grand Total	\$13,784,886	\$7,189,331	\$3,508,179	\$2,510,553	\$576,823
Unamortized Initial UAAL	\$17,439,487				
Residual AAL	\$(3,654,601)				
Residual UAAL Amortization at 5.0% over 30 Years	\$(237,737)				

3. Annual Required Contributions (ARC)

If the District determines retiree health plan expenses in accordance with GASB 43 and 45, costs will

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include both normal cost and one or more components of UAAL amortization costs. The sum of normal cost and UAAL amortization costs is called the Annual Required Contribution (ARC) and is shown below.

Annual Required Contribution (ARC) Year Beginning

February 1, 2012

	<u>Total</u>
Normal Cost	\$543,131
Initial UAAL Amortization	\$1,213,168
Residual UAAL Amortization	<u>\$(237,737)</u>
ARC	\$1,518,562

The normal cost remains as long as there are active employees who may some day qualify for District-paid retiree health benefits. This normal cost would increase each year based on covered payroll.

4. Other Components of Annual OPEB Cost (AOC)

Expense and liability amounts may include more components of cost than the normal cost plus amortization of the UAAL. This will apply to employers that don't fully fund the Annual Required Cost (ARC) through an irrevocable trust.

- The annual OPEB cost (AOC) will include assumed interest on the net OPEB obligation (NOO). The annual OPEB cost will also include an amortization adjustment for the net OPEB obligation. (It should be noted that there is no NOO if the ARC is fully funded through a qualifying "plan".)
- The net OPEB obligation will equal the accumulated differences between the (AOC) and qualifying "plan" contributions.

PART IV: "PAY AS YOU GO" FUNDING OF RETIREE BENEFITS

We used the actuarial assumptions shown in Appendix C to project ten year cash flow under the retiree health program. Because these cash flow estimates reflect average assumptions applied to a relatively small number of employees, estimates for individual years are certain to be *in*accurate. However, these estimates show the size of cash outflow.

The following table shows a projection of annual amounts needed to pay the District share of retiree health premiums.

Year
Beginning
February 1

	<u>Total</u>	<u>Certificated</u>	<u>Management</u>	<u>Operating Engineers</u>	<u>Supervisors</u>
2012	\$1,123,613	\$707,413	\$216,065	\$175,999	\$24,136
2013	\$932,728	\$669,846	\$122,567	\$134,654	\$5,661
2014	\$931,429	\$681,666	\$97,248	\$129,510	\$23,005
2015	\$1,020,224	\$709,002	\$98,988	\$179,251	\$32,983
2016	\$958,324	\$587,420	\$131,348	\$203,062	\$36,494
2017	\$930,049	\$561,004	\$133,170	\$206,176	\$29,699
2018	\$946,156	\$522,969	\$145,896	\$240,512	\$36,779
2019	\$924,704	\$484,394	\$175,012	\$221,291	\$44,007
2020	\$904,296	\$489,734	\$183,045	\$178,705	\$52,812
2021	\$901,992	\$496,678	\$192,937	\$140,439	\$71,938

PART V: RECOMMENDATIONS FOR FUTURE VALUATIONS

To effectively manage benefit costs, an employer must periodically examine the existing liability for retiree benefits as well as future annual expected premium costs. GASB 43/45 require biennial or triennial valuations. In addition, a valuation should be conducted whenever plan changes, changes in actuarial assumptions or other employer actions are likely to cause a material change in accrual costs and/or liabilities.

Following are examples of actions that could trigger a new valuation.

- An employer should perform a valuation whenever the employer considers or puts in place an early retirement incentive program.
- An employer should perform a valuation whenever the employer adopts a retiree benefit plan for some or all employees.
- An employer should perform a valuation whenever the employer considers or implements changes to retiree benefit provisions or eligibility requirements.
- An employer should perform a valuation whenever the employer introduces or changes retiree contributions.

We recommend Marysville Joint USD take the following actions to ease future valuations.

- We have used our training, experience and information available to us to establish the actuarial assumptions used in this valuation. We have no information to indicate that any of the assumptions do not reasonably reflect future plan experience. However, the District should review the actuarial assumptions in Appendix C carefully. If the District has any reason to believe that any of these assumptions do not reasonably represent the expected future experience of the retiree health plan, the District should engage in discussions or perform analyses to determine the best estimate of the assumption in question.

PART VI: APPENDICES

APPENDIX A: MATERIALS USED FOR THIS STUDY

We relied on the following materials to complete this study.

- We used paper reports and digital files containing employee demographic data from the District personnel records.
- We used relevant sections of collective bargaining agreements provided by the District.

APPENDIX B: EFFECT OF ASSUMPTIONS USED IN CALCULATIONS

While we believe the estimates in this study are reasonable overall, it was necessary for us to use assumptions which inevitably introduce errors. We believe that the errors caused by our assumptions will not materially affect study results. If the District wants more refined estimates for decision-making, we recommend additional investigation. Following is a brief summary of the impact of some of the more critical assumptions.

1. Where actuarial assumptions differ from expected experience, our estimates could be overstated or understated. One of the most critical assumptions is the medical trend rate. The District may want to commission further study to assess the sensitivity of liability estimates to our medical trend assumptions. For example, it may be helpful to know how liabilities would be affected by using a trend factor 1% higher than what was used in this study. There is an additional fee required to calculate the impact of alternative trend assumptions.
2. We used an "entry age normal" actuarial cost method to estimate the actuarial accrued liability and normal cost. GASB will allow this as one of several permissible methods under its upcoming accounting standard. Using a different cost method could result in a somewhat different recognition pattern of costs and liabilities.

APPENDIX C: ACTUARIAL ASSUMPTIONS AND METHODS

Following is a summary of actuarial assumptions and methods used in this study. The District should carefully review these assumptions and methods to make sure they reflect the District's assessment of its underlying experience. It is important for Marysville Joint USD to understand that the appropriateness of all selected actuarial assumptions and methods are Marysville Joint USD's responsibility. Unless otherwise disclosed in this report, TCS believes that all methods and assumptions are within a reasonable range based on the provisions of GASB 43 and 45, applicable actuarial standards of practice, Marysville Joint USD's actual historical experience, and TCS's judgement based on experience and training.

ACTUARIAL METHODS AND ASSUMPTIONS:

ACTUARIAL COST METHOD: Entry age normal. The allocation of OPEB cost is based on years of service. We used the level percentage of payroll method to allocate OPEB cost over years of service.

Entry age is based on the age at hire for eligible employees. The attribution period is determined as the difference between the expected retirement age and the age at hire. The present value of future benefits and present value of future normal costs are determined on an employee by employee basis and then aggregated.

To the extent that different benefit formulas apply to different employees of the same class, the normal cost is based on the benefit plan applicable to the most recently hired employees (including future hires if a new benefit formula has been agreed to and communicated to employees).

AMORTIZATION METHODS: We used the flat dollar amount method to allocate amortization cost by year. We used a closed 30 year amortization period for the initial UAAL. We used an open 30 year amortization period for any residual UAAL.

SUBSTANTIVE PLAN: As required under GASB 43 and 45, we based the valuation on the substantive plan. The formulation of the substantive plan was based on a review of written plan documents as well as historical information provided by Marysville Joint USD regarding practices with respect to employer and employee contributions and other relevant factors.

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ECONOMIC ASSUMPTIONS:

Economic assumptions are set under the guidance of Actuarial Standard of Practice 27 (ASOP 27). Among other things, ASOP 27 provides that economic assumptions should reflect a consistent underlying rate of general inflation. For that reason, we show our assumed long-term inflation rate below.

INFLATION: We assumed 3% per year.

INVESTMENT RETURN / DISCOUNT RATE: We assumed 5% per year. This is based on assumed long-term return on employer assets. We used the "Building Block Method" as described in ASOP 27 Paragraph 3.6.2. Our assessment of long-term returns for employer assets is based on long-term historical returns for surplus funds invested pursuant to California Government Code Sections 53601 et seq.

TREND: We assumed 4% per year. Our long-term trend assumption is based on the conclusion that, while medical trend will continue to be cyclical, the average increase over time cannot continue to outstrip general inflation by a wide margin. Trend increases in excess of general inflation result in dramatic increases in unemployment, the number of uninsured and the number of underinsured. These effects are nearing a tipping point which will inevitably result in fundamental changes in health care finance and/or delivery which will bring increases in health care costs more closely in line with general inflation. We do not believe it is reasonable to project historical trend vs. inflation differences several decades into the future.

PAYROLL INCREASE: We assumed 3% per year. This assumption applies only to the extent that either or both of the normal cost and/or UAAL amortization use the level percentage of payroll method. For purposes of applying the level percentage of payroll method, payroll increase must not assume any increases in staff or merit increases.

ACTUARIAL ASSET VALUATION: were no plan assets at the valuation date.

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NON-ECONOMIC ASSUMPTIONS:

Economic assumptions are set under the guidance of Actuarial Standard of Practice 35 (ASOP 35).

MORTALITY: CalSTRS mortality for certificated employees.
CalPERS mortality for Miscellaneous employees for other employees.

RETIREMENT RATES: CalSTRS retirement rates for certificated employees.
CalPERS retirement rates for School employees for other employees.

VESTING RATES:

	<u>Certificated</u>	<u>Management</u>	<u>Operating Engineers</u>	<u>Supervisors</u>
Vesting Percentage	100%	100%	100%	100%
Vesting Period	15 years	15 years	25 years	20 years

COSTS FOR RETIREE COVERAGE:

There was not sufficient information available to determine whether there is an implicit subsidy for retiree health costs. Based on ASOP 6, there can be justification for using "community-rated" premiums as the basis for the valuation where the insurer is committed to continuing rating practices. This is especially true where sufficient information is not available to determine the magnitude of the subsidy. However, Marysville Joint USD should recognize that costs and liabilities in this report could change significantly if either the current insurer changes rating practices or if Marysville Joint USD changes insurers.

First Year costs are as shown below. Subsequent years' costs are based on first year costs adjusted for trend and limited by any District contribution caps.

	<u>Certificated</u>	<u>Management</u>	<u>Operating Engineers</u>	<u>Supervisors</u>
Current Retirees: based on actual costs				
<u>Current Plan:</u>				
Future Retirees Pre-65	\$13,140	\$20,891	\$18,424	\$20,891
Future Retirees Post-65	\$0	\$0	\$0	\$0

PARTICIPATION RATES: 100%

TURNOVER: CalSTRS turnover for certificated employees.
CalPERS turnover for School employees for other employees.

SPOUSE PREVALENCE: To the extent not provided and when needed to calculate benefit liabilities, 80% of retirees assumed to be married at retirement. After retirement, the percentage married is adjusted to reflect mortality.

SPOUSE AGES: To the extent spouse dates of birth are not provided and when needed to calculate benefit liabilities, female spouse assumed to be three years younger than male.

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AGING FACTORS:

Attained Age	Medical Annual Increases
50-64	3.5%
65-69	3.0
70-74	2.5
75-79	1.5
80-84	0.5
85+	0.0

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APPENDIX D: DISTRIBUTION OF ELIGIBLE PARTICIPANTS BY AGE

ELIGIBLE ACTIVE EMPLOYEES:

<u>Age</u>	<u>Total</u>	<u>Certificated</u>	<u>Management</u>	<u>Operating Engineers</u>	<u>Supervisors</u>
Under 25	6	4	0	2	0
25-29	47	40	2	5	0
30-34	88	70	7	10	1
35-39	84	65	6	12	1
40-44	103	48	16	36	3
45-49	82	36	10	31	5
50-54	82	51	9	17	5
55-59	78	54	5	16	3
60-64	45	36	1	7	1
65 and older	0	0	0	0	0
Total	615	404	56	136	19

ELIGIBLE RETIREES:

<u>Age</u>	<u>Total</u>	<u>Certificated</u>	<u>Management</u>	<u>Operating Engineers</u>	<u>Supervisors</u>
Under 50	0	0	0	0	0
50-54	0	0	0	0	0
55-59	11	8	1	2	0
60-64	62	44	9	8	1
65-69	0	0	0	0	0
70-74	0	0	0	0	0
75-79	0	0	0	0	0
80-84	0	0	0	0	0
85-89	0	0	0	0	0
90 and older	0	0	0	0	0
Total	73	52	10	10	1



APPENDIX E: CALCULATION OF GASB 43/45 ACCOUNTING ENTRIES

This report is to be used to calculate accounting entries rather than to provide the dollar amount of accounting entries. How the report is to be used to calculate accounting entries depends on several factors. Among them are:

- 1) The amount of prior accounting entries;
- 2) Whether individual components of the ARC are calculated as a level dollar amount or as a level percentage of payroll;
- 3) Whether the employer using a level percentage of payroll method elects to use for this purpose projected payroll, budgeted payroll or actual payroll;
- 4) Whether the employer chooses to adjust the numbers in the report to reflect the difference between the valuation date and the first fiscal year for which the numbers will be used.

To the extent the level percentage of payroll method is used, the employer should adjust the numbers in this report as appropriate to reflect the change in OPEB covered payroll. It should be noted that OPEB covered payroll should only reflect types of pay generating pension credits for plan participants. Please note that plan participants do not necessarily include all active employees eligible for health benefits for several reasons. Following are examples.

- 1) The number of hours worked or other eligibility criteria may differ for OPEB compared to active health benefits;
- 2) There may be active employees over the maximum age OPEB are paid through. For example, if an OPEB plan pays benefits only to Medicare age, any active employees currently over Medicare age are not plan participants;
- 3) Employees hired at an age where they will exceed the maximum age for benefits when the service requirement is met are also not plan participants.

Finally, GASB 43 and 45 require reporting covered payroll in RSI schedules regardless of whether any ARC component is based on the level percentage of payroll method. This report does not provide, nor should the actuary be relied on to report covered payroll.

GASB 45 Paragraph 26 specifies that the items presented as RSI "should be calculated in accordance with the parameters." The RSI items refer to Paragraph 25.c which includes annual covered payroll. Footnote 3 provides that when the ARC is based on covered payroll, the payroll measure may be the projected payroll, budgeted payroll or actual payroll. Footnote 3 further provides that comparisons between the ARC and contributions should be based on the same measure of covered payroll.

At the time the valuation is being done, the actuary may not know which payroll method will be used for reporting purposes. The actuary may not even know for which period the valuation will be used to determine the ARC. Furthermore, the actuary doesn't know if the client will make adjustments to the ARC in order to use it for the first year of the biennial or triennial period. (GASB 45 is silent on this.) Even if the actuary were to know all of these things, it would be a rare situation that would result in me knowing the appropriate covered payroll

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number to report. For example, if the employer uses actual payroll, that number would not be known at the time the valuation is done.

As a result, we believe the proper approach is to report the ARC components as a dollar amount. It is the client's responsibility to turn this number into a percentage of payroll factor by using the dollar amount of the ARC (adjusted, if desired) as a numerator and then calculating the appropriate amount of the denominator based on the payroll determination method elected by the client for the appropriate fiscal year.

If we have been provided with payroll information, we are happy to use that information to help the employer develop an estimate of covered payroll for reporting purposes. However, the validity of the covered payroll remains the employer's responsibility even if TCS assists the employer in calculating it.

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APPENDIX F: GLOSSARY OF RETIREE HEALTH VALUATION TERMS

Note: The following definitions are intended to help a *non*-actuary understand concepts related to retiree health valuations. Therefore, the definitions may not be actuarially accurate.

Actuarial Accrued Liability: The amount of the actuarial present value of total projected benefits attributable to employees' past service based on the actuarial cost method used.

Actuarial Cost Method: A mathematical model for allocating OPEB costs by year of service.

Actuarial Present Value of Total Projected Benefits: The projected amount of all OPEB benefits to be paid to current and future retirees discounted back to the valuation date.

Actuarial Value of Assets: Market-related value of assets which may include an unbiased formula for smoothing cyclical fluctuations in asset values.

Annual OPEB Cost: This is the amount employers must recognize as an expense each year. The annual OPEB expense is equal to the Annual Required Contribution plus interest on the Net OPEB obligation minus an adjustment to reflect the amortization of the net OPEB obligation.

Annual Required Contribution: The sum of the normal cost and an amount to amortize the unfunded actuarial accrued liability. This is the basis of the annual OPEB cost and net OPEB obligation.

Closed Amortization Period: An amortization approach where the original ending date for the amortization period remains the same. This would be similar to a conventional, 30-year mortgage, for example.

Discount Rate: Assumed investment return net of all investment expenses. Generally, a higher assumed interest rate leads to lower normal costs and actuarial accrued liability.

Implicit Rate Subsidy: The estimated amount by which retiree rates are understated in situations where, for rating purposes, retirees are combined with active employees.

Mortality Rate: Assumed proportion of people who die each year. Mortality rates always vary by age and often by sex. A mortality table should always be selected that is based on a similar "population" to the one being studied.

Net OPEB Obligation: The accumulated difference between the annual OPEB cost and amounts contributed to an irrevocable trust exclusively providing retiree OPEB benefits and protected from creditors.

Normal Cost: The dollar value of the "earned" portion of retiree health benefits if retiree health benefits are to be fully accrued at retirement.

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<u>OPEB Benefits:</u>	Other PostEmployment Benefits. Generally medical, dental, prescription drug, life, long-term care or other postemployment benefits that are not pension benefits.
<u>Open Amortization Period:</u>	Under an open amortization period, the remaining unamortized balance is subject to a new amortization schedule each valuation. This would be similar, for example, to a homeowner refinancing a mortgage with a new 30-year conventional mortgage every two or three years.
<u>Participation Rate:</u>	The proportion of retirees who elect to receive retiree benefits. A lower participation rate results in lower normal cost and actuarial accrued liability. The participation rate often is related to retiree contributions.
<u>Retirement Rate:</u>	The proportion of active employees who retire each year. Retirement rates are usually based on age and/or length of service. (Retirement rates can be used in conjunction with vesting rates to reflect both age and length of service). The more likely employees are to retire early, the higher normal costs and actuarial accrued liability will be.
<u>Transition Obligation:</u>	The amount of the unfunded actuarial accrued liability at the time actuarial accrual begins in accordance with an applicable accounting standard.
<u>Trend Rate:</u>	The rate at which the cost of retiree benefits is expected to increase over time. The trend rate usually varies by type of benefit (e.g. medical, dental, vision, etc.) and may vary over time. A higher trend rate results in higher normal costs and actuarial accrued liability.
<u>Turnover Rate:</u>	The rate at which employees cease employment due to reasons other than death, disability or retirement. Turnover rates usually vary based on length of service and may vary by other factors. Higher turnover rates reduce normal costs and actuarial accrued liability.
<u>Unfunded Actuarial Accrued Liability:</u>	This is the excess of the actuarial accrued liability over assets irrevocably committed to provide retiree health benefits.
<u>Valuation Date:</u>	The date as of which the OPEB obligation is determined. Under GASB 43 and 45, the valuation date does not have to coincide with the statement date.
<u>Vesting Rate:</u>	The proportion of retiree benefits earned, based on length of service and, sometimes, age. (Vesting rates are often set in conjunction with retirement rates.) More rapid vesting increases normal costs and actuarial accrued liability.

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