NEW ISSUE -- FULL BOOK-ENTRY | **RATING: Moody's: "Aaa"**
See "RATING" herein

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California ("Bond Counsel"), under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax. See "TAX MATTERS" herein with respect to tax consequences relating to the Bonds.

$127,665,000
MARIN COMMUNITY COLLEGE DISTRICT
(Marin County, California)
2021 General Obligation Refunding Bonds
(Federally Taxable)

Dated: Date of Delivery | **Due: August 1, as shown on inside cover page**

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

The Marin Community College District (Marin County, California) 2021 General Obligation Refunding Bonds (Federally Taxable) (the "Bonds"), in the aggregate principal amount of $127,665,000, are being issued by the Marin Community College District (the "District") to (i) advance refund all or a portion of the District's Prior Bonds (as defined herein), and (ii) pay the costs of issuance of the Bonds.

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

The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (collectively, "DTC"). Purchasers of the Bonds (the "Beneficial Owners") will not receive physical certificates representing their interest in the Bonds, but will instead receive credit balances on the books of their respective nominees. The Bonds are issuable as fully registered bonds in denominations of $5,000 or any integral multiple thereof.

The Bonds will be issued as current interest bonds, such that interest thereon will accrue from the Date of Delivery and be payable semiannually on February 1 and August 1 of each year, commencing August 1, 2021. Payments of principal of and interest on the Bonds will be made by U.S. Bank National Association, as paying agent, bond registrar, authentication agent and transfer agent (collectively, the "Paying Agent"), to DTC for subsequent disbursement to DTC Participants who will remit such payments to the Beneficial Owners of the Bonds. See "THE BONDS – Book-Entry Only System" herein.

The Bonds are subject to optional redemption prior to their stated maturity dates as further described herein.

MATURITY SCHEDULE
(see inside front cover)

The Bonds will be offered when, as and if issued and received by the Underwriter, subject to the approval of legality by Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, Bond Counsel. Certain matters will be passed upon for the District by Stradling Yocca Carlson & Rauth, a Professional Corporation, as Disclosure Counsel. The Bonds, in book-entry form, will be available for delivery through the facilities of DTC in New York, New York on or about February 25, 2021.

PIPER | SANDLER

Dated: February 4, 2021

MATURITY SCHEDULE

$127,665,000
MARIN COMMUNITY COLLEGE DISTRICT
(Marin County, California)
2021 General Obligation Refunding Bonds
(Federally Taxable)

Base CUSIP†: 56781R

Maturity (August 1)	Principal Amount	Interest Rate	Yield	CUSIP†
2021	$1,315,000	0.117%	0.117%	JY4
2022	1,765,000	0.147	0.147	JZ1
2023	5,390,000	0.197	0.197	KA4
2024	5,580,000	0.279	0.279	KB2
2025	5,780,000	0.489	0.489	KC0
2026	6,000,000	0.679	0.679	KD8
2027	9,010,000	0.930	0.930	KE6
2028	9,390,000	1.110	1.110	KF3
2029	10,200,000	1.301	1.301	KG1
2030	8,065,000	1.451	1.451	KH9
2031	5,810,000	1.551	1.551	KJ5
2032	6,185,000	1.651	1.651	KK2
2033	6,365,000	1.751	1.751	KL0
2034	6,770,000	1.851	1.851	KM8
2035	19,465,000	1.921	1.921	KN6
2036	20,575,000	1.971	1.971	KP1

† CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Services. None of the Underwriter, the Municipal Advisor nor the District is responsible for the selection or correctness of the CUSIP numbers set forth herein.

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

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

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

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

The Underwriter has provided the following sentence for inclusion in this Official Statement:

> "The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or the completeness of such information."

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

The District maintains a website and certain social media accounts. However, the information presented there is not part of this Official Statement, is not incorporated herein by any reference, and should not be relied upon in making an investment decision with respect to the Bonds.

MARIN COMMUNITY COLLEGE DISTRICT

District Administration

Dr. David Wain Coon, *Superintendent/President*
Mr. Greg Nelson, *Assistant Superintendent/Vice President of Administrative Services*

PROFESSIONAL SERVICES

Bond Counsel and Disclosure Counsel

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

Municipal Advisor

Keygent LLC
El Segundo, California

Paying Agent and Escrow Agent

U.S. Bank National Association
San Francisco, California

Verification Agent

Causey Demgen & Moore, P.C.
Denver, Colorado

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MARIN COMMUNITY COLLEGE DISTRICT
(Marin County, California)
2021 General Obligation Refunding Bonds
(Federally Taxable)

INTRODUCTION

This Official Statement, which includes the cover page, inside cover page and appendices hereto, provides information in connection with the sale of Marin Community College District (Marin County, California) 2021 General Obligation Refunding Bonds (Federally Taxable) (the "Bonds").

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

The District

The Marin Community College District (the "District") was established in 1926 and serves a portion of Marin County (the "County"). The District currently maintains one comprehensive community college, College of Marin, with campuses in Kentfield and Novato. The District has been a Community Supported (Basic Aid) district (defined herein) since fiscal year 2002-03. For fiscal year 2020-21, the District has projected a full-time equivalent student count ("FTES") of 3,017. Taxable property within the District has a fiscal year 2020-21 assessed valuation of $86,200,509,582. The District's actual FTES count, however, may be affected by the ongoing COVID-19 (as defined herein) outbreak. As a result of the current outbreak of COVID-19 (as defined herein), classes and student services are being delivered remotely for the fall and spring terms of the 2020-21 academic year, except for select lab and studio classes which maintains some hands-on curriculum delivered in-person. See "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – Considerations Regarding COVID-19" herein.

The College of Marin is fully accredited by the Accrediting Commission of Community and Junior Colleges ("ACCJC"). See "MARIN COMMUNITY COLLEGE DISTRICT – Accreditation" herein.

The District is governed by a seven-member Board of Trustees (the "Board of Trustees"), each member of which is elected at-large to a four-year term. Elections for positions to the Board of Trustees are held every two years, alternating between three and four available positions. The management and policies of the District are administered by a Superintendent/President appointed by the Board of Trustees who is responsible for day-to-day District operations as well as the supervision of the District's other key personnel. Dr. David Wain Coon is the District Superintendent/President and Mr. Greg Nelson is the Assistant Superintendent/Vice President of Administrative Services. See "MARIN COMMUNITY COLLEGE DISTRICT" herein.

For more information regarding the District's tax base, see "TAX BASE FOR REPAYMENT OF BONDS" herein. See "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA" and "MARIN COMMUNITY COLLEGE DISTRICT" herein for more general information regarding the District and its finances.

Authority for Issuance of the Bonds

The Bonds are issued pursuant to certain provisions of the Government Code and other applicable law, and pursuant to a resolution adopted by the Board of Trustees of the District on May 12, 2020 (the "Resolution"). See "THE BONDS – Authority for Issuance" herein.

Security and Sources of Payment for the Bonds

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

Purpose of Issue

The proceeds of the Bonds will be used to (i) refund all or a portion of (A) the District's outstanding Election of 2004 General Obligation Bonds, Series D (the "Series D Bonds"), (B) the District's outstanding 2012 General Obligation Refunding Bonds (the "2012 Refunding Bonds"), (C) the District's outstanding 2015 General Obligation Refunding Bonds (the "2015 Refunding Bonds") and (D) the District's outstanding 2016 General Obligation Refunding Bonds (the "2016 Refunding Bonds" and, together with the Series D Bonds, the 2012 Refunding Bonds and the 2015 Refunding Bonds, the "Prior Bonds") and (ii) pay the costs of issuance of the Bonds. The portion of the Prior Bonds to be refunded with proceeds of the Bonds are referred to herein as the "Refunded Bonds." See also "THE BONDS – Application and Investment of Bond Proceeds" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

Description of the Bonds

Form and Registration. The Bonds will be issued in fully registered form only (without coupons), initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and will be available to actual purchasers of the Bonds (the "Beneficial Owners") in the denominations set forth on the inside cover, under the book-entry only system maintained by DTC, only through brokers and dealers who are or act through DTC Participants as described herein. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See "THE BONDS – Book-Entry Only System" herein. In the event that the book-entry only system described below is no longer used with respect to the Bonds, the Bonds will be registered in accordance with the Resolution described herein. See "THE BONDS – Discontinuation of Bond-Entry Only System;" herein.

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

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

Redemption. The Bonds maturing on or after August 1, 2031 are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of funds, on August 1, 2030 or on any date thereafter as a whole, or in part. See "THE BONDS – Redemption" herein.

Payments. The Bonds will be issued as current interest bonds, such that interest thereon will accrue from the initial date of delivery of the Bonds (the "Date of Delivery") and be payable semiannually on each February 1 and August 1 (each a "Bond Payment Date"), commencing August 1, 2021. Principal of the Bonds is payable on August 1 in the amounts and years as set forth on the inside cover page hereof. Payments of the principal of and interest on the Bonds will be made by U.S. Bank National Association, the designated paying agent, bond registrar, authenticating agent and transfer agent (the "Paying Agent"), to DTC for subsequent disbursement through DTC Participants to the Beneficial Owners of the Bonds. See "THE BONDS – Book-Entry Only System" herein.

Tax Matters

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, Bond Counsel, based on existing statutes, regulations, rulings and judicial decisions interest (and original issue discount) on the Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 as amended (the "code"). In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax. See "TAX MATTERS" herein.

Offering and Delivery of the Bonds

The Bonds are offered when, as and if issued, subject to approval as to their legality by Bond Counsel. It is anticipated that the Bonds in book-entry form will be available for delivery through the facilities of DTC in New York, New York on or about February 25, 2021 (the "Closing Date").

Bond Owner's Risks

The Bonds are general obligations of the District payable solely from *ad valorem* property taxes which may be levied on all taxable property in the District, without limitation as to rate or amount (except with respect to certain personal property which is taxable at limited rates). For more complete information regarding the District's financial condition and taxation of property within the District and certain other considerations related thereto, see "TAX BASE FOR REPAYMENT OF BONDS," "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA," "MARIN COMMUNITY COLLEGE DISTRICT" and "LIMITATIONS ON REMEDIES; BANKRUPTCY" herein.

Continuing Disclosure

The District will covenant for the benefit of Owners and Beneficial Owners to make available certain financial information and operating data relating to the District and to provide notices of the occurrence of certain enumerated events, in compliance with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (collectively, the "Rule"). See "LEGAL MATTERS – Continuing Disclosure" herein. The specific nature of the information to be made available and of the notices of material events required to be provided are summarized in form of the Continuing Disclosure Agreement in APPENDIX C.

Professionals Involved in the Offering

Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California is acting as Bond Counsel and Disclosure Counsel to the District with respect to the Bonds. Keygent LLC, El Segundo, California, is acting as Municipal Advisor to the District. Stradling Yocca Carlson & Rauth and Keygent LLC will receive compensation from the District contingent upon the sale and delivery of the Bonds. U.S. Bank National Association, San Francisco, California, has been appointed as Paying Agent for the Bonds, and as Escrow Agent (defined herein) with respect to the Refunded Bonds. Causey Demgen & Moore, PC, Denver, Colorado, will act as Verification Agent (the "Verification Agent") for the Prior Bonds.

Forward Looking Statements

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "intend," "project," "budget" or other similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information regarding the District herein.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT.

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Copies of documents referred to herein and information concerning the Bonds are available from the Assistant Superintendent Vice President of Administrative Services, Marin Community College District, 835 College Avenue, Kentfield, California 94904. The District may impose a charge for copying, mailing and handling.

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

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

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

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

THE BONDS

Authority for Issuance

The Bonds are issued pursuant to the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, commencing with Section 53550 *et seq.*, and other applicable law, and pursuant to the Resolution.

Security and Sources of Payment

The Bonds are general obligations of the District payable solely from the proceeds of *ad valorem* property taxes. The Board of Supervisors of the County is empowered and obligated to annually levy such *ad valorem* property taxes for the payment of the principal of and interest on the Bonds upon all property subject to taxation by the District without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates). The levy may include an allowance for an annual reserve, established for the purpose of avoiding fluctuating tax levies. However, the District can make no representation that such reserve will be established by the County or that such a reserve, if previously established by the County, will be maintained in the future.

Such taxes will be levied annually in addition to all other taxes during the period that the Bonds are outstanding in an amount sufficient to pay the principal of and interest on the Bonds when due. Such taxes, when collected, will be deposited by the County into the "Marin Community College District 2021 General Obligation Refunding Bonds Debt Service Fund" (the "Debt Service Fund"), which is segregated and maintained by the County and which has been designated for the payment of principal of and interest on the Bonds when due, and for no other purpose. Pursuant to the Resolution, the District has pledged monies on deposit in the Debt Service Fund to the payment of the Bonds. Although the County is obligated to levy an *ad valorem* property tax for the payment of the Bonds, and will maintain the Debt Service Fund pledged to the repayment of the Bonds, the Bonds are not a debt of the County. See "TAX BASE FOR REPAYMENT OF BONDS" herein.

The moneys in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Bonds, as the same becomes due and payable, will be transferred by the County to the Paying Agent which, in turn, will pay such moneys to DTC to pay the principal of and interest on the Bonds. DTC will thereupon make payment of such principal and interest to the DTC Participants for subsequent disbursement to the Beneficial Owners of the Bonds.

The rate of the annual *ad valorem* property taxes levied by the County to repay the Bonds will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds in any year. Fluctuations in the annual debt service on the Bonds and the assessed value of taxable property in the District may cause the annual tax rates to fluctuate. Economic and other factors beyond the District's control, such as general market decline in land values, disruption in financial markets that may reduce the availability of financing for purchasers of property, outbreak of disease, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by the State of California (the "State") and local agencies and property used for qualified education, hospital, charitable or religious purposes), or the complete or partial destruction of the taxable property caused by a natural or manmade disaster, such as earthquake, flood, fire, wildfire, drought or toxic contamination, could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the respective annual tax rates. For further information regarding the District's assessed valuation, tax rates, overlapping debt, and other matters concerning taxation, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIIIA of the California Constitution", "TAX BASE FOR REPAYMENT OF BONDS – Assessed Valuations", and "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – Considerations Regarding COVID-19" herein.

Statutory Lien

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

This statutory lien secures all bonds of the District, including the Bonds, issued after January 1, 2016 and payable, as to both principal and interest, from the proceeds of *ad valorem* property taxes that may be levied pursuant to paragraphs (2) and (3) of subdivision (b) of Section 1 of Article XIII A of the State Constitution. However, the statutory lien provision does not specify the relative priority of obligations so secured or a method of allocation in the event that the revenues received pursuant to the levy and collection of such *ad valorem* property taxes are insufficient to pay all amounts then due that are secured by the statutory lien.

Description of the Bonds

The Bonds will be issued in book-entry form only and will be initially issued and registered in the name of Cede & Co., as nominee for DTC. Purchasers will not receive certificates representing their interests in the Bonds.

The Bonds will be issued as current interest bonds, such that interest thereon will be payable semiannually on each Bond Payment Date, commencing August 1, 2021. Interest on the Bonds will be computed on the basis of a 360-day year of twelve 30-day months. Each Bond shall bear interest from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day of the month immediately preceding any Bond Payment Date to and including such Bond Payment Date, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before July 15, 2021, in which event it shall bear interest from the Date of Delivery. The Bonds are issuable in denominations of $5,000 principal amount or any integral multiple thereof and mature on August 1 in the years and amounts set forth on the inside cover hereof.

Payment of interest on any Bond on any Bond Payment Date will be made to the person appearing on the registration books of the Paying Agent as the Owner thereof as of the close of business on the 15th day of the month immediately preceding such Bond Payment Date (a "Record Date"), such interest to be paid by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date. The principal of and redemption premium, if any, payable on the Bonds shall be payable upon maturity or redemption upon surrender at the principal corporate trust office of the Paying Agent.

The principal of, premiums, if any, and interest on the Bonds shall be payable in lawful money of the United States of America.

Application and Investment of Bond Proceeds

The Bonds are being issued to (i) advance refund the Refunded Bonds, and (ii) pay the costs of issuing the Bonds.

The net proceeds from the sale of the Bonds will be deposited with the Escrow Agent, to the credit of the "Marin Community College District 2021 General Obligation Refunding Bonds (Federally Taxable) Escrow Fund" (the "Escrow Fund") held pursuant to an escrow agreement, dated March 1, 2021, by and between the District and U.S. Bank National Association (the "Escrow Agreement"). Pursuant to the Escrow Agreement, the amounts deposited in the Escrow Fund will be used to purchase certain non-callable direct and general obligations of the United States of America, or non-callable obligations the payment of which is unconditionally guaranteed by the United States of America (collectively, the "Federal Securities"), the principal of and interest on which will be sufficient, together with any monies deposited in the Escrow Fund and held as cash, to enable the Escrow Agent to pay the redemption price of the Refunded Bonds on the first optional redemption dates therefor, as well as the interest due on certain of the Prior Bonds on and prior to such dates. Amounts deposited into the Escrow Fund under the Escrow Agreement are not available to pay any other obligations of the District.

The tables below reflect information on the specific maturities of the Refunded Bonds to be refunded with proceeds of the Refunding Bond.

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MARIN COMMUNITY COLLEGE DISTRICT
(Marin County, California)
Election of 2004 General Obligation Bonds, Series D

Maturity Date (August 1)	CUSIP†	Original Principal Amount	Outstanding Principal to be Refunded	Date of Redemption	Redemption Price (% of Principal Amount)
2030	56781RDP9	$7,545,000	$7,545,000	8/1/2022	100%
2031	56781RDQ7	1,705,000	1,705,000	8/1/2022	100
2032	56781RDR5	1,950,000	1,950,000	8/1/2022	100
2033	56781RDS3	2,230,000	2,230,000	8/1/2022	100
2034	56781RDU8	2,505,000	2,505,000	8/1/2022	100
2036	56781RDT1	31,060,000	31,060,000	8/1/2022	100

MARIN COMMUNITY COLLEGE DISTRICT
(Marin County, California)
2012 General Obligation Refunding Bonds

Maturity Date (August 1)	CUSIP†	Original Principal Amount	Outstanding Principal to be Refunded	Date of Redemption	Redemption Price (% of Principal Amount)
2023	56781RDH7	$3,620,000	$3,620,000	8/1/2022	100%
2024	56781RDJ3	3,960,000	3,960,000	8/1/2022	100
2025	56781RDK0	4,325,000	4,325,000	8/1/2022	100
2026	56781RDL8	4,710,000	4,710,000	8/1/2022	100
2027	56781RDM6	5,125,000	5,125,000	8/1/2022	100
2028	56781RDN4	5,560,000	5,560,000	8/1/2022	100

MARIN COMMUNITY COLLEGE DISTRICT
(Marin County, California)
2015 General Obligation Refunding Bonds

Maturity Date (August 1)	CUSIP†	Original Principal Amount	Outstanding Principal to be Refunded	Date of Redemption	Redemption Price (% of Principal Amount)
2027	56781RED5	$2,555,000	$2,555,000	8/1/2025	100%
2028	56781REE3	2,745,000	2,745,000	8/1/2025	100
2029	56781REF0	9,305,000	9,305,000	8/1/2025	100

† CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services ("CGS"), managed by S&P Capital IQ on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. None of the Underwriter, the Municipal Advisor or the District is responsible for the selection, uses or correctness of the CUSIP numbers set forth herein. CUSIP numbers have been assigned by an independent company not affiliated with the District, the Municipal Advisor or the Underwriter and are included solely for the convenience of the registered owners of the applicable Bonds and Refunded Bonds. The CUSIP number for a specific maturity is subject to being changed as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds and Refunded Bonds.

MARIN COMMUNITY COLLEGE DISTRICT
(Marin County, California)
2016 General Obligation Refunding Bonds

Maturity Date (August 1)	CUSIP†	Original Principal Amount	Outstanding Principal to be Refunded	Date of Redemption	Redemption Price (% of Principal Amount)
2027	56781REU7	$195,000	$195,000	8/1/2025	100%
2028	56781REV5	205,000	205,000	8/1/2025	100
2029	56781REW3	215,000	215,000	8/1/2025	100
2030	56781REX1	225,000	225,000	8/1/2025	100
2031	56781REY9	3,975,000	3,975,000	8/1/2025	100
2032	56781REZ6	4,230,000	4,230,000	8/1/2025	100
2033	56781RFA0	4,260,000	4,260,000	8/1/2025	100
2034	56781RFB8	4,525,000	4,525,000	8/1/2025	100
2035	56781RFC6	4,810,000	4,810,000	8/1/2025	100
2036	56781RFD4	5,095,000	5,095,000	8/1/2025	100

The sufficiency of the amounts on deposit in the Escrow Fund, together with realizable interest and earnings thereon, to refund the Prior Bonds as described above will be verified by the Verification Agent. As a result of the deposit and application of funds so provided in the Escrow Agreement, and assuming the accuracy of the computations of the Underwriter and the Verification Agent, the Refunded Bonds will be defeased and the obligation of the County to levy *ad valorem* property taxes for payment thereof will terminate.

Any accrued interest and surplus moneys in the Escrow Fund following the redemption of the Refunded Bonds will be transferred to and accounted for in the Debt Service Fund and used by the District only for payment of principal of and interest on the Bonds and for no other purpose. Any excess proceeds of the Bonds not needed for the authorized purposes for which the Bonds are being issued will be transferred to the Debt Service Fund and applied to the payment of principal of and interest on the Bonds. Pursuant to the Resolution, the District has pledged monies on deposit in the Debt Service Fund to the payment of the Bonds. If, after payment in full of the Bonds, there remain excess proceeds, any such excess amounts will be transferred to the general fund of the District.

Investment of Proceeds. Funds on deposit in the Escrow Fund will be invested as described above. Moneys in the Debt Service Fund will be invested through the County's pooled investment fund. See "APPENDIX E – MARIN COUNTY COMMINGLED INVESTMENT POOL" attached hereto.

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Annual Debt Service

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

Year Ending (August 1)	Annual Principal Payment	Annual Interest Payment[1]	Total Annual Debt Service
2021	$1,315,000	$756,391.20	$2,071,391.20
2022	1,765,000	1,743,979.60	3,508,979.60
2023	5,390,000	1,741,385.06	7,131,385.06
2024	5,580,000	1,730,766.76	7,310,766.76
2025	5,780,000	1,715,198.56	7,495,198.56
2026	6,000,000	1,686,934.36	7,686,934.36
2027	9,010,000	1,646,194.36	10,656,194.36
2028	9,390,000	1,562,401.36	10,952,401.36
2029	10,200,000	1,458,172.36	11,658,172.36
2030	8,065,000	1,325,470.36	9,390,470.36
2031	5,810,000	1,208,447.20	7,018,447.20
2032	6,185,000	1,118,334.10	7,303,334.10
2033	6,365,000	1,016,219.76	7,381,219.76
2034	6,770,000	904,768.60	7,674,768.60
2035	19,465,000	779,455.90	20,244,455.90
2036	20,575,000	405,533.26	20,980,533.26
Total:	$127,665,000	$20,799,652.80	$148,464,652.80

(1) Interest payments on the Bonds will be made semiannually on February 1 and August 1 of each year, commencing August 1, 2021.

See “MARIN COMMUNITY COLLEGE DISTRICT – District Debt Structure – General Obligation Bonds” for a schedule of the total annual debt service requirements for all of the District’s outstanding general obligation bonds.

Redemption

Optional Redemption. The Bonds maturing on or before August 1, 2030 are not subject to redemption. The Bonds maturing on or after August 1, 2031 are subject to redemption prior to their stated maturity dates, at the option of the District, from any source of available funds, in whole or in part on any date on or after August 1, 2030, at a redemption price equal to the principal amount of the Bonds called for redemption, without premium, together with interest accrued thereon to the date of redemption.

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

Notice of Redemption. When redemption is authorized pursuant to the Resolution, upon written instruction from the District, the Paying Agent will give notice (a “Redemption Notice”) of the redemption of the Bonds (or portions thereof). Each Redemption Notice will specify (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the portion of the principal amount of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part.

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

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

"Securities Depository" shall mean The Depository Trust Company, 55 Water Street, New York, New York 10041.

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

Payment of Redeemed Bonds. When notice of redemption has been given substantially as described above, and, when the amount necessary for the redemption of the Bonds called for redemption (principal, interest, and premium, if any) is irrevocably set aside in trust for that purpose, as described in "—Defeasance" herein, the Bonds designated for redemption in such notice will become due and payable on the date fixed for redemption thereof and upon presentation and surrender of said Bonds at the place specified in the notice of redemption, said Bonds will be redeemed and paid at the redemption price out of such funds. All unpaid interest payable at or prior to the redemption date will continue to be payable to the respective Owners, but without interest thereon.

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

Effect of Notice of Redemption. If on the applicable designated redemption date, money for the redemption of the Bonds to be redeemed, together with interest accrued to such redemption date, is held by an independent escrow agent selected by the District so as to be available therefor on such redemption date as described in "—Defeasance," and if Redemption Notice thereof will have been given substantially as described above, then from and after such redemption date, interest on the Bonds to be redeemed shall cease to accrue and become payable.

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

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

Book-Entry Only System

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy or completeness thereof. The District cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation of ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "MMI Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

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

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

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

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

Redemption proceeds of the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

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

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

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

The principal of and interest on the Bonds upon the redemption thereof will be payable in lawful money of the United States of America upon presentation and surrender of the Bonds at the principal trust office of the Paying Agent. Interest on the Bonds will be paid by the Paying Agent by wire transfer to the person whose name appears on the registration books of the Paying Agent as the registered Owner, and to that person's bank and account number appearing on the registration books as of the close of business on the Record Date.

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

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

Defeasance

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

(a) Cash: by irrevocably depositing with an independent escrow agent selected by the District an amount of cash which, together with any amounts transferred from the Debt Service Fund, if any, is sufficient to pay all Bonds outstanding and designated for defeasance (including all principal thereof, accrued interest thereon and redemption premiums, if any), at or before their maturity date; or

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

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

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

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ESTIMATED SOURCES AND USES OF FUNDS

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

Sources of Funds	
Principal Amount of the Bonds	$127,665,000.00
Total Sources	$127,665,000.00
Uses of Funds	
Escrow Fund	$127,035,444.28
Costs of Issuance[1]	629,555.72
Total Uses	$127,665,000.00

[1] Reflects all costs of issuance, including but not limited to the Underwriter's discount, legal and municipal advisory fees, printing costs, rating agency fees, and the costs and fees of the Paying Agent, Verification Agent and Escrow Agent.

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TAX BASE FOR REPAYMENT OF BONDS

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

Ad Valorem Property Taxation

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

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

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

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

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

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

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

Assessed Valuations

The assessed valuation of property in the District is established by the tax assessing authority for the county in which such property is located, except for public utility property which is assessed by the State Board of Equalization. Assessed valuations are reported at 100% of the "full value" of the property, as defined in Article XIIIA of the State Constitution. For a discussion of how properties currently are assessed and re-assessed, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS" herein. Certain classes of property, such as churches, colleges, not-for-profit hospitals, and charitable institutions, are exempt from property taxation and do not appear on the tax rolls.

The following table shows the historical assessed valuations in the District as of the date the equalized assessment tax roll is established in August of each year, excluding any exemptions granted after such date in each year.

ASSESSED VALUATIONS
Fiscal Years 2010-11 through 2020-21
Marin Community College District

	Local Secured	Utility	Unsecured	Total	% Change
2010-11	$54,381,113,409	$4,470,081	$1,289,156,117	$55,674,739,607	--
2011-12	54,763,040,493	5,010,892	1,286,754,444	56,054,805,829	0.68
2012-13	55,220,386,696	7,936,794	1,293,180,217	56,521,503,707	0.83
2013-14	57,376,093,410	7,936,794	1,295,923,554	58,679,953,758	3.82
2014-15	60,738,647,717	7,936,794	1,348,022,874	62,094,607,385	5.82
2015-16	65,099,348,874	7,766,904	1,354,785,871	66,461,901,649	7.03
2016-17	69,258,667,195	29,388,435	1,405,938,507	70,693,994,137	6.37
2017-18	72,945,181,055	29,388,435	1,445,612,586	74,420,182,076	5.27
2018-19	76,965,780,912	3,743,225	1,472,957,851	78,442,481,988	5.40
2019-20	80,784,306,692	3,743,225	1,609,478,513	82,397,528,430	5.04
2020-21	84,468,156,929	3,743,225	1,728,609,428	86,200,509,582	4.62

Source: California Municipal Statistics, Inc.

Economic and other factors beyond the District's control, such as general market decline in property values, disruption in financial markets that may reduce availability of financing for purchasers of property, outbreak of disease, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by the State and local agencies and property used for qualified education, hospital, charitable or religious purposes), or the complete or partial destruction of the taxable property caused by a natural or manmade disaster, such as earthquake, fire, wildfire, flood, drought, or toxic contamination, could cause a reduction in the assessed value of taxable property within the District. Any such reduction would result in a corresponding increase in the annual tax rate levied by the County to pay the debt service with respect to the Bonds. See “THE BONDS – Security and Sources of Payment” and “FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – Considerations Regarding COVID-19” herein.

Appeals and Adjustments of Assessed Valuations. Under State law, property owners may apply for a reduction of their property tax assessment by filing a written application, in form prescribed by the State Board of Equalization (“SBE”), with the appropriate county board of equalization or assessment appeals board. County assessors may independently reduce assessed values as well based upon the above factors or reductions in the fair market value of the taxable property. In most cases, an appeal is filed because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value. Any reduction in the assessment ultimately granted as a result of such appeal applies to the year for which application is made and during which the written application was filed. Such reductions are subject to yearly reappraisals and may be adjusted back to their original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIIIA. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIIIA of the California Constitution” herein.

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

In addition to the above-described taxpayer appeals, county assessors may independently reduce assessed valuations based on changes in the market value of property, or for other factors such as the complete or partial destruction of taxable property caused by natural or man-made disasters such as earthquakes, floods, fire, drought or toxic contamination pursuant to relevant provisions of the State Constitution. See also “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIIIA of the California Constitution” herein. Such reductions are subject to yearly reappraisals by the county assessor and may be adjusted back to their original values when real estate market conditions improve. Once property has regained its prior assessed value, adjusted for inflation, it once again is subject to the annual inflationary growth rate factor allowed under Article XIIIA.

No assurance can be given that property tax appeals, actions by county assessors, or other factors in the future will not significantly reduce the assessed valuation of property within the District.

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

Assessed Valuation by Jurisdiction. The following is an analysis of the assessed valuation of property within the District by jurisdiction for fiscal year 2020-21.

ASSESSED VALUATION BY JURISDICTION
Fiscal Year 2020-21
Marin Community College District[1]

Jurisdiction	Assessed Valuation in District	% of District	Assessed Valuation of Jurisdiction	% of Jurisdiction in District
City of Belevdere	$2,558,796,736	2.97%	$2,558,796,736	100.00%
Town of Corte Madera	3,844,519,600	4.46	3,844,519,600	100.00
Town of Fairfax	1,682,412,066	1.95	1,682,412,066	100.00
City of Larkspur	4,694,634,314	5.45	4,694,634,314	100.00
City of Mill Valley	6,529,551,720	7.57	6,529,551,720	100.00
City of Novato	12,186,916,206	14.14	12,186,916,206	100.00
City of Ross	2,243,279,095	2.60	2,243,279,095	100.00
Town of San Anselmo	3,736,416,805	4.33	3,736,416,805	100.00
City of San Rafael	14,876,983,481	17.26	14,876,983,481	100.00
City of Sausalito	4,104,450,813	4.76	4,104,450,813	100.00
Town of Tiburon	6,100,539,701	7.08	6,100,539,701	100.00
Unincorporated Marin County	23,642,009,045	27.43	23,767,895,037	99.47
Total District	$86,200,509,582	100.00%		
Marin County	$86,200,509,582	100.00%	$86,326,395,574	99.85%

(1) Before deduction of redevelopment incremental valuation. Includes unsecured property.
Source: California Municipal Statistics, Inc.

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Assessed Valuations and Parcels by Land Use. The following table shows the distribution of taxable property, during fiscal year 2020-21, by the principal purpose for which such property is used, and the number of parcels for each such use.

ASSESSED VALUATION AND PARCELS BY LAND USE
FISCAL YEAR 2020-21
MARIN COMMUNITY COLLEGE DISTRICT

Non-Residential:	2020-21 Assessed Valuation [1]	% of Total	No. of Parcels	% of Total
Agricultural/Rural	$444,232,451	0.53%	566	0.59%
Commercial	7,999,998,809	9.47	2,939	3.05
Vacant Commercial	113,124,989	0.13	330	0.34
Industrial	1,073,978,659	1.27	542	0.56
Vacant Industrial	20,327,566	0.02	102	0.11
Government	0	0.00	4,286	4.45
Social/Miscellaneous	217,616,037	0.26	912	0.95
Subtotal Non-Residential	$9,869,278,511	11.68%	9,677	10.05%
Residential:				
Single Family Residence	$61,021,743,591	72.24%	62,203	64.59%
Condominium/Townhouse	6,868,687,897	8.13	13,635	14.16
Mobile Home	13,680,491	0.02	326	0.34
Houseboat	97,870,851	0.12	380	0.39
2+ Residential Units/Apartments	5,982,108,321	7.08	4,915	5.10
Miscellaneous Residential	821,622	0.00	667	0.69
Vacant Residential	613,965,645	0.73	4,497	4.67
Subtotal Residential	$74,598,878,418	88.32%	86,623	89.95%
Total	$84,468,156,929	100.00%	96,300	100.00%

[1] Reflects local secured assessed valuation, excluding tax-exempt property.
Source: California Municipal Statistics, Inc.

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Assessed Valuation of Single Family Homes. The following table shows the single family residential properties within the District, in terms of their 2020-21 assessed valuation.

ASSESSED VALUATION OF SINGLE FAMILY HOMES
Fiscal Year 2020-21
Marin Community College District

	No. of Parcels	2020-21 Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation
Single Family Residential	62,203	$61,021,743,591	$981,010	$752,765

2020-21 Assessed Valuation	No. of Parcels[(1)]	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
$0 - $99,999	2,106	3.386%	3.386%	$164,069,084	0.269%	0.269%
100,000 - 199,999	6,664	10.713	14.099	965,950,350	1.583	1.852
200,000 - 299,999	4,160	6.688	20.787	1,037,254,932	1.700	3.552
300,000 - 399,999	3,759	6.043	26.830	1,319,794,544	2.163	5.714
400,000 - 499,999	4,024	6.469	33.299	1,809,091,953	2.965	8.679
500,000 - 599,999	4,025	6.471	39.770	2,213,319,171	3.627	12.306
600,000 - 699,999	4,037	6.490	46.260	2,622,560,034	4.298	16.604
700,000 - 799,999	4,303	6.918	53.177	3,222,844,781	5.281	21.885
800,000 -899,999	4,210	6.768	59.946	3,574,340,274	5.857	27.743
900,000 - 999,999	3,842	6.177	66.122	3,643,441,091	5.971	33.714
1,000,000 - 1,099,999	2,890	4.646	70.768	3,026,929,387	4.960	38.674
1,100,000 - 1,199,999	2,363	3.799	74.567	2,713,878,645	4.447	43.121
1,200,000 - 1,299,999	2,022	3.251	77.818	2,523,832,086	4.136	47.257
1,300,000 - 1,399,999	1,623	2.609	80.427	2,188,729,943	3.587	50.844
1,400,000 - 1,499,999	1,525	2.452	82.879	2,207,625,926	3.618	54.462
1,500,000 - 1,599,999	1,223	1.966	84.845	1,892,107,130	3.101	57.563
1,600,000 - 1,699,999	1,027	1.651	86.496	1,693,071,184	2.775	60.337
1,700,000 - 1,799,999	970	1.559	88.055	1,694,904,911	2.778	63.115
1,800,000 - 1,899,999	813	1.307	89.362	1,503,967,747	2.465	65.579
1,900,000 - 1,999,999	612	0.984	90.346	1,192,751,391	1.955	67.534
2,000,000 and greater	6,005	9.654	100.000	19,811,279,027	32.466	100.000
Total	62,203	100.000%		$61,021,743,591	100.000%	

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

Alternative Method of Tax Apportionment - "Teeter Plan"

The Board of Supervisors of the County has approved the implementation of the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"), as provided for in Revenue and Taxation Code Section 4701 *et seq*.. The Teeter Plan guarantees distribution of 100% of the general taxes levied to the taxing entities within the County, with the County retaining all penalties and interest penalties affixed upon delinquent properties and redemptions of subsequent collections. Under the Teeter Plan, the County apportions secured property taxes on a cash basis to local political subdivisions, including the District, for which the County acts as the tax-levying or tax-collecting agency. At the conclusion of each fiscal year, the County distributes 100% of any taxes delinquent as of June 30th to the respective taxing entities. The Teeter Plan is applicable to all tax levies for which the County acts as the tax-levying or tax-collecting agency, or for which the County treasury is the legal depository of the tax collections.

The secured *ad valorem* property tax to be levied to pay the interest on and principal of the Bonds will be subject to the Teeter Plan, beginning in the first year of such levy. The District will receive 100% of the secured *ad valorem* property tax levied to pay the Bonds irrespective of actual delinquencies in the collection of the tax by the County.

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

There can be no assurance that the County will always maintain the Teeter Plan or will have sufficient funds available to distribute the full amount of the District's share of property tax collections to the District. The ability of the County to maintain the Teeter Plan may depend on their financial resources and may be affected by future property tax delinquencies. Property tax delinquencies may be impacted by economic and other factors beyond the District's or the County's control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression. An economic recession or depression could be caused by many factors outside the control of the District, including high interest rates, reduced consumer confidence, reduced real wages or reduced economic activity as a result of the spread of COVID-19 (as defined herein) or other outbreak of disease or natural or manmade disaster. See "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – Considerations Regarding COVID-19" herein. However, notwithstanding any possible future change to or discontinuation of the Teeter Plan, State law requires the County to levy *ad valorem* property taxes sufficient to pay the Bonds when due.

Tax Levies, Collections and Delinquencies

Property taxes on the secured roll are due in two installments, November 1 and February 1 of the calendar year, and if unpaid, become delinquent after December 10 and April 10, respectively. A 10% penalty attaches to any delinquent installment plus a minimum $10 cost on the second installment, plus any additional amount determined by the Treasurer-Tax Collector of each county. See "— *Ad Valorem* Property Taxation" herein.

Pursuant to Revenue and Taxation Code Section 4985.2, the Treasurer-Tax Collector of the County may cancel any penalty, costs or other charges resulting from tax delinquency upon a finding that the late payment is due to reasonable cause and circumstances beyond the taxpayer's control, and occurred notwithstanding the exercise of ordinary care in the absence of willful neglect, provided the property taxes are paid within four fiscal years of such taxes coming due. See "— Alternative Method of Tax Apportionment - 'Teeter Plan'" and "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – Considerations Regarding COVID-19" herein.

In addition, on May 6, 2020, the Governor signed Executive Order N-61-20 ("Order N-61-20"). Under Order N-61-20, certain provisions of the State Revenue and Taxation Code are suspended until

May 6, 2021 to the extent said provisions require a tax collector to impose penalties, costs or interest for the failure to pay secured or unsecured property taxes, or to pay a supplemental bill, before the date that such taxes become delinquent, subject to certain conditions set forth in in Order N-61-20. See “FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – Considerations Regarding COVID-19” herein.

The following table shows secured tax levies within the District for its general obligation bonded debt, and amounts delinquent as of June 30, for the fiscal years shown below.

SECURED TAX LEVIES AND DELINQUENCIES
Fiscal Years 2009-10 through 2019-20
Marin Community College District

	Secured Tax Levies[1]	Amount Delinquent as of June 30	Percentage Delinquent as of June 30
2009-10	$10,418,041.71	$263,330.39	2.53%
2010-11	7,299,538.86	141,297.99	1.94
2011-12	9,462,872.99	144,184.58	1.52
2012-13	9,743,546.76	113,637.44	1.17
2013-14	11,629,673.24	120,676.81	1.04
2014-15	10,881,776.56	93,344.04	0.86
2015-16	10,684,426.15	76,235.11	0.71
2016-17	9,832,845.82	78,688.92	0.80
2017-18	24,551,074.58	153,458.75	0.63
2018-19	26,144,334.85	412,598.10	1.58
2019-20	21,757,707.96	218,105.49	1.00

(1) Reflects secured tax charges and levies for general obligation bond debt service.
Source: California Municipal Statistics, Inc.

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Largest Property Owners

The following table lists the 20 largest local secured taxpayers in the District in terms of their fiscal year 2020-21 secured assessed valuations.

TWENTY LARGEST 2020-21 LOCAL SECURED TAXPAYERS
Fiscal Year 2020-21
Marin Community College District

	Property Owner	Primary Land Use	2020-21 Assessed Valuation	% of Total [(1)]
1.	Bio Marin Pharmaceuticals Inc.	Industrial	$418,889,147	0.50%
2.	Professional Financial Investors	Commercial	311,920,203	0.37
3.	California Corporate Center Acquisition	Commercial	287,573,990	0.34
4.	Skywalker Properties Ltd.	Commercial/Rural	249,994,627	0.30
5.	MGP XI Northgate LLC	Commercial	205,765,528	0.24
6.	RPR Larkspur Owner LLC	Apartments	174,783,762	0.21
7.	RP Maximus Cove Owner LLC	Apartments	166,277,220	0.20
8.	Corte Madera Village LLC	Commercial	159,120,930	0.19
9.	KW Hamilton Landing LLC	Commercial	115,000,000	0.14
10.	770 Tamalpais Dr. Inc.	Commercial	108,620,670	0.13
11.	195-205 Tamal Vista Boulevard LLC	Apartments	100,749,643	0.12
12.	JPPF Larkspur Landing Office Park	Commercial	88,758,436	0.11
13.	Novato - 777 San Marin Drive LLC	Commercial	82,000,000	0.10
14.	Strawberry Village Retail	Commercial	81,701,876	0.10
15.	Teachers Insurance & Annuity Association of America	Residential Properties	79,686,714	0.09
16.	Marin Country Mart LLC	Commercial	76,782,920	0.09
17.	Steven J. Scarpa Trust	Apartments	74,339,785	0.09
18.	Aimco Madera Vista LLC	Apartments	70,019,309	0.08
19.	JCC Cal Properties LLC	Commercial	69,432,563	0.08
20.	REEP-OFC Drakes Landing CA LLC	Commercial	68,373,069	0.08
			$2,989,790,392	3.54%

(1) 2020-21 local secured assessed valuation: $84,468,156,929.
Source: California Municipal Statistics, Inc.

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Tax Rates

Three representative tax rate areas ("TRAs") located within the District are TRA 5-000, TRA 8-000 and TRA 10-017. The table below demonstrates the total *ad valorem* property tax rates levied by all taxing entities in these TRAs, as a percentage of assessed valuation, during the five-year period from 2016-17 through 2020-21.

TYPICAL TAX RATES
Fiscal Years 2016-17 through 2020-21
Marin Community College District

	2016-17	2017-18	2018-19	2019-20	2020-21
TRA 5-000 (2020-21 Assessed Valuation: $6,418,399,454)					
General	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Tamalpais Union High School District	.0288	.0269	.0258	.0239	.0226
Marin Community College District	.0142	.0338	.0339	.0269	.0265
Mill Valley School District	.0514	.0511	.0466	.0319	.0262
Marin Healthcare District	.0093	.0201	.0190	.0175	.0218
Total	1.1037%	1.1319%	1.1253%	1.1002%	1.0971%
TRA 8-000 (2020-21 Assessed Valuation: $6,616,538,423)					
General	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
San Rafael High School District	.0502	.0568	.0617	.0600	.0583
San Rafael Elementary School District	.0743	.0503	.0729	.0705	.0695
Marin Community College District	.0142	.0338	.0339	.0269	.0265
Marin Healthcare District	.0093	.0201	.0190	.0175	.0218
Total	1.1480%	1.1610%	1.1875%	1.1749%	1.1761%
TRA 10-017 (2020-21 -Assessed Valuation: $6,348,108,996)					
General	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Novato Unified School District	.0596	.1084	.1072	.1081	.1044
City of Novato	.0168	.0162	.0142	.0269	.0080
Marin Community College District	.0142	.0338	.0339	.0126	.0265
Total	1.0906%	1.1584%	1.1553%	1.1476%	1.1389%

(1) Tax Rate Areas 5-000, 8-000, and 10-017 are the three largest within the district (in terms of assessed valuation) for fiscal year 2020-21. Together they account for 22.49% of the total assessed valuation of the District in 2020-21.
Source: California Municipal Statistics, Inc.

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Statement of Direct and Overlapping Debt

Set forth below is a direct and overlapping debt report (the "Debt Report") prepared by California Municipal Statistics, Inc., effective as of October 1, 2020, for debt issued as of September 23, 2020. The Debt Report is included for general information purposes only. The District has not reviewed the Debt Report for completeness or accuracy and makes no representation in connection therewith.

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

The first column in the table names each public agency which has outstanding debt as of the date of the report and whose territory overlaps the District in whole or in part. Column 2 shows the percentage of each overlapping agency's assessed value located within the boundaries of the District. This percentage, multiplied by the total outstanding debt of each overlapping agency (which is not shown in the table) produces the amount shown in column 3, which is the apportionment of each overlapping agency's outstanding debt to taxable property in the District.

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STATEMENT OF DIRECT AND OVERLAPPING BONDED DEBT
Marin Community College District

2020-21 Assessed Valuation: $86,200,509,582

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	**% Applicable**	**Debt 10/1/20**
Marin Community College District	**100.000%**	**$439,775,000**[1]
Novato Unified School District	100.000	141,105,000
Shoreline Joint Unified School District	55.481	15,365,463
San Rafael High School District	100.000	170,443,727
Tamalpais Union High School District	100.000	89,405,000
Kentfield School District	100.000	34,465,000
Larkspur-Corte Madera School District	100.000	51,601,092
Mill Valley School District	100.000	60,389,521
Ross Valley School District	100.000	39,586,751
San Rafael School District	100.000	129,726,453
Other School Districts	100.000	87,492,457
Town of Fairfax	100.000	5,005,600
City of Novato	100.000	4,226,213
City of San Anselmo	100.000	2,800,000
City of Sausalito	100.000	10,548,894
Marin Healthcare District	99.842	365,276,949
Marin Emergency Radio Authority Parcel Tax Bonds	99.854	29,671,616
Strawberry Recreation and Park District Zone No. 4	100.000	175,000
Community Facilities Districts	100.000	47,221,593
1915 Act Bonds	100.000	23,283,870
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$1,747,565,199
DIRECT AND OVERLAPPING GENERAL FUND DEBT:		
Marin County General Fund Obligations	99.854%	$81,135,751
Marin County Pension Obligation Bonds	99.854	70,397,070
Marin County Transit District General Fund Obligations	99.857	69,403
Marin Community College District General Fund Obligations	**100.000**	**12,960,834**
San Rafael School District General Fund Obligations	100.000	3,000,000
Sausalito-Marin City School District Certificates of Participation	100.000	3,105,000
City of Larkspur General Fund and Pension Obligation Bonds	100.000	44,077,857
City of Novato Certificates of Participation and Pension Obligation Bonds	100.000	14,598,838
City of San Rafael General Fund and Pension Obligation Bonds	100.000	53,289,964
Other Cities and Towns General Fund and Pension Obligation Bonds	100.000	24,393,656
Fire Protection District Certificates of Participation	99.917 - 100.000	2,682,266
Other Special District General Fund Obligations	100.000	149,905
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT		$309,860,544
Less: City of San Rafael obligations supported by enterprise revenues		4,615,000
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT		$305,245,544
OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):	100.000%	$42,358,908
GROSS COMBINED TOTAL DEBT		$2,099,784,651[2]
NET COMBINED TOTAL DEBT		$2,095,169,651

Ratios to 2020-21 Assessed Valuation:

Direct Debt ($439,775,000)....0.51%
Total Direct and Overlapping Tax and Assessment Debt....2.03%
Combined Direct Debt ($452,735,834)....0.53%
Gross Combined Total Debt....2.44%
Net Combined Total Debt....2.43%

Ratios to Redevelopment Incremental Valuation ($5,409,631,920):

Total Overlapping Tax Increment Debt....0.78%

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(1) Excludes the Bonds and includes the Refunded Bonds described herein.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations. Qualified Zone Academy Bonds are included based on principal due at maturity.

Source: California Municipal Statistics, Inc.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

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

Article XIIIA of the California Constitution

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

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

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

Proposition 19

On November 3, 2020, voters in California approved Proposition 19, a legislatively referred constitutional amendment ("Proposition 19"), which amends Article XIIIA to: (i) expand special rules that give property tax savings to homeowners that are over the age of 55, severely disabled, or whose property has been impacted by wildfire or natural disaster, when they buy a different home; (ii) narrow existing special rules for inherited properties; and (iii) dedicate most of the potential new State revenue generated from Proposition 19 toward fire protection. The District cannot make any assurance as to what effect the implementation of Proposition 19 will have on District revenues or the assessed valuation of real property in the District.

Legislation Implementing Article XIIIA

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

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

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

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

Proposition 50 and Proposition 171

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

Under Proposition 50, the base year value of the replacement property (the "Replacement Base Year Value") depends on the relation of the full cash value of the replacement property (the "Replacement Cash Value") to the Original Cash Value: if the Replacement Cash Value exceeds 120% of the Original Cash Value, then the Replacement Base Year Value is calculated by combining the Original Base Year Value with such excessive Replacement Cash Value; if the Replacement Cash Value does not exceed 120% of the Original Cash Value, then the Replacement Base Year Value equals the

Original Base Year Value; if the Replacement Cash Value is less than the Original Cash Value, then the Replacement Base Year Value equals the Replacement Cash Value. The replacement property must be comparable in size, utility, and function to the Damaged Property.

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

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

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

Unitary Property

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

So long as the District is a Community Supported district, taxes lost through any reduction in assessed valuation will not be compensated by the State as equalization aid under the State's school financing formula for community college districts. See "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – Major Revenues" and "MARIN COMMUNITY COLLEGE DISTRICT" herein.

Article XIIIB of the California Constitution

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

(a) “change in the cost of living” with respect to K-14 districts to mean the percentage change in California per capita income from the preceding year, and

(b) “change in population” with respect to a K-14 school district means the percentage change in the average daily attendance of such K-14 district from the preceding fiscal year.

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

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

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

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

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

Article XIIIC and Article XIIID of the California Constitution

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

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

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

Proposition 26

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

Propositions 98 and 111

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

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

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

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

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

a. Annual Adjustments to Spending Limit. The annual adjustments to the Article XIIIB spending limit were liberalized to be more closely linked to the rate of economic growth. Instead of being tied to the Consumer Price Index, the "change in the cost of living" is now measured by the change in State per capita personal income. The definition of "change in population" specifies that a portion of the State's spending limit is to be adjusted to reflect changes in school attendance.

b. Treatment of Excess Tax Revenues. "Excess" tax revenues with respect to Article XIIIB are now determined based on a two-year cycle, so that the State can avoid having to return to taxpayers excess tax revenues in one year if its appropriations in the next fiscal year are under its limit. In addition, the Proposition 98 provision regarding excess tax revenues was modified. After any two-year period, if there are excess State tax revenues, 50% of the excess are to be transferred to K-14 school districts with the balance returned to taxpayers; under prior law, 100% of excess State tax revenues went to K-14 school districts, but only up to a maximum of 4% of such district's minimum funding level. Also, reversing prior law, any excess State tax revenues transferred to K-14 school districts are not built into such districts' base expenditures for calculating their entitlement for State aid in the next year, and the State's appropriations limit is not to be increased by this amount.

c. Exclusions from Spending Limit. Two exceptions were added to the calculation of appropriations which are subject to the Article XIIIB spending limit: (i) all appropriations for "qualified capital outlay projects" as defined by the State Legislature, and (ii) any increases in gasoline taxes above the 1990 level (then nine cents per gallon), sales and use taxes on such increment in gasoline taxes, and increases in receipts from vehicle weight fees above the levels in effect on January 1, 1990. These latter provisions were necessary to make effective the transportation funding package approved by the State

Legislature and the Governor, which was expected to raise over $15 billion in additional taxes from 1990 through 2000 to fund transportation programs.

d. Recalculation of Appropriations Limit. The Article XIIIB appropriations limit for each unit of government, including the State, is to be recalculated beginning in fiscal year 1990-91. It is based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Proposition 111 had been in effect.

e. School Funding Guarantee. There is a complex adjustment in the formula enacted in Proposition 98 which guarantees K-14 school districts a certain amount of State general fund revenues. Under prior law, K-14 school districts were guaranteed the greater of (1) 40.9% of State general fund revenues ("Test 1") or (2) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIIIB by reference to per capita personal income) and enrollment ("Test 2"). Under Proposition 111, K-14 school districts will receive the greater of (1) Test 1, (2) Test 2, or (3) a third test ("Test 3"), which will replace Test 2 in any year when growth in per capita State general fund revenues from the prior year is less than the annual growth in State per capita personal income. Under Test 3, K-14 school districts will receive the amount appropriated in the prior year adjusted for change in enrollment and per capita State general fund revenues, plus an additional small adjustment factor. If Test 3 is used in any year, the difference between Test 3 and Test 2 will become a "credit" to K-14 school districts (also referred to as a "maintenance factor"), which will be paid in future years when State general fund revenue growth exceeds personal income growth..

Proposition 39

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

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

Jarvis v. Connell

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

Proposition 1A and Proposition 22

On November 2, 2004, State voters approved Proposition 1A, which amends the State constitution to significantly reduce the State's authority over major local government revenue sources. Under Proposition 1A, the State cannot (i) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes, (ii) shift property taxes from local governments to K-14 school districts, (iii) change how property tax revenues are shared among local governments without two-third approval of both houses of the State Legislature or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding. Proposition 1A allows the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also amends the State Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their costs to comply with the mandates. This provision does not apply to mandates relating to school or community college districts or to those mandates relating to employee rights.

Proposition 22, The Local Taxpayer, Public Safety, and Transportation Protection Act, approved by the voters of the State on November 2, 2010, prohibits the State from enacting new laws that require redevelopment agencies to shift funds to school districts or other agencies and eliminates the State's authority to shift property taxes temporarily during a severe financial hardship of the State. In addition, Proposition 22 restricts the State's authority to use State fuel tax revenues to pay debt service on state transportation bonds, to borrow or change the distribution of state fuel tax revenues, and to use vehicle license fee revenues to reimburse local governments for state mandated costs. Proposition 22 impacts resources in the State's general fund and transportation funds, the State's main funding source for K-14 school districts, as well as universities, prisons and health and social services programs. According to an analysis of Proposition 22 submitted by the Legislative Analyst's Office (the "LAO") on July 15, 2010, the reduction in resources available for the State to spend on these other programs as a consequence of the passage of Proposition 22 was projected to be approximately $1 billion in fiscal year 2010-11, with an estimated immediate fiscal effect equal to approximately 1% of the State's total general fund spending. The longer-term effect of Proposition 22, according to the LAO analysis, was expected to be an increase in the State's general fund costs by approximately $1 billion annually for several decades.

Proposition 55

The California Children's Education and Health Care Protection Act of 2016 (also known as "Proposition 55") is a constitutional amendment approved by the voters of the State on November 8, 2016. Proposition 55 extends, through 2030, the increases to personal income tax rates for high-income taxpayers that were approved as part of Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment (also known as "Proposition 30"). Proposition 30 increased the marginal personal income tax rate by: (i) 1% for taxable income over $250,000 but less than $300,001 for single filers (over $500,000 but less than $600,001 for joint filers and over $340,000 but less than $408,001 for head-of-household filers), (ii) 2% for taxable income over $300,000 but less than $500,001 for single filers (over $600,000 but less than $1,000,001 for joint filers and over $408,000 but less than $680,001 for head-of-household filers), and (iii) 3% for taxable income over $500,000 for single filers (over $1,000,000 for joint filers and over $680,000 for head-of-household filers).

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

Proposition 2

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

Under Proposition 2, and beginning in fiscal year 2015-16 and each fiscal year thereafter, the State will generally be required to annually transfer to the BSA an amount equal to 1.5% of estimated State general fund revenues (the "Annual BSA Transfer"). Supplemental transfers to the BSA (a "Supplemental BSA Transfer") are also required in any fiscal year in which the estimated State general fund revenues that are allocable to capital gains taxes exceed 8% of total estimated general fund tax revenues. Such excess capital gains taxes—net of any portion thereof owed to K-14 school districts pursuant to Proposition 98—will be transferred to the BSA. Proposition 2 also increases the maximum size of the BSA to an amount equal to 10% of estimated State general fund revenues for any given fiscal year. In any fiscal year in which a required transfer to the BSA would result in an amount in excess of the 10% threshold, Proposition 2 requires such excess to be expended on State infrastructure, including deferred maintenance.

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

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

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

Proposition 51

The Kindergarten Through Community College Public Education Facilities Bond Act of 2016 (also known as Proposition 51) is a voter initiative that was approved by voters on November 8, 2016. Proposition 51 authorizes the sale and issuance by the State of $9 billion in general obligation bonds for the new construction and modernization of K-14 facilities.

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

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

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

Future Initiatives

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

FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA

The information in this section concerning State funding of community colleges is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of or interest on the Bonds is payable from the general fund of the District. The Bonds are payable solely from the proceeds of an ad valorem *property tax required to be levied by the County in an amount sufficient for the payment thereof.*

Major Revenues

General. California community college districts (other than "community supported" Basic Aid districts, as described below) receive a majority of their funding from the State, and the balance from local and federal sources. State funds include general apportionment, categorical funds, capital construction, lottery funds, and other minor sources. Every community college district receives the same amount of State lottery funds on a per-student basis (which is generally less than 3%), although lottery funds are not categorical funds as they are not for particular programs or students. The initiative authorizing the lottery requires the funds to be used for instructional purposes, and prohibits their use for capital purposes.

The major local revenue source is local property taxes that are collected from within district boundaries, with student enrollment fees accounting for the most of the remainder. A small part of a community college district's budget is from local sources other than property taxes and student enrollment fees, such as interest income, donations, educational foundation contributions and sales or leases of property.

The sum of property taxes, student enrollment fees, EPA funds, and State aid comprise a district's revenue limit. State funding is generally subject to the appropriation of funds in the State's annual budget. Thus, decreases in State revenues may affect appropriations made by the State Legislature to community college districts.

"Basic Aid" community college districts (also referred to "community supported" districts) are those districts whose local property taxes, student enrollment fee collections, and Education Protection Account funds exceed the revenue allocation determined by the current State funding model. See also "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND AND APPROPRIATIONS – Proposition 55" herein. Thus, Basic Aid districts do not receive any general apportionment funding from the State. The current law in the State allows these districts to keep the excess funds without penalty. The implication for Basic Aid districts is that the legislatively determined annual COLAs and other politically determined factors are less significant in determining such districts primary funding sources. Rather, property tax growth and the local economy become the determining factors. The District is a Basic Aid district. The District has qualified as a Basic Aid district since fiscal year 2002-03, and for fiscal year 2019-20, the District's local tax, student fees and EPA funds are exceeded its revenue allocation by approximately $34.7 million and for fiscal year 2020-21, the District's local tax, student fees an EPA Funds are budgeted to exceed its revenue allocation by approximately $37.0 million.

Enrollment Based Funding. California community college districts apportionments were previously funded pursuant to a system established by Senate Bill 361 ("SB 361"). SB 361 provided for a basic allocation (a "Basic Allocation") based on the number of colleges, state-approved education centers and total enrollment, together with funding based on per-student rates for credit FTES, non-credit FTES and career development and college preparation ("CDCP") non-credit FTES.

SB 361 specified that, commencing with the 2006-07 fiscal year the minimum funding per FTES would be: (a) not less than $4,367 per credit FTES; (b) at a uniform rate of $2,626 per non-credit FTES; and (c) $3,092 per CDCP FTES. Although CDCP FTES were initially funded at a lower rate than credit FTES, subsequent legislation effective as of the 2015-16 fiscal year set the minimum funding for CDCP FTES at the same level as credit FTES. Each such minimum funding rate was subject to cost of living adjustments (each, a "COLA"), if any, funded through the State budgeting legislation in each fiscal year.

One unit of FTES is equivalent to 525 student contact hours, which is determined based on a State formula of one student multiplied by 15 weekly contact hours multiplied by 35 weeks. Accordingly, the number of FTES in the District may not equal the number of students enrolled in the District.

In each fiscal year, the State budget established an enrollment cap on the maximum number of resident FTES, known as the "funded" FTES, for which a community college district would receive a revenue allocation. A district's enrollment cap was based on the previous fiscal year's reported FTES, plus the growth allowance provided for by the State budget, if any. All student hours in excess of the enrollment cap were considered "unfunded" FTES. Nonresident and international students are excluded from the State funding formula and pay full tuition.

Student Centered Funding Formula. Assembly Bill 1809 ("AB 1809"), the higher education trailer bill passed as part of the State budget for fiscal year 2018-19, implemented a new funding mechanism for community college districts referred to as the "Student Centered Funding Formula," (the

"SCFF"). The SCFF includes three components: (1) a base allocation (the "Base Allocation") driven primarily by enrollment, (2) a supplemental allocation (the "Supplemental Allocation") based on the number of certain types of low-income students, and (3) a student success allocation (the "Student Success Allocation") that is calculated using various performance-based metrics.

The SCFF includes several hold-harmless provisions to provide districts greater financial stability in transitioning to the new formula: (i) for fiscal years 2018-19 through 2020-21, community college districts will receive no less in total apportionment funding than they received in 2017-18, adjusted for COLAs; (ii) for fiscal year 2021-22 and onward, districts will receive no less in apportionment funding per-student than they received in fiscal year 2017-18; and (iii) beginning in fiscal year 2019-20, districts will receive the greater of the amount calculated by the SCFF for the current or prior year (excluding amounts districts receive pursuant to the provision summarized in (i) above.)

Base Allocation. The Base Allocation is composed of (1) the Basic Allocation, determined consistent with the prior funding formula (see "—Enrollment Based Funding"), and (2) funding for credit, non-credit and CDCP FTES. The Base Allocation was expected to constitute approximately 70% of Statewide funding for community college districts in fiscal year 2018-19, 65% in fiscal year 2019-20 and 60% in fiscal years 2020-21 and onward.

The SCFF provides minimum funding levels for credit FTES for the first three fiscal years, as follows: (i) $3,727 for fiscal year 2018-19, (ii) $3,387 for fiscal year 2019-20, adjusted for COLAs and other base adjustments, and (iii) $3,046 for fiscal year 2020-21, adjusted for COLAs and other base adjustments in both the then-current and prior fiscal year. Notwithstanding the foregoing, the SCFF provides higher credit FTES funding rates for certain districts, which do not include the District, that were entitled to higher funding rates under the prior funding formula. Beginning in fiscal year 2021-22, the provision of COLAs and other adjustments will be subject to appropriation therefor in the annual State budget. Total funding for credit FTES will be based on a rolling three-year average of the funded credit FTES from the current fiscal year and the two immediately preceding fiscal years.

Funding levels for non-credit and CDCP FTES are determined consistent with the prior funding formula. See "—Enrollment Based Funding" herein. Total funding for these categories will be based on actual non-credit and CDCP FTES for the most recent fiscal year.

The table below shows a breakdown of the District's historical resident FTES figures for the last ten fiscal years, and a projection for the current fiscal year.

RESIDENT FULL TIME EQUIVALENT STUDENTS
Fiscal Years 2010-11 through 2020-21
Marin Community College District

Fiscal Year	Actual FTES[1]
2010-11	5,385
2011-12	5,015
2012-13	4,671
2013-14	4,366
2014-15	3,834
2015-16	3,799
2016-17	3,715
2017-18	3,716
2018-19	3,382
2019-20	3,222
2020-21[1]	3,017

(1) One FTES is equivalent to 525 student contact hours, which is determined based on a State formula of one student multiplied by 15 weekly contact hours multiplied by 35 weeks. Accordingly, the number of FTES in the District may not equal the number of students enrolled in the District

(2) Projected.

Source: Marin Community College District.

Supplemental Allocation. The Supplemental Allocation, accounting for approximately 20% of Statewide funding, will be distributed to districts based on their headcounts of students that qualify for Federal Pell Grants, California College Promise Grants or student fee waivers under Education Code 76300. The SCFF provides $919 per qualifying student for fiscal year 2018-19. Beginning in fiscal year 2019-20, the provision of COLAs and other adjustments to this amount will be subject to appropriation therefor in the annual State budget. Headcounts are not unduplicated, such that districts will receive twice as much supplemental funding for a student that falls into more than one of the aforementioned categories.

Student Success Allocation. The Student Success Allocation will be distributed to districts based on their performance in a various student outcome metrics, including obtaining various degrees and certificates, completing transfer-level math and English courses within a student's first year, and having students obtain a regional living wage within a year of completing community college. The Student Success Allocation is expected to account for 10% of statewide funding for community college districts in fiscal year 2018-19, 15% in fiscal year 2019-20 and 20% in fiscal years 2020-21 and onward. Each metric is assigned a point value, with some metrics are weighted more than others. A single student outcome with more points will generate more funding. Outcome metrics for students that qualify for Federal Pell Grants and California College Promise Grants are eligible for additional funding.

For fiscal year 2018-19, the SCFF provides a rate for all students of $440 per point, and an additional $111 per point for Pell Grant and California College Promise Grant students. For fiscal year 2019-20, these rates increase to $660 per point and $167 per point, respectively, subject to COLAs and other base adjustments. For fiscal year 2020-21, the rates increase to $880 per point and $222 per point, respectively, subject to COLAs and other base adjustments.

Considerations Regarding COVID-19

An outbreak of disease or similar public health threat, such as the novel strain of coronavirus ("COVID-19") outbreak, or fear of such an event, could have an adverse impact on the District's financial condition and operating results. The spread of COVID-19 is having significant negative impacts throughout the world, including in the District. The World Health Organization has declared the COVID-19 outbreak to be a pandemic, and states of emergency have been declared by the State and the United States. The purpose behind these declarations are to coordinate and formalize emergency actions across federal, State and local governmental agencies, and to proactively prepare for a wider spread of the virus.

On March 17, 2020, the Governor signed Senate Bill 89 ("SB 89"), which amends the Budget Act of 2019 by appropriating $500,000,000 from the State General Fund for any purpose related to executing the emergency proclamation issued by the Governor on March 4, 2020. On March 19, 2020, the Governor ordered all State residents to stay home or at their place of residence to protect the general health and well-being, except as needed to maintain continuity of 16 critical infrastructure sectors described therein (the "Stay Home Order").

On March 27, 2020 the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") was signed by the President of the United States. The CARES Act appropriates over $2 trillion to, among other things, (i) provide cash payments to individuals, (ii) expand unemployment assistance and eligibility, (iii) provide emergency grants and loans for small businesses, (iv) provide loans and other assistance to corporations, (v) provide funding for hospitals and community health centers, (vi) expand funding for safety net programs, including child nutrition programs, and (vii) provide aid to state and local governments. The CARES Act includes approximately $14.25 billion in funding for higher education, including California community college districts, principally in the form of direct emergency aid to students and institutional grants. The CARES Act also waives a number of federal regulatory requirements to provide institutions greater flexibility in addressing the effects of the COVID-19 outbreak. On December 27, 2020, the President of the United States signed the Consolidated Appropriations Act, 2021, which includes approximately $900 billion worth of provisions for additional COVID-related relief, including extension of or additional funding for various relief programs implemented by the CARES Act. The Consolidated Appropriations Act, 2021 provides approximately $82 billion of COVID-19 related relief for education, including $54.3 billion for K-12 schools (largely through Title I funding), $22.7 billion for higher education and $4 billion for state governors to spend at their discretion.

In response to the COVID-19 outbreak, the District extended its spring break an extra week and moved the majority of courses to alternative methods of instruction, beginning March 30, 2020. Classes and student services are being delivered remotely for the fall and spring terms for the 2020-21 academic year, except for select lab and studio classes which maintains some hands-on curriculum delivered in-person. The District has received approximately $1.2 million in federal aid pursuant to the CARES Act, 50% of which is allocated for student grants and 50% of which is allocated for the District for institutional costs caused by the impact of COVID-19. In addition, the District has received approximately $2.8 million in federal aid from the Education Stabilization Fund pursuant to the CARES Act, approximately $674,000 in COVID-19 related federal aid in the form of a block grant, and approximately $544,000 in COVID-19 related State aid in the form of a block grant. The District has also applied for Federal Emergency Management Agency Funds through the Governor's Office of Emergency Services, and currently expects to receive $11,625,000 of such funds. However, no assurances can be given that the District will ultimately receive the moneys it expects to receive from the Governor's Office of Emergency Services, or any additional future State or federal funds related to COVID-19, or the timing of receipt of such funds.

On August 28, 2020, the Governor released a revised system of guidelines for reopening entitled Blueprint for a Safer Economy ("Blueprint"). Blueprint assigns each of the State's 58 counties into four color-coded tiers - purple, red, orange and yellow - in descending order of severity, based on the number of new daily cases of COVID-19 and the percentage of positive tests. Counties must remain in a tier for at least three weeks before advancing to the next one. To move forward, a county must meet the next tier's criteria for two consecutive weeks. If a county's case rate and positivity rate fall into different tiers, the county remains in the stricter tier. Community college districts can reopen for limited in-person instruction once their county has been in the red tier (daily new cases of 4-7 per 100,000 people and 5-8% positive tests) for at least two weeks. When they reopen, community college districts must follow the interim guidance for institutions of higher education (the "Guidelines"), released by the Governor on August 7, 2020. Implementation of the Guidelines as part of a phased reopening will depend on local conditions, including the level of COVID-19 infections and hospitalization rates for a minimum of 14 days, testing resources of the District and County, and preparedness of the County's healthcare system. If there are positive cases of COVID-19 within a community college district, a campus could be partially or fully closed for in-person instruction. While indoor lectures and student gatherings are prohibited at community college districts in counties that are in the purple (widespread) tier, some non-lecture based courses may be permitted on campuses. For classes that are held in person, the guidelines encourage use of outdoor and other non-classroom spaces for instruction. The County is currently assigned to the purple tier, and in-person instruction is generally not permitted.

On November 19, 2020, the California Department of Public Health issued a limited Stay at Home order, effective November 21, 2020 for those counties under the purple tier of the Blueprint for a Safer Economy, requiring that all gatherings with members of other households and all activities conducted outside the residence, lodging, or temporary accommodation with members of other households cease between 10:00 p.m. PST and 5:00 a.m. PST, except for those activities associated with the operation, maintenance, or usage of critical infrastructure or required by law.

On December 3, 2020, the California Department of Public Health announced a Regional Stay at Home Order (the "Regional Stay at Home Order"), and a supplemental order, signed December 6, 2020, which divides the State into five regions (Northern California, Bay Area, Greater Sacramento, San Joaquin Valley, and Southern California), which will go into effect at 11:59 PM the day after a region has been announced to have less than 15% intensive care unit availability. The supplemental order clarifies retail operations and goes into effect immediately. The orders prohibit private gatherings of any size, close sector operations except for critical infrastructure and retail, and require 100% masking and physical distancing in all others. Guidance related to community colleges remains in effect and unchanged. The Regional Stay at Home Order went into effect in the County on December 16, 2020.

On January 25, 2021 the Regional Stay at Home Order was lifted for all regions statewide, because 4-week ICU capacity projections in all regions under the order had reached 15% or higher. The Limited Stay At Home Order was also ended. All counties returned to restrictions according to their respective tiers under the Blueprint.

During certain emergency conditions, state regulations provide that a community college district may be provided an "emergency conditions allowance," calculated to approximate the same general purpose apportionment that such district would have received in absence of the emergency. Emergency conditions are defined to include epidemics, an order from a city or county board of health or the State Board of Health, or another emergency declared by the State or federal government. Districts are required to demonstrate that the occurrence of the emergency condition prevented the district from maintaining its schools during a fiscal year for a period of 175 days, or caused the district's general purpose apportionment to be materially decreased in that year or in subsequent years. To receive the emergency conditions allowance, a district must demonstrate to the satisfaction of the Chancellor that the district made good faith efforts to avoid material decreases in general purposes apportionments. Community college districts may also seek a waiver of the 175-day requirement. Finally, the Board of Governors of the California Community Colleges (the "Board of Governors"), on March 16, 2020, granted the Chancellor temporary emergency powers to suspend or waive State regulatory requirements and local rules and regulations that present barriers to the continuity of educational services. This temporary grant is in addition to standing emergency powers of the Chancellor to hold community college districts financially harmless in the wake of campus closures.

Other potential impacts to the District associated with the COVID-19 outbreak include, but are not limited to, increasing costs and challenges relating to establishing distance learning programs or other measures to permit instruction while District facilities remain closed, disruption of the regional and local economy with corresponding decreases in tax revenues (including property tax revenue, sales tax revenue and other revenues), potential declines in property values, potential increases in property tax delinquencies, and decreases in new home sales and real estate development. The economic consequences and the declines in the U.S. and global stock markets resulting from the spread of COVID-19, and responses thereto by local, State, and the federal governments, could have a material impact on the investments in the State pension trusts, which could materially increase the unfunded actuarial accrued liability of the STRS Defined Benefit Program and PERS Schools Pool, which, in turn, could result in material changes to the District's required contribution rates in future fiscal years. See "MARIN COMMUNITY COLLEGE DISTRICT – District Retirement Programs" herein.

The COVID-19 outbreak is ongoing, and the ultimate geographic spread of the virus, the duration and severity of the outbreak, and the economic and other of actions that may be taken by governmental authorities to contain the outbreak or to treat its impact are uncertain. The ultimate impact of COVID-19 on the District's operations and finances is unknown. Additional information with respect to events surrounding the outbreak of COVID-19 and responses thereto can be found on State and local government websites, including but not limited to the Governor's office (http://www.gov.ca.gov), the California Department of Public Health (http://covid19.ca.gov/), the County (https:// https://coronavirus.marinhhs.org//), and the Chancellor's Office (https://www.cccco.edu/About-Us/Chancellors-Office/Divisions/Communications-and-Marketing/Novel-Coronavirus). *The District has not incorporated by reference the information on such websites, and the District does not assume any responsibility for the accuracy of the information on such website*s.

The ultimate impact of COVID-19 on the District's operations and finances is unknown. There can be no assurances that the spread of COVID-19, or the responses thereto by local, State, or the federal government, will not materially adversely impact the local, state and national economies or the assessed valuation of property within the District, or adversely impact enrollment or FTES within the District and, notwithstanding the Stay Home Order or the Blueprint, materially adversely impact the financial condition or operations of the District. See also "TAX BASE FOR REPAYMENT OF THE BONDS – Assessed Valuations" herein.

Budget Procedure

On or before September 15, the Board of Trustees of a community college district is required under Section 58305 of the California Code of Regulations, Title V, to adopt a balanced budget. Each September, every State agency, including the Chancellor, submits to the Department of Finance ("DOF") proposals for changes in the State budget. These proposals are submitted in the form of Budget Change Proposals ("BCPs"), involving analyses of needs, proposed solutions and expected outcomes. Thereafter, the DOF makes recommendations to the governor, and by January 10 a proposed State budget is presented by the governor to the legislature. The Governor's State budget is then analyzed and discussed in committees and hearings begin in the State Assembly and Senate. In May, based on the debate, analysis and changes in the economic forecasts, the governor issues a revised budget with changes he or she can support. The law requires the legislature to submit its approved budget by June 15, and by June 30 the governor should announce his or her line item reductions and sign the State budget. In response to growing concern for accountability and with enabling legislation (AB 2910, Chapter 1486, Statutes of 1986), the Board of Governors and the Chancellor's Office have established expectations for sound district fiscal management and a process for monitoring and evaluating the financial condition to ensure the financial health of California's community college districts. In accordance with statutory and regulatory provisions, the Chancellor has been given the responsibility to identify districts at risk and, when necessary, the authority to intervene to bring about improvement in their financial condition. To stabilize a district's financial condition, the Chancellor may, as a last resort, seek an appropriation for an emergency apportionment.

The monitoring and evaluation process is designed to provide early detection and amelioration that will stabilize the financial condition of a district before an emergency apportionment is necessary. This is accomplished by (1) assessing the financial condition of districts through the use of various information sources and (2) taking appropriate and timely follow-up action to bring about improvement in a district's financial condition, as needed. A variety of instruments and sources of information are used to provide a composite of each district's financial condition, including quarterly financial status reports, annual financial and budget reports, attendance reports, annual district audit reports, district input and other financial records. In assessing each district's financial condition, the Chancellor will pay special attention to each district's general fund balance, spending pattern, and full-time equivalent student patterns. Those districts with greater financial difficulty will receive follow-up visits from the Chancellor's Office where financial solutions to the district's problems will be addressed and implemented.

See "MARIN COMMUNITY COLLEGE DISTRICT –General Fund Budgeting" for more information regarding the District's recent budgeting trends.

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Minimum Funding Guarantees for California Community College Districts Under Propositions 98 and 111

General. In 1988, California voters approved Proposition 98, an initiative that amended Article XVI of the State Constitution and provided specific procedures to determine a minimum guarantee for annual K-14 funding. The constitutional provision links the K-14 funding formulas to growth factors that are also used to compute the State appropriations limit. Proposition 111 (Senate Constitutional Amendment 1), adopted in June 1990, among other things, changed some earlier school funding provisions of Proposition 98 relating to the treatment of revenues in excess of the State spending limit and added a third funding test ("Test 3") to calculate the annual funding guarantee. This third calculation is operative in years in which general fund tax revenue growth is weak. The amendment also specified that under Test 2 (see below), the annual COLA for the minimum guarantee for annual K-14 funding would be the change in California's per-capita personal income, which is the same COLA used to make annual adjustments to the State appropriations limit (Article XIIIB).

Calculating Minimum Funding Guarantee. There are currently three tests which determine the minimum level of K-14 funding. Under implementing legislation for Proposition 98 (AB 198 and SB 98 of 1989), each segment of public education (K-12 districts, community college districts, and direct elementary and secondary level instructional services provided by the State) has separately calculated amounts under the Proposition 98 tests. The base year for the separate calculations is the 1989-90 fiscal year. Each year, each segment is entitled to the greater of the amounts separately computed for each under Test 1 or 2. Should the calculated amount Proposition 98 guarantee (K-14 aggregated) be less than the sum of the separate calculations, then the Proposition 98 guarantee amount shall be prorated to the three segments in proportion to the amount calculated for each. This statutory split has been suspended in every year beginning with 1992-93. In those years, community colleges received less than was required from the statutory split.

Test 1 guarantees that K-14 education will receive at least the same funding share of the State general fund budget it received in 1986-87. Initially, that share was just over 40 percent. Because of the major shifts of property tax from local government to school districts and community college districts which began in 1992-93 and increased in 1993-94, the percentage dropped to 33.0%.

Test 2 provides that K-14 education will receive as a minimum, its prior-year total funding (including State general fund and local revenues) adjusted for enrollment growth and per-capita personal income COLA.

Test 3 established pursuant to Proposition 111, provides an alternative calculation of the funding base in years in which State per-capita General Fund revenues grow more slowly than per-capita personal income. When this condition exists, K-14 minimum funding is determined based on the prior-year funding level, adjusted for changes in enrollment and COLA where the COLA is measured by the annual increase in per-capita general fund revenues, instead of the higher per-capita personal income factor. The total allocation, however, is increased by an amount equal to one-half of one percent of the prior-year funding level as a funding supplement.

In order to make up for the lower funding level under Test 3, in subsequent years K-14 education receives a maintenance allowance (also referred to as a "maintenance factor") equal to the difference between what should have been provided if the revenue conditions had not been weak and what was actually received under the Test 3 formula. This maintenance allowance is paid in subsequent years when the growth in per-capita State tax revenue outpaces the growth in per-capita personal income.

The enabling legislation to Proposition 111, Chapter 60, Statutes of 1990 (SB 98, Garamendi), further provides that K-14 education shall receive a supplemental appropriation in a Test 3 year if the annual growth rate in non-Proposition 98 per-capita appropriations exceeds the annual growth rate in per-pupil total spending.

State Dissolution of Redevelopment Agencies

On December 30, 2011, the California Supreme Court issued its decision in the case of *California Redevelopment Association v. Matosantos* ("*Matosantos*"), finding ABx1 26, a trailer bill to the 2011-12 State budget, to be constitutional. As a result, all Redevelopment Agencies in California ceased to exist as a matter of law on February 1, 2012. The Court in *Matosantos* also found that ABx1 27, a companion bill to ABx1 26, violated the California Constitution, as amended by Proposition 22. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 1A and Proposition 22" herein. ABx1 27 would have permitted redevelopment agencies to continue operations provided their establishing cities or counties agreed to make specified payments to K-14 school districts and county offices of education, totaling $1.7 billion statewide.

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

Among the various types of enforceable obligations, the first priority for payment is tax allocation bonds issued by the former redevelopment agency; second is revenue bonds, which may have been issued by the host city, but only where the tax increment revenues were pledged for repayment and only where other pledged revenues are insufficient to make scheduled debt service payments; third is administrative costs of the Successor Agency, equal to at least $250,000 in any year, unless the oversight board reduces such amount for any fiscal year or a lesser amount is agreed to by the Successor Agency; then, fourth tax revenues in the Trust Fund in excess of such amounts, if any, will be allocated as residual distributions to local taxing entities in the same proportions as other tax revenues. Moreover, all unencumbered cash and other assets of former redevelopment agencies will also be allocated to local taxing entities in the same proportions as tax revenues. Notwithstanding the foregoing portion of this paragraph, the order of payment is subject to modification in the event a Successor Agency timely reports to the Controller and the Department of Finance that application of the foregoing will leave the Successor Agency with amounts insufficient to make scheduled payments on enforceable obligations. If the county auditor-controller verifies that the Successor Agency will have insufficient amounts to make scheduled payments on enforceable obligations, it shall report its findings to the Controller. If the Controller agrees there are insufficient funds to pay scheduled payments on enforceable obligations, the amount of such deficiency shall be deducted from the amount remaining to be distributed to taxing agencies, as described as the fourth distribution above, then from amounts available to the Successor Agency to defray administrative costs. In addition, if a taxing agency entered into an agreement pursuant to Health and Safety Code

Section 33401 for payments from a redevelopment agency under which the payments were to be subordinated to certain obligations of the redevelopment agency, such subordination provisions shall continue to be given effect.

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

ABx1 26 states that in the future, pass-throughs shall be made in the amount "which would have been received . . . had the redevelopment agency existed at that time," and that the county auditor-controller shall "determine the amount of property taxes that would have been allocated to each redevelopment agency had the redevelopment agency not been dissolved pursuant to the operation of [ABx1 26] using current assessed values . . . and pursuant to statutory formulas and contractual agreements with other taxing agencies."

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

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

State Assistance

California community college districts' principal funding formulas and revenue sources are derived from the budget of the State. The following information concerning the State's budgets has been obtained from publicly available information which the District believes to be reliable; however, none of the District, the Municipal Advisor, or the Underwriter guarantee the accuracy or completeness of this information and none of the District, the Municipal Advisor, or the Underwriter has independently verified such information. Furthermore, it should not be inferred from the inclusion of this information herein that the principal of or interest on the Bonds is payable from the general fund of the District. The Bonds are payable solely from the proceeds of an ad valorem *property tax required to be levied by the County in an amount sufficient for the payment thereof.*

2020-21 State Budget. On June 29, 2020, the Governor signed into law the State budget for fiscal year 2020-21 (the "2020-21 Budget"). The following information is drawn from the DOF's and LAO's summaries of the 2020-21 Budget.

As with the Governor's May revision (the "May Revision") to the proposed State budget, the 2020-21 Budget acknowledged that the rapid onset of COVID-19 had an immediate and severe impact on the State's economy. The ensuing recession caused significant job losses, precipitous drops in family and business income, and exacerbated inequality. The 2020-21 Budget included a number of measures intended to address a projected deficit of $54.3 billion identified by the May Revision, and occasioned principally by declines in the State's three main tax revenues (personal income, sales and use, and corporate). The measures included in the 2020-21 Budget, and described below, were intended to close this deficit and set aside $2.6 billion in the State's traditional general fund reserve, including $716 million for the State to respond to the changing conditions of the COVID-19 pandemic:

- *Draw Down of Reserves* – The 2020-21 Budget drew down $8.8 billion in total State reserves, including $7.8 billion from the BSA, $450 million from the Safety Net Reserve and all funds in the PSSSA.

- *Triggers* – The 2020-21 Budget included $11.1 billion in reductions and deferrals that would have been restored if at least $14 billion in federal funds were received by October 15, 2020. If the State had received less than this amount, reductions and deferrals were to be partially restored. The triggers included $6.6 billion in deferred spending on education, $970 million in funding for the California State University and University of California systems, $2.8 billion in State employee compensation and $150 million for courts, as well as funding for various other State programs. The triggers would also have funded an additional $250 million for county programs to backfill revenue losses. Such federal funds, however, were not received by the October 15 date identified in the 2020-21 Budget. The District can make no representation as to whether such federal funds will be received or in what amount. See "—Future Actions and Events" herein.

- *Federal Funds* – The 2020-21 Budget relied on $10.1 billion in federal funds allocated to the State, including $8.1 billion of which had already been received as of the passage of the 2020-21 Budget. This relief included a temporary increase in the federal government's share of Medicaid costs, a portion of the State's Coronavirus Relief Fund allocation pursuant to the CARES Act and federal funds provided for childcare programs.

- *Borrowing/Transfers/Deferrals* – The 2020-21 Budget relied on $9.3 billion in special fund borrowing and transfers, as well as deferrals to K-14 education discussed further herein. Approximately $900 million of special fund borrowing was associated with reductions to State employee compensation and was to be subject to the triggers discussed above.

- *Increased Revenues* – The 2020-21 Budget temporarily suspended for three years net operating loss tax deductions for medium and large businesses and limited business tax credits, with an estimated increase in tax revenues of $4.3 billion in fiscal year 2020-21.

- *Cancelled Expansions, Updated Assumptions and Other Measures* – The 2020-21 Budget included an additional $10.6 billion of measures, including cancelling multiple programmatic expansions, anticipated governmental efficiencies, higher ongoing revenues above the forecast included in the May Revision, and lower health and human services caseload costs than assumed by the May Revision.

For fiscal year 2019-20, the 2020-21 Budget projected total general fund revenues and transfers of $137.6 billion and authorized expenditures of $146.9 billion. The State was projected to end the 2019-20 fiscal year with total available general fund reserves of $17 billion, including $16.1 billion in the BSA and $900 million in the Safety Net Reserve Fund. For fiscal year 2020-21, the 2020-21 Budget projected total general fund revenues and transfers of $137.7 billion and authorized expenditures of $133.9 billion. The State was projected to end the 2020-21 fiscal year with total available general fund reserves of $11.4 billion, including $2.6 billion in the traditional general fund reserve (of which $716 million is earmarked for COVID-related responses), $8.3 billion in the BSA and $450 million in the Safety Net Reserve Fund.

As a result of the projected reduction of State revenues occasioned by the COVID-19 pandemic, the 2020-21 Budget estimated that the Proposition 98 minimum funding guarantee for fiscal year 2020-21 would be $70.1 billion, approximately $10 billion below the revised prior-year funding level.

The 2020-21 Budget proposed several measures intended to ameliorate the immediate impact of State revenue declines, and avoid a permanent decline in education funding:

- *Apportionment Deferrals* – The 2020-21 Budget provided for $330.1 million in SCFF apportionment deferrals for fiscal year 2019-20. The deferrals increased to $662.1 million in fiscal year 2020-21. A portion of these deferrals to be triggered off in fiscal year 2020-21 if sufficient federal funding for this purpose was received. Such federal funds, however, were not received by the October 15 date identified in the 2020-21 Budget. The District can make no representation as to whether such federal funds will be received or in what amount. See "—Future Actions and Events" herein. The 2020-21 Budget also provided a hardship exemption from the deferrals for districts that would be unable to meet their financial obligations.

- *Supplemental Appropriations* – The 2020-21 Budget provided for a new, multi-year payment obligation to supplement K-14 education funding. The total obligation would equal approximately $12.4 billion, and reflected the administration's estimate of the additional funding K-14 school districts would have received in the absence of COVID-19-related reductions. Under this proposal the State will make annual payments toward this obligation beginning in fiscal year 2021-22. These payments would equal 1.5% of State general fund revenue. The 2020-21 Budget also increased the share of State general fund revenue required to be spent on K-14 school districts from 38% to 40% by fiscal year 2023-24.

- *CalSTRS/CalPERS* – The 2020-21 Budget redirected $2.3 billion in funds previously appropriated for prefunding CalSTRS and CalPERS liabilities, and instead applied them to further reduce local educational agency contribution rates for such programs in fiscal years 2020-21 and 2021-22. This reduced CalSTRS employer rates to 16.15% in fiscal year 2020-21 and 16.02% in fiscal year 2021-22. CalPERS employer rates would be reduced to 20.7% in fiscal year 2020-21 and 22.84% in fiscal year 2021-22. See also "MARIN COMMUNITY COLLEGE DISTRICT – District Retirement Programs" herein.

- *Temporary Revenue Increases* – As discussed above, as part of closing the State's projected deficit, the 2020-21 Budget provided for a temporary revenue increase of approximately $4.3 billion in fiscal year 2020-21, of which approximately $1.6 billion counted towards the Proposition 98 funding guarantee.

Other significant features of community college funding in the 2020-21 Budget include the following:

- *Student Centered Funding Formula* – The 2020-21 Budget suspended the COLA for community college apportionments under the SCFF, and did not provide any funding for enrollment growth. The 2020-21 Budget extended the hold-harmless provisions of the SCFF for an additional two years, and authorized the use of past-year data sources that have not been impacted by the COVID-19 pandemic for purposes of calculating SCFF apportionments in 2020-21.

- *COVID-19 Response Block Grant* – A one-time increase of approximately $120 million (comprised of $54 million in CARES Act funds and $66 million in Proposition 98 funding) for a block grant to support student learning and mitigate learning loss related to the COVID-19 pandemic.

- *Immigrant Resources* – An increase of $5.8 million in Proposition 98 funding for resource liaisons and student support services for immigrant students, including undocumented students. The 2020-21 Budget also provided $10 million in ongoing Proposition 98 funding for legal services to immigrant students, faculty and staff.

- *Proposition 51* – The Kindergarten Through Community College Public Education Facilities Bond Act of 2016 (also known as Proposition 51) is a voter initiative approved at the November 8, 2016 election that authorizes the sale and issuance of $9 billion in State general obligation bonds for the new construction and modernization of K-14 facilities. The Proposed 2020-21 Budget allocated $223.1 million of such bond funds for community college facility projects.

For additional information regarding the 2020-21 Budget, see the DOF website at www.dof.ca.gov and the LAO website at www.lao.ca.gov. However, the information presented on such websites is not incorporated herein by reference.

Proposed Fiscal Year 2021-22 Budget. On January 8, 2021, the Governor released his proposed State budget for fiscal year 2021-22 (the "Proposed 2021-22 Budget"). The information below is drawn from the DOF summary of the Proposed 2021-22 Budget.

The Proposed 2021-22 Budget indicates that, since the adoption of the 2020-21 Budget, the administration's economic forecast and revenue projections have significantly improved, driven in large part by a rebound in the stock market and an attendant growth in capital gains tax revenues. However, the Proposed 2021-22 Budget acknowledges that the risks to the revenue forecast remain higher than usual, and economic inequality has intensified since the beginning of the COVID-19 pandemic. The Proposed 2021-22 Budget acknowledges that the State is currently in the midst of a second and more serious wave of COVID-19 infections, but that federally-approved COVID-19 vaccines are arriving to assist the recovery from the pandemic.

The Proposed 2021-22 Budget indicates that the revenue forecast was finalized prior to the passage of the most recent federal stimulus bill. See "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – Considerations Regarding COVID-19" herein. Of the almost $900 billion in federal funding that was approved, the Proposed 2021-22 Budget identifies approximately $106 billion allocable to the State, including $42.4 billion in direct assistance to individuals and families (including $38.3 billion in unemployment benefits and direct payments), $2.2 billion for COVID-19 testing, tracing and vaccine distribution, $700 million for health and mental health services, $50.1 billion in business and transportation support, and $10.1 billion for education. The Governor's May revision to the Proposed 2021-22 Budget will include a revised revenue forecast that will reflect this federal assistance. The Proposed 2021-22 Budget also acknowledges that further federal relief will be critical to assisting individuals and businesses survive and recover from the pandemic.

For fiscal year 2020-21, the Proposed 2021-22 Budget projects total general fund revenues and transfers of $168.1 billion and expenditures of $156 billion. The State is projected to end the 2020-21 fiscal year with total available general fund reserves of approximately $22.7 billion, including $9 billion in the traditional State reserve, $12.5 billion in the BSA, $747 million in the PSSSA and $450 million in the Safety Net Reserve Fund. For fiscal year 2021-22, the Proposed 2021-22 Budget projects total general fund revenues and transfers of $170.6 billion and authorizes expenditures of $164.5 billion. The State is projected to end the 2021-22 fiscal year with total available general fund reserves of approximately $22 billion, including $2.9 billion in the traditional general fund reserve, $15.6 billion in the BSA, $3 billion in the PSSSA and $450 million in the Safety Net Reserve Fund. As a result of the projected year-end balance in the PSSSA, school district reserve caps would be triggered in fiscal year 2022-23 under the provisions of SB 858 and SB 751. See also "CONSTITUTIONAL AND STUATUROY PROVISIONS AFFECTING REVENUES AND APPROPRIATIONS – Proposition 2" herein.

In recognition of the need to address the various impacts of the COVID-19 pandemic, the Proposed 2021-22 Budget includes a package of measures intended to be implemented through legislative action earlier than the traditional State budget timeline. For immediate action in January, this package includes $3 billion in direct support for workers and small businesses and $2 billion to support the re-opening of K-12 schools (as further described herein). For early action in the spring, the package includes $4.7 billion in instructional support for K-14 school districts, $973 million in jobs and workforce training, $561 million in environmental sustainability measures and $262 million in housing and homelessness-related measures.

As a result of the expected increases in State general fund revenues, the Proposed 2021-22 Budget sets the Proposition 98 minimum funding guarantee for fiscal year 2021-22 at $85.8 billion. This represents a year-to-year increase of $14.9 billion over the level included in the 2020-21 Budget. The Proposed 2021-22 Budget also makes retroactive increases to the minimum funding guarantee in fiscal years 2019-20 and 2020-21 of $1.9 billion and $11.9 billion, respectively, due almost exclusively to increases in allocable general fund revenues in those years. With respect to community college districts, the Proposed 2021-22 Budget provides total funding in fiscal year 2021-22 of $16.2 billion, representing an increase of $8.6 million (or 0.1%) from the prior year's level.

Other significant features of community college funding include the following:

- *General Apportionments* – $111.1 million in ongoing Proposition 98 funding to provide a 1.5% COLA for general apportionments, as well as $23.1 million in ongoing Proposition 98 funding for a 0.5% growth in enrollment. The Proposed 2021-22 Budget also provides an increase of $52.7 million in one-time Proposition 98 funding to increase current fiscal year funding apportionments.

- *Deferrals* – The Proposed 2021-22 Budget reduces SCFF apportionment deferrals for fiscal year 2021-22 that were provided for by the 2020-21 Budget by $1.1 billion, leaving an ongoing deferral balance of $326.5 million.

- *Supplemental Payment* – The 2020-21 Budget provided for a new, multi-year payment obligation to avoid a permanent decline in K-14 education funding as a result of then-projected reductions in available revenues. The Proposed 2021-22 Budget would eliminate this supplemental payment obligation in its entirety. However, in recognition of the extraordinary needs of students and the public school system related to the COVID-19 pandemic, the Proposed 2021-22 Budget provides a one-time supplemental payment to K-14 education of $2.3 billion.

- *Student Support* – The Proposed 2021-22 Budget provides a series of measures to alleviate student financial hardship and improve access to online education, including (i) $150 million in one-time Proposition 98 funding for emergency financial assistance, (ii) $100 million in one-time Proposition 98 funding to address food and housing insecurity, (iii) $30 million in ongoing Proposition 98 funding to support the acquisition of electronic devices and high-speed internet connectivity, (iv) $20 million in one-time Proposition 98 funding for culturally competent online professional development, and (v) $10.6 million in ongoing Proposition 98 funding to support continuity of education and quality distance learning.

- *Adult Education* – An increase of $8.1 million in ongoing Proposition 98 funding to reflect a 1.5% COLA for adult education programs. The Proposed 2021-22 Budget also provides an increase of $1 million in ongoing Proposition 98 funding to support technical assistance for adult education programs.

- *Proposition 51* – The Kindergarten Through Community College Public Education Facilities Bond Act of 2016 (also known as Proposition 51) is a voter initiative approved at the November 8, 2016 election that authorizes the sale and issuance of $9 billion in State general obligation bonds for the new construction and modernization of K-14 facilities. The Proposed 2020-21 Budget allocates $709 million of such bond funds for community college facility projects.

For additional information regarding the Proposed 2021-22 Budget, see the DOF website at www.dof.ca.gov. However, the information presented on such website is not incorporated herein by reference.

Future Actions and Events. The District cannot predict what actions will be taken in the future by the State legislature and the Governor to address changing State revenues and expenditures. The District also cannot predict the impact such actions will have on State revenues available in the current or future years for education. The State budget will be affected by national and State economic conditions and other factors over which the District will have no control. Certain actions or results could produce a significant shortfall of revenue and cash, and could consequently impair the State's ability to fund schools. The COVID-19 pandemic has already resulted in significant negative economic effects at State and federal levels, and additional negative economic effects are possible, each of which could negatively impact anticipated State revenue levels. In addition, the pandemic could also result in higher State expenditures, of both a direct nature (such as those related to managing the outbreak) and an indirect nature (such as higher public usage of need-based programs resulting from unemployment or disability). See "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – Considerations Regarding COVID-19" herein. The District also cannot predict whether the federal government will provide additional funding in amounts sufficient to offset any of the fiscal impacts of the COVID-19 pandemic described above. State budget shortfalls in future fiscal years may also have an adverse financial impact on the financial condition of the District. However, the obligation to levy *ad valorem* property taxes upon all taxable property within the District for the payment of principal of and interest on the Bonds would not be impaired.

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MARIN COMMUNITY COLLEGE DISTRICT

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

Introduction

The District was established in 1926 and serves a portion of Marin County. The District currently maintains one comprehensive community college, College of Marin, with campuses in Kentfield and Novato. The District has been a Community Supported (Basic Aid) district (defined herein) since fiscal year 2002-03. For fiscal year 2020-21, the District has a projected FTES of 3,017. Taxable property within the District has a fiscal year 2020-21 assessed valuation of $86,200,509,582. The College of Marin is fully accredited by the ACCJC. The District's actual FTES count, however, may be affected by the ongoing COVID-19 (as defined herein) outbreak. As a result of the current outbreak of COVID-19 (as defined herein), classes and student services are being delivered remotely for the fall and spring terms of the 2020-21 academic year, except for select lab and studio classes which maintains some hands-on curriculum delivered in-person. See "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – Considerations Regarding COVID-19" herein.

The District is governed by a seven-member Board of Trustees, each member of which is elected at-large to a four-year term. Elections for positions to the Board of Trustees are held every two years, alternating between three and four available positions. The management and policies of the District are administered by a Superintendent/President appointed by the Board of Trustees who is responsible for day-to-day District operations as well as the supervision of the District's other key personnel. Dr. David Wain Coon is the District Superintendent/President and Mr. Greg Nelson is the Assistant Superintendent/Vice President of Administrative Services.

Accreditation

The College of Marin is currently accredited by the ACCJC. Accreditation by the ACCJC is voluntary and designed to evaluate and enforce standards of educational quality and institutional effectiveness. Accreditation is also a form of peer review. ACCJC standards and criteria are developed and implemented by representatives from the member institutions. Although the ACCJC is not a governmental agency, and has no direct authority over the operations of the District, it is responsible for determining whether a college receives accreditation. For public colleges, the loss of accreditation would result in the loss of State and federal funding, including student financial aid.

If the ACCJC determines that a community college is out of compliance with accreditation standards, it may issue several levels of sanctions, including a warning, indicating the ACCJC's concern regarding identified deficiencies. A district deviating significantly from accreditation standards may have the affected college placed on "probation" status. Finally, if a district continues to be significantly out of compliance with accreditation standards, or fails to properly respond to ACCJC recommendations with respect to prior deficiencies, the ACCJC may place the affected college on a "show cause" status, requiring the affected institution to show cause why its accreditation should not be withdrawn at the end of the stated period. For a district issued such show cause status, ACCJC policies require the development of a closure plan for the affected college, to become operative in the event such district is unable to remedy the identified deficiencies. The requirement to develop a closure plan ensures that all those affected by the potential loss of accreditation are informed as early as possible, and that the affected district has a contingency plan for the completion of programs by students and the securing of their records. The ACCJC's policy, however, does not address any State or federal laws that would bear on the ability of a district to close a college.

By a letter dated January 25, 2019, the ACCJC notified the District that it reaffirmed the accreditation of the College, after a review of the District's Follow-Up Report and related evidentiary materials submitted by the District. The purpose of the review was to determine whether the College has appropriately responded to the issues identified by the peer review team at the time of the ACCJC's last visit to the college in March 2017. The next report from the College will be the Midterm Report due on March 15, 2023. The College's next comprehensive review will occur in the spring term of 2026.

Administration

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

Name	Office	Term Expires
Wanden Treanor	President	December 2022
Stephanie O'Brien	Vice President	December 2024
Diana Conti	Clerk	December 2022
Suzanne Brown Crow	Member	December 2022
Philip Kranenburg	Member	December 2024
Eva Long, Ph.D.	Member	December 2024
Paul da Silva, Ph.D.	Member	December 2024

The Superintendent/President of the District is responsible for administering the affairs of the District in accordance with the policies of the Board of Trustees. Dr. David Wain Coon is the District's current Superintendent/President. Brief biographies of key administrators follow:

Dr. David Wain Coon, Superintendent/President. Dr. David Wain Coon has held the position of Superintendent/President since December of 2010. Prior to accepting his current position, President Coon served as the Superintendent of Evergreen Valley College in San Jose. He has also served as Vice President for Student Success at Cascadia Community College, Executive Dean of Student Services at Green River Community College, Vice President of Student Services at the Art Institute of Seattle and the Director of Student Development at Pierce College, all in Washington state. He received his B.A. in Communications and Public Relations from Central Washington University, a Master of Education degree in Student Personnel Administration from Western Washington University and a Ed.D in Educational Leadership with an emphasis in Organizational Development from Seattle University.

Greg Nelson, Assistant Superintendent/Vice President of Administrative Services. Mr. Greg Nelson is currently serving as the Assistant Superintendent/Vice President of Administrative Services for the District. Prior thereto he held the position of Vice President Finance and College Operations since 2013. Prior thereto he served as the Vice President of Administrative Services at San Jose City College in the San Jose-Evergreen Community College District from 2011 to 2013, the Vice President of Administrative Services for West Georgia Technical College from 2008 to 2011, and the Assistant Budget Director of Technical College System of Georgia from 2000 to 2007. He received his Bachelor's degree in Political Science from Kennesaw State University and an M.B.A in Business Administration from DeVry University, Keller Graduate School. He also holds a Certificate, Governmental Accounting from the University of Georgia, Carl Vinson Institute of Government and a Certificate, Earned Value Management & Project for Results from the Performance Institute.

Labor Relations

The District currently employs 324 full-time and 171 part-time faculty professionals, 113 full-time and part-time classified employees and 40 supervisors/managers. District employees, including supervisory and confidential groups, but excluding some part-time employees, are represented by three bargaining units as noted below:

BARGAINING UNITS
Marin Community College District

Labor Organization	Number of Employees In Organization	Contract Expiration Date
United Professors of Marin	168	December 31, 2019[1]
California School Employees Association	103	December 31, 2022
Service Employees International Union	42	December 31, 2022

[1] The District reached an agreement on financial items with the United Professors of Marin (UPM), adopted on May 12, 2020. The term is July 1, 2020 through June 30, 2023. Non-monetary items continue to be negotiated. The District has an agreement with CSEA and SEIU through December 31, 2022 with annual 2% increases. With respect to the non-monetary items, members of this bargaining unit are working under the terms of their expired contract while a new labor contract is negotiated.
Source: Marin Community College District.

District Retirement Programs

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

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

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

Prior to July 1, 2014, K-14 school districts were required by such statutes to contribute 8.25% of eligible salary expenditures, while participants contributed 8% of their respective salaries. On June 24, 2014, the Governor signed AB 1469 ("AB 1469") into law as a part of the State's fiscal year 2014-15 budget. AB 1469 seeks to fully fund the unfunded actuarial obligation with respect to service credited to members of the STRS Defined Benefit Program before July 1, 2014 (the "2014 Liability"), within 32 years, by increasing member, K-14 school district and State contributions to STRS. Commencing July 1, 2014, the employee contribution rate increased over a three-year phase-in period in accordance with the following schedule:

MEMBER CONTRIBUTION RATES
STRS (Defined Benefit Program)

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

Source: AB 1469.

Pursuant to the Reform Act (defined below), the contribution rates for members hired after the Implementation Date (defined below) will be adjusted if the normal cost increases by more than 1% since the last time the member contribution was set. The contribution rate for employees hired after the Implementation Date (defined below) increased from 9.205% of creditable compensation for fiscal year commencing July 1, 2017 to 10.205% of creditable compensation effective July 1, 2018. For fiscal year commencing July 1, 2019, the contribution rate was 10.250% for employees hired before the Implementation Date and 10.205% for employees hired after the Implementation Date. For fiscal year commencing July 1, 2020, the contribution rate will be 10.250% for employees hired before the Implementation Date and 10.205% employees hired after the Implementation Date.

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

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

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

Source: AB 1469.

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

On June 27, 2019, the Governor signed SB 90 ("SB 90") into law as a part of the 2019-20 Budget. Pursuant to SB 90, the State Legislature appropriated \$2.246 billion to be transferred to the Teacher's Retirement Fund for the STRS Defined Benefit Program to pay in advance, on behalf of employers, part of the contributions required for fiscal years 2019-20 and 2020-21, resulting in K-14 school districts having to contribute 1.03% less in fiscal year 2019-20 and 0.70% less in fiscal year 2020-21, resulting in employer contribution rates of 17.1% in fiscal year 2019-20 and 18.4% in fiscal year 2020-21. In addition, the State made a contribution of \$1.117 billion to be allocated to reduce the employer's share of the unfunded actuarial obligation determined by the STRS Board upon recommendation from its actuary. This additional payment will be reflected in the June 30, 2020 actuarial valuation. Subsequently, the State's 2020-21 Budget redirected \$2.3 billion previously appropriated to STRS and PERS pursuant to SB 90 for long-term unfunded liabilities to further reduce the employer contribution rates in fiscal year 2020-21 and 2021-22. As a result, the effective employer contribution rate is 16.15% in fiscal year 2020-21 and is projected to be 16.02% in fiscal year 2021-22. See "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – State Assistance" herein.

The District's contribution to STRS was \$1,432,479 for fiscal year 2012-13, \$1,308,041 for fiscal year 2013-14, \$1,594,920 for fiscal year 2014-15, \$2,211,544 in fiscal year 2015-16, \$2,488,796 in fiscal year 2016-17, \$2,940,921 in fiscal year 2017-18 and \$3,462,266 in fiscal year 2018-19, \$3,447,051 in fiscal year 2019-20. The District has budgeted a contribution of \$5,826,902 to STRS in fiscal year 2020-21.

The State also contributes to STRS, currently in an amount equal to 8.328% for fiscal year 2020-21. The State's contribution reflects a base contribution rate of 2.017%, and a supplemental contribution rate that will vary from year to year based on statutory criteria. Based upon the recommendation from its actuary, for fiscal year 2017-18 and each fiscal year thereafter, the STRS Board is required, with certain limitations, to increase or decrease the State's contribution rates to reflect the contribution required to eliminate the unfunded actuarial accrued liability attributed to benefits in effect before July 1, 1990. The STRS Board approved State supplemental contribution rate for fiscal year 2020-21 reflects an increase of 0.5% of payroll, the maximum allowed under current law.

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

PERS. Classified employees working four or more hours per day are members of the Public Employees' Retirement System ("PERS"). PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the State statutes, as legislatively amended from time to time. PERS operates a number of retirement plans including the Public Employees Retirement Fund ("PERF"). PERF is a multiple-employer defined benefit retirement plan. In addition to the State, employer participants at June 30, 2019 included 1,612 public agencies and 1,319 K-14 school districts and charter schools. PERS acts as the common investment and administrative agent for the member agencies. The State and K-14 school districts (for "classified employees," which generally consist of school employees other than teachers) are required by law to participate in PERF. Employees participating in PERF generally become fully vested in their retirement benefits earned to date after five years of credited service. One of the plans operated by PERS is for K-14 school districts throughout the State (the "Schools Pool").

Pursuant to SB 90, the State Legislature appropriated $144 million for fiscal year 2019-20 and $100 million for fiscal year 2020-21 to be transferred to the Public Employees' Retirement Fund, to pay in advance, on behalf of K-14 school district employers, part of the contributions required for K-14 school district employers for such fiscal years. In addition, the State Legislature appropriated $660 million to be applied toward certain unfunded liabilities for K-14 school district employers. As a result of the payments made by the State pursuant to SB 90, the employer contribution rate for fiscal year 2019-20 was 19.721%. See also "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – State Assistance" herein.

Contributions by employers to the Schools Pool are based upon an actuarial rate determined annually and contributions by plan members vary based upon their date of hire. The actuarial determined employer contribution rate for fiscal year 2020-21 is 20.7%, which reflects the redirection of funds by the State's 2020-21 Budget by AB 84 (defined below), that were previously appropriated pursuant to SB 90 for long-term unfunded liabilities (discussed above). See "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – State Assistance" herein. Participants enrolled in PERS prior to January 1, 2013 contribute at a rate established by statute, which is 7% of their respective salaries in fiscal year 2020-21, while participants enrolled after January 1, 2013 contribute at an actuarially determined rate, which is 7% in fiscal year 2020-21. See "—California Public Employees' Pension Reform Act of 2013" herein.

The District's contribution to PERS was $1,435,226 for fiscal year 2012-13, $1,439,003 for fiscal year 2013-14, $1,753,636 for fiscal year 2014-15, $1,711,105 in fiscal year 2015-16, $1,905,803 in fiscal year 2016-17, $2,432,617 in fiscal year 2017-18 $3,063,500 in fiscal year 2018-19 and $3,492,276 for fiscal year 2019-20. The District has budgeted a contribution of $2,774,880 to PERS in fiscal year 2020-21.

State Pension Trusts. Each of STRS and PERS issues a separate comprehensive financial report that includes financial statements and required supplemental information. Copies of such financial reports may be obtained from each of STRS and PERS as follows: (i) STRS, P.O. Box 15275, Sacramento, California 95851-0275; (ii) PERS, P.O. Box 942703, Sacramento, California 94229-2703. Moreover, each of STRS and PERS maintains a website, as follows: (i) STRS: www.calstrs.com; (ii) PERS: www.calpers.ca.gov. However, the information presented in such financial reports or on such websites is not incorporated into this Official Statement by any reference.

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

FUNDED STATUS
STRS (Defined Benefit Program) and PERS (Schools Pool)
(Dollar Amounts in Millions) (1)
Fiscal Years 2010-11 through 2018-19

STRS

Fiscal Year	Accrued Liability	Value of Trust Assets (MVA)(2)	Unfunded Liability (MVA)(2)	Value of Trust Assets (AVA)(3)	Unfunded Liability (AVA)(3)
2010-11	$208,405	$147,140	$68,365	$143,930	$64,475
2011-12	215,189	143,118	80,354	144,232	70,957
2012-13	222,281	157,176	74,374	148,614	73,667
2013-14	231,213	179,749	61,807	158,495	72,718
2014-15	241,753	180,633	72,626	165,553	76,200
2015-16	266,704	177,914	101,586	169,976	96,728
2016-17	286,950	197,718	103,468	179,689	107,261
2017-18	297,603	211,367	101,992	190,451	107,152
2018-19	310,719	225,466	102,636	205,016	105,703

PERS

Fiscal Year	Accrued Liability	Value of Trust Assets (MVA)	Unfunded Liability (MVA)	Value of Trust Assets (AVA)(3)	Unfunded Liability (AVA)(3)
2010-11	$58,358	$45,901	$12,457	$51,547	$6,811
2011-12	59,439	44,854	14,585	53,791	5,648
2012-13	61,487	49,482	12,005	56,250	5,237
2013-14	65,600	56,838	8,761	--(4)	--(4)
2014-15	73,325	56,814	16,511	--(4)	--(4)
2015-16	77,544	55,785	21,759	--(4)	--(4)
2016-17	84,416	60,865	23,551	--(4)	--(4)
2017-18	92,071	64,846	27,225	--(4)	--(4)
2018-19	99,528	68,177	31,351	--(4)	--(4)

(1) Amounts may not add due to rounding.
(2) Reflects market value of assets, including the assets allocated to the SBPA reserve. Since the benefits provided through the SBPA are not a part of the projected benefits included in the actuarial valuations summarized above, the SBPA reserve is subtracted from the STRS Defined Benefit Program assets to arrive at the value of assets available to support benefits included in the respective actuarial valuations.
(3) Reflects actuarial value of assets.
(4) Effective for the June 30, 2014 actuarial valuation, PERS no longer uses an actuarial value of assets.
Source: PERS Schools Pool Actuarial Valuation; STRS Defined Benefit Program Actuarial Valuation.

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

Based on the multi-year CalSTRS Experience Analysis (spanning from July 1, 2015, through June 30, 2018) (the "2020 Experience Analysis"), on January 31, 2020, the STRS Board adopted a new set of actuarial assumptions that were first reflected in the STRS Defined Benefit Program Actuarial Valuation, as of June 30, 2019 (the "2019 STRS Actuarial Valuation"). While no changes were made to the actuarial assumptions discussed above, which were established as a result of the 2017 Experience Analysis, certain demographic changes were made, including: (i) lowering the termination rates to reflect a continued trend of lower than expected teachers leaving their employment prior to retirement, and (ii) adopting changes to the retirement rates for both employees hire before the Implementation Date and after the Implementation Date to better reflect the anticipated impact of years of service on retirements. The 2019 STRS Actuarial Valuation continues using the Entry Age Normal Actuarial Cost Method.

Based on salary increases less than assumed, additional State contributions, and actuarial asset gains recognized from the current and prior years, the 2019 STRS Actuarial Valuation reports that the unfunded actuarial obligation decreased by $1.5 billion since the 2018 STRS Actuarial Valuation and the funded ratio increased by 2.0% to 66.0% over such time period.

According to the 2019 STRS Actuarial Valuation, the future revenues from contributions and appropriations for the STRS Defined Benefit Program are projected to be approximately sufficient to finance its obligations with a projected ending funded ratio in fiscal year ending June 30, 2046 of 99.9%, except for a small portion of the unfunded actuarial obligation related to service accrued on or after July 1, 2014 for member benefits adopted after 1990, for which AB 1469 provides no authority to the STRS Board to adjust rates to pay down that portion of the unfunded actuarial obligation. This finding reflects the scheduled contribution rate increases directed by statute, assumes additional increases in the scheduled contribution rates allowed under the current law will be made, and is based on the valuation assumptions and valuation policy adopted by the STRS Board, including a 7.00% investment rate of return assumption and includes the $1.117 billion State contribution made in July 2019 pursuant to SB 90.

The actuary for the STRS Defined Benefit Program notes in the 2019 STRS Actuarial Report that, since such report is dated as of June 30, 2019, the significant declines in the investment markets that have occurred in the first half the 2020 calendar year are not directly reflected in the 2019 STRS Actuarial Report. The actuary notes that such declines will almost certainly impact the future of the STRS Defined Benefit Program funding, and that, all things being equal, it is expected that the actuarial valuation for the fiscal year ending June 30, 2020 will show a greater increase in the projected State contribution rate (and possibly the employer rate) and a possible decline in the funded ratio. See "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – State Assistance" herein.

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

On March 14, 2012, the PERS Board voted to lower the PERS' rate of expected price inflation and its investment rate of return (net of administrative expenses) (the "PERS Discount Rate") from 7.75% to 7.5%. On February 18, 2014, the PERS Board voted to keep the PERS Discount Rate unchanged at 7.5%. On November 17, 2015, the PERS Board approved a new funding risk mitigation policy to incrementally lower the PERS Discount Rate by establishing a mechanism whereby such rate is reduced by a minimum of 0.05% to a maximum of 0.25% in years when investment returns outperform the existing PERS Discount Rate by at least four percentage points. On December 21, 2016, the PERS Board voted to lower the PERS Discount Rate to 7.0% over a three year phase-in period in accordance with the following schedule: 7.375% for the June 30, 2017 actuarial valuation, 7.25% for the June 30, 2018 actuarial valuation and 7.00% for the June 30, 2019 actuarial valuation. The new discount rate went into effect July 1, 2017 for the State and July 1, 2018 for K-14 school districts and other public agencies.

Lowering the PERS Discount Rate means employers that contract with PERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities. Active members hired after January 1, 2013, under the Reform Act (defined below) will also see their contribution rates rise.

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

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

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

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

The Schools Pool Actuarial Valuation as of June 30, 2019 (the “2019 PERS Actuarial Valuation”), reported that the contribution rate for 2021-22 is projected to be 23.0%, with annual increases thereafter, resulting in a projected 27.6% employer contribution rate for fiscal year 2026-27. The projected contribution rates reflect a 4.7% investment return reduced by estimated administrative expenses for fiscal year 2019-20 and the anticipated decrease in normal cost due to new hires entering lower benefit formulas under the Reform Act, as well as the additional $904 million contributed by the State in July 2019 pursuant to SB 90, which was subsequently amended by Assembly Bill 84/Senate Bill 111 (“AB 84”). Under AB 84, $144 million of the State contribution under SB 90 is deemed to satisfy a portion of the State's required contribution in fiscal year 2019-20, $430 million will satisfy a portion of the employer contribution rate in fiscal year 2020-21, and $330 million will satisfy a portion of the employer contribution rate in fiscal year 2021-22. See also "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – State Assistance" herein. The projected contribution rate also assumes that all other actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur during the projection period. As reported in the 2019 PERS Actuarial Valuation, the funded status for the Schools Pool decreased by 1.9% (from 70.4% to 68.5%) from June 30, 2018 to June 30, 2019, primarily due to increases in liability resulting from the decrease in the discount rate, discussed above, and by the investment return in 2018-19 being less than expected.

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

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

GASB Statement Nos. 67 and 68. On June 25, 2012, GASB approved Statements Nos. 67 and 68 ("Statements") with respect to pension accounting and financial reporting standards for state and local governments and pension plans. The new Statements, No. 67 and No. 68, replace GASB Statement No. 27 and most of Statements No. 25 and No. 50. The changes impact the accounting treatment of pension plans in which state and local governments participate. Major changes include: (1) the inclusion of unfunded pension liabilities on the government's balance sheet (currently, such unfunded liabilities are typically included as notes to the government's financial statements); (2) more components of full pension costs being shown as expenses regardless of actual contribution levels; (3) lower actuarial discount rates being required to be used for underfunded plans in certain cases for purposes of the financial statements; (4) closed amortization periods for unfunded liabilities being required to be used for certain purposes of the financial statements; and (5) the difference between expected and actual investment returns being recognized over a closed five-year smoothing period. In addition, according to

GASB, Statement No. 68 means that, for pensions within the scope of the Statement, a cost-sharing employer that does not have a special funding situation is required to recognize a net pension liability, deferred outflows of resources, deferred inflows of resources related to pensions and pension expense based on its proportionate share of the net pension liability for benefits provided through the pension plan. Because the accounting standards do not require changes in funding policies, the full extent of the effect of the new standards on the District is not known at this time. The reporting requirements for pension plans took effect for the fiscal year beginning July 1, 2013 and the reporting requirements for government employers, including the District, took effect for the fiscal year beginning July 1, 2014.

The District's share of the net pension liabilities, pension expense and deferred inflow and outflow of resources for STRS and PERS for fiscal year ending June 30, 2020 follows:

	Collective Net Pension Liability	Collective Deferred Outflows of Resources	Collective Deferred Inflows of Resources	Collective Pension Expense
STRS	$34,013,818	$9,932,489	$3,271,245	$4,508,891
PERS	33,759,995	9,163,438	757,865	7,697,198
Total:	$67,773,813	$19,095,927	$4,029,110	$12,206,089

See also "APPENDIX A – THE 2019-20 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT – Note 9" attached hereto.

Pension Rate Stabilization Program. In fiscal year 2016-17, the District became a member of the PARS Pension Rate Stabilization Program (the "PRSP"). Through the PRSP, community college districts can manage their pension costs through an IRS Section 115 irrevocable trust designed to pre-fund pension costs and offset net pension liabilities. Districts are allowed to set aside funds, separate and apart from STRS and PERS contributions, in a tax-exempt prefunding vehicle to mitigate long-term contribution rate volatility. Such funds are protected from diversion to other uses and may be used to offset contribution rate increases or as an emergency source of funds for pension related costs in the event district revenues are impaired by economic or other conditions. The District made an initial contribution of approximately $4,163,162 into the PRSP trust in fiscal year 2017-18, $908,120 into the PRSP trust in fiscal year 2018-19, and $824,763 into the PRSP trust in fiscal year 2019-20, and has budgeted a transfer of $1,300,000 into the PRSP trust in fiscal year 2020-21. Pursuant to District Board policy, if the unrestricted general fund reserve is greater than 8% of expenditures, the Assistant Superintendent/Vice President of Administrative Services is authorized to transfer the remaining balance from the current year unrestricted general fund to the PARS Trust account to prefund for pension stabilization in future years, upon approval by the Board.

As of September 30, 2020, the value of assets in the PRSP Trust was $6,872,247.

Other Post-Employment Benefits

Plan Description. The District provides post-retirement health care benefits (the "Benefits") to employees hired prior to 1988 and who retire from the District and meet the specific eligibility requirements set forth in their prospective employment contracts.

The District pays medical and dental insurance premiums to maintain the level of coverage enjoyed by the retiree immediately preceding retirement up until the age of 70 or death of the retiree. Expenditures for post-retirement health care benefits are recognized as the premiums are paid. As of June 30, 2020, 7 retirees meet those eligibility requirements and there are 34 eligible active employees.

Funding Policy. Expenditures for the Benefits are recognized on a "pay as you go basis" covering the cost of premiums paid for current retirees, together with an additional amount to prefund the District's outstanding accrued liability for the Benefits (as discussed herein). During the fiscal year ending June 30, 2015, the District recognized $719,724 of expenditures for the Benefits, excluding a deposit to the Trust described below. During the fiscal year ending June 30, 2016, the District recognized $649,749 of expenditures for the Benefits, excluding a deposit to the Trust described below. During the fiscal year ending June 30, 2017, the District recognized $479,842 of expenditures for the Benefits. During the fiscal year ending June 30, 2018, the District recognized $431,055 of expenditures for the Benefits. During the fiscal year ending June 30, 2019, the District recognized $382,222 of expenditures for Benefits. For fiscal year ending June 30, 2020, the District recognized $368,114 of such expenditures. For fiscal year ending June 30, 2021, the District has budgeted $374,810 of such expenditures.

In June, 2013, the District established an irrevocable trust (the "Trust") with CalPERS, formally named the California Employers' Retiree Benefit Trust fund, and transferred the $2,164,078 fund balance that was previously held in the District's Retiree Unfunded Medical Benefit Liability Fund. In December 2014, the District contributed an additional $250,000 into the Trust and in fiscal year 2015-16, the District made a deposit of $850,000 into the Trust. As of December 30, 2020, the value of assets in the Trust was $3,194,559. The District has not budgeted a deposit to the Trust for fiscal year 2020-21.

The District took a disbursement of $431,055 from the Trust during fiscal year 2017-18, took a disbursement of $382,222 from the Trust during fiscal year 2018-19, took a disbursement of $368,114 from the Trust for fiscal year 2019-20, and has budgeted a disbursement of $374,810 from the Trust for fiscal year 2020-21 to pay for current premiums.

Actuarial Study. The District has implemented *Governmental Accounting Standards Board Statement #74, Financial Reporting for Postemployment Benefit Plans Other Than Pensions* ("GASB 74") and *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"), pursuant to which the District has commissioned and received an actuarial study of its liability with respect to the Benefits. The new GASB statements No. 74 and No. 75 (discussed below) require biennial actuarial valuations for all plans. The actuarial study, dated as of May 21, 2020 (the "Study"), concluded that, as of June 30, 2019, the Total OPEB Liability (the "TOL") with respect to such benefits, was $2,019,633, the Fiduciary Net Position (the "FNP") of the Trust was $3,095,169, and the Net OPEB Liability (the "NOL") was ($1,075,536). The TOL is the amount of the actuarial present value of projected benefits payments attributable to employees' past service based on the actuarial cost method used. The FNP are the net assets (liability) of the qualifying irrevocable trust or equivalent arrangement. The NOL is TOL minus the FNP. For more information regarding the District's other post-employment benefit liability, see "APPENDIX A – THE 2019-20 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT – Note 10 – "Other Postemployment Benefits" attached hereto.

GASB Statement Nos. 74 and 75. On June 2, 2015, GASB approved Statements Nos. 74 and 75 with respect to pension accounting and financial reporting standards for public sector post-retirement benefit programs and the employers that sponsor them. GASB No. 74 replaces GASB Statements No. 43 and 57 and Statement No. 75 replaces GASB Statement No. 45.

Most of GASB Statement No. 74 applies to plans administered through trusts, contributions in which contributions are irrevocable, trust assets are dedicated to providing other post –employment benefits to plan members and trust assets are legally protected from creditors. GASB Statements No. 74 and No. 75 will require a liability for OPEB obligations, known as the net OPEB Liability (NOL), to be recognized on the balance sheet of the plan and the participating employer's financial statements. In addition, an OPEB expense (service cost plus interest on total OPEB liability plus current-period benefit changes minus member contributions minus assumed earning on plan investments plus administrative expenses plus recognition of deferred outflows minus recognition of deferred inflows) will be recognized in the income statement of the participating employers. In the notes to its financial statements, employers providing other post-employment benefits will also have to include information regarding the year-to-year change in the NOL and a sensitivity analysis of the NOL to changes in the discount rate and healthcare trend rate. The required supplementary information will also be required to show a 10-year schedule of the plan's net OPEB liability reconciliation and related ratios, and any actuarially determined contributions and investment returns.

Under GASB Statement No. 74, the measurement date must be the same as the plan's fiscal year end, but the actuarial valuation date may be any date up to 24 months prior to the measurement date. For the total OPEB liability (the TOL), if the valuation date is before the measurement date, the results must be projected forward from the valuation date to the measurement date using standard actuarial roll-forward techniques. For plans that are unfunded or have assets insufficient to cover the projected benefit payments, a discount rate reflecting a 20-year tax-exempt municipal bond yield or index rate must be used. For plans with assets that meet the GASB Statement No. 74 requirements, a projection of the benefit payments and future Fiduciary Net Position (FNP) is performed based on the funding policy and assumptions of the plan, along with the methodology specified in GASB.

GASB No. 74 has an effective date for plan fiscal years beginning after June 15, 2016 and GASB Statement No. 75 will be effective for employer fiscal years beginning after June 15, 2017. The District first recognized GASB No. 74 and GASB No. 75 in their financial statements for fiscal year 2017-18. For fiscal year 2019-20, the District reported a Total OPEB Liability of $2,019,633, a Fiduciary Net Position of $3,095,169 and a Net OPEB Liability of $(1,075,536). See also "APPENDIX A – THE 2019-20 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT – Note 1 – "Summary of Significant Accounting Policies" and – "Other Postemployment Benefits" attached hereto.

Risk Management

The District participates in three Joint Powers Agreements ("JPAs"): the Northern California Community College Self-Insurance Authority ("NCCSIA"), the Statewide Association of Community Colleges ("SWACC"), Schools Association for Excess Risk ("SAFER"), and the Protected Insurance Program for Schools (PIPS). NCCCSIA, SWACC and SAFER provide property and liability insurance for members. PIPS provides workers' compensation insurance for its liability insurance for its members. The District has contracted with SISC to provide employee medical benefits. The District pays a premium commensurate with the level of coverage requested. Settled claims resulting from these risks have not exceeded insurance coverage on any of the past three years. The relationships between the District, the pools and the JPA's are such that they are not component units of the District for financial reporting purposes. Audited financial statements are available from the respective entities.

See also "APPENDIX A – THE 2019-20 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT – Note 8 – "Risk Management" and Note 12 –"Joint Powers Agreements" attached hereto.

General Fund Budgeting

The District's general fund is its largest source of support for District operations. General fund income and appropriations are allocated between unrestricted and restricted programs. The table on the following page shows the District's general fund budgets for fiscal years 2016-17 through 2020-21, and ending results for fiscal years 2016-17 through 2019-20.

GENERAL FUND BUDGETING[1]
Marin Community College District
Fiscal Years 2016-17 through 2020-21

	Fiscal Year 2016-17		Fiscal Year 2017-18		Fiscal Year 2018-19		Fiscal Year 2019-20		Fiscal Year 2020-21
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budgeted[2]
REVENUES:									
Federal	$534,771	$367,725	$484,595	$383,279	$465,513	$386,664	$383,771	$481,954	$1,127,043
State	9,366,166	8,377,210	10,489,894	9,060,314	11,453,326	12,309,078	13,268,089	9,946,354	13,558,297
Local	60,791,971	57,811,248	63,414,869	60,097,732	66,344,926	63,599,853	70,026,207	65,925,769	72,141,350
TOTAL REVENUES	70,692,908	66,556,183	74,389,358	69,541,325	78,263,765	76,295,595	83,678,067	76,354,077	86,826,690
EXPENDITURES:									
Academic Salaries	23,654,505	23,264,119	24,276,232	24,714,808	25,307,341	25,354,217	26,461,797	25,534,621	26,258,534
Classified Salaries	15,195,011	14,113,023	16,329,170	15,309,879	17,466,500	16,578,570	17,973,117	16,715,022	17,386,259
Employee Benefits	17,049,893	15,694,210	17,182,059	16,849,873	18,225,052	19,981,075	19,567,186	18,729,742	20,241,466
Books and Supplies	2,810,220	1,035,056	2,832,403	913,210	3,466,209	1,016,433	4,175,750	1,180,247	4,827,657
Services and Other Operating Expenditures	7,837,936	6,936,118	9,298,517	8,066,234	9,087,193	8,353,248	9,599,251	7,035,105	10,681,382
Capital Outlay	2,882,963	1,193,380	2,743,354	1,406,356	2,900,400	556,203	3,313,997	629,226	3,056,201
TOTAL EXPENDITURES	69,430,528	62,235,906	72,661,735	67,260,360	76,452,695	71,839,746	81,091,098	69,823,963	82,451,499
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	1,262,380	4,320,277	1,727,623	2,280,965	1,811,070	4,455,849	2,586,969	6,530,114	4,375,191
OTHER FINANCING SOURCES (USES)	1,208,362	2,568,443	3,791,119	3,453,529	3,224,059	2,285,304	2,184,913	2,719,040	2,863,806
OTHER OUTGO	3,249,511	3,597,534	5,303,987	8,960,405	6,304,363	4,770,512	7,301,693	10,995,939	7,363,039
NET INCREASE (DECREASE) IN FUND BALANCES	(778,769)	3,291,186	214,755	(3,225,911)	(1,269,234)	1,970,641	(2,529,811)	(1,746,785)	(124,042)
BEGINNING FUND BALANCE	7,105,482	7,105,482	10,396,668	10,396,668	7,170,757	7,170,757	9,141,398	9,141,398	7,394,613
Prior Year Adjustments	--	--	--	--	--	--	--	--	--
ENDING FUND BALANCE	$6,326,713	$10,396,668	$10,611,423	$7,170,757	$5,901,523	$9,141,398	$6,611,587	$7,394,613	$7,270,571

[1] From the District's CCFS-311 Reports filed with the California Community Colleges Chancellor's Office. Unaudited results for fiscal years 2016-17 through 2019-20 in object-oriented format provided for comparison. For audited results of those fiscal years in revised reporting format, see "MARIN COMMUNITY COLLEGE DISTRICT – Comparative Financial Statements" herein.
[2] As of January 2021, for fiscal year 2020-21, the District currently projects total revenue of $76,917,859, total expenditures of $65,017,531, and an ending fund balance of $11,526,110.
Source: Marin Community College District
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Accounting Practices

The accounting policies of the District conform to generally accepted accounting principles in accordance with policies and procedures of the California Community College Budget and Accounting Manual. This manual, according to Education Code Section 84030, is to be followed by all California community college districts. The Governmental Accounting Standards Board ("GASB") has released (i) Statement No. 34, which is effective for the District and makes changes in the annual financial statements for all governmental agencies in the United States, especially in recording of fixed assets and their depreciation, and in the way the report itself is formatted, and (ii) Statement No. 35, which is effective for the District and makes changes in the required content and format of annual financial statements for public colleges and universities. Revenues are recognized in the period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the period in which the liability is incurred.

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Comparative Financial Statements

Pursuant to applicable guidance from GASB, the District's financial statements present a comprehensive, entity-wide perspective of the District's assets, liabilities, and cash flows rather than the fund-group perspective previously required. The table below displays the District's revenues, expenses and changes in net position for fiscal years 2015-16 through 2019-20.

STATEMENT OF TOTAL REVENUES AND EXPENDITURES AND CHANGES IN NET POSITION
Fiscal Years 2015-16 through 2019-20
Marin Community College District

	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Fiscal Year 2019-20
OPERATING REVENUES					
Tuition and fees	$6,108,668	$6,059,786	$5,887,129	$6,006,657	$5,809,963
Less: Scholarship discounts and allowances	(1,828,314)	(1,708,499)	(1,549,813)	(1,550,738)	(1,406,608)
Net tuition and fees	4,280,354	4,351,287	4,337,316	4,455,919	4,403,355
Grant and contracts, non-capital:					
Federal	1,211,473	1,002,828	1,044,428	936,697	1,726,404
State and local	5,385,895	6,386,151	6,933,608	7,202,241	6,312,552
TOTAL OPERATING REVENUES	10,877,722	11,740,266	12,315,352	12,594,857	12,442,311
OPERATING EXPENSES					
Salaries and benefits	53,577,656	55,942,308	58,479,447	66,038,487	70,357,5621
Supplies, materials and other operating expenses and services	9,707,390	9,346,028	9,116,640	9,683,666	10,573,177
Equipment, maintenance and repairs	318,242	470,014	481,325	307,674	--
Student financial aid	4,524,704	3,609,581	4,028,733	3,889,042	4,613,853
Depreciation	7,091,533	8,010,944	8,249,250	8,667,300	9,094,709
TOTAL OPERATING EXPENSES	75,219,525	77,378,875	80,355,395	88,586,169	94,639,300
LOSS FROM OPERATIONS	(64,341,803)	(65,638,609)	(68,040,043)	(75,991,312)	(82,196,989)
NON-OPERATING REVENUES (EXPENSES)					
State apportionment, non-capital	233,270	561,383	438,234	584,186	70,357,561
Local property taxes	48,603,712	51,679,863	54,196,031	57,712,768	59,556,182
State taxes and other revenues	4,861,528	2,602,103	2,899,257	5,299,133	4,279,695
Pell grants	3,026,485	2,669,685	2,951,382	2,897,940	2,681,172
Investment income	51,955	350,161	1,260,702	489,810	4,838,190
Interest expense on capital asset-related debt, net	(7,702,890)	(9,900,824)	(7,890,292)	(12,032,127)	(17,375,291)
Other non-operating revenue	(250,823)	1,840,185	498,791	1,599,033	8,373,782
TOTAL NON-OPERATING REVENUES (EXPENSES)	48,823,237	49,802,556	54,354,105	56,550,743	63,056,988
LOSS BEFORE CAPITAL REVENUES	(15,518,566)	(15,836,053)	(13,685,938)	(19,440,569)	(19,140,001)
CAPITAL REVENUES					
Grants and gifts, capital	--	--	--	--	--
Property taxes	11,402,608	10,478,821	25,767,862	28,437,516	23,496,848
TOTAL CAPITAL REVENUES	11,402,608	10,478,821	25,767,862	28,437,516	23,496,848
CHANGE IN NET POSITION	(4,115,958)	(5,357,232)	12,081,924	8,996,947	4,356,847
NET POSITION, BEGINNING OF YEAR	(1,453,534)	(5,569,492)	(10,926,724)	(1,148,537)	7,848,410
Cumulative effect of change in accounting principle	--	--	(2,303,737)[1]	--	--
NET POSITION, BEGINNING OF YEAR, as restated	(1,453,534)	(5,569,492)	(13,230,461)	(1,148,537)	7,848,410
NET POSITION, END OF YEAR	$(5,569,492)	$(10,926,724)	$(1,148,537)	$7,848,410	$12,205,257

(1) Restates the beginning net position as a result of the implementation of GASB Statement No. 75 due to the recognition of the net OPEB liability. See " Other Post-Employment Benefits " herein.

Source: Marin Community College District.

District Debt Structure

Long-Term Debt. A schedule of the District's general long-term debt as of June 30, 2020, is shown below:

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
General Obligation Bonds	$462,100,000	--	$14,195,000	$447,905,000
Lease Revenue Bonds	9,380,834	--	400,000	8,980,834
Bond Premium (GO Bonds)	23,901,377	--	1,616,369	22,285,008
Bond Premium (LR Bonds)	323,781	--	15,079	308,702
Certificates of Participation	3,980,000	--	--	3,980,000
Certificates of Participation Premium	190,717	--	6,558	184,159
Net Pension Liability[1]	64,910,000	$2,863,813	--	67,773,813
Compensated Absences	1,721,664	445,370	--	2,167,034
Note Payable – PG&E	212,800	--	95,502	117,298
Capital Leases Obligations	99,313	--	49,658	49,655
Total:	$566,820,486	$3,309,183	$16,378,166	$553,751,503

(1) Reflects the aggregate of the District's proportionate share of the net pension liabilities for the STRS and PERS programs.
Source: Marin Community College District.

Lease Revenue Bonds. In June 2003, the District caused the execution and delivery of the California Community College Financing Authority Lease Revenue Bonds, Series 2003 for Marin Community College District (the "Series 2003 Lease Revenue Bonds"). The District's debt service obligations with respect to the Series 2003 Lease Revenue Bonds are as follows:

Year Ending (May 15)	Annual Principal Payment	Annual Interest Payment	Total Annual Debt Service
2021	$135,000.00	$5,737.50	$140,737.50
2022	177,655.20	278,769.67	456,424.87
2023	174,282.00	296,374.12	470,656.12
2024	172,033.20	316,307.86	488,341.06
2025	169,784.40	336,819.53	506,603.93
2026	166,411.20	355,519.84	521,931.04
2027	164,162.40	377,045.42	541,207.82
2028	161,913.60	399,177.65	561,091.25
2029	159,664.80	421,928.17	581,592.97
2030	154,042.80	435,765.90	589,808.70
2031	149,545.20	452,323.90	601,869.10
2032	151,794.00	490,367.07	642,161.07
2033	149,545.20	515,454.80	665,000.00
Total	$2,085,834.00	$4,681,591.43	$6,767,425.43

Source: Marin Community College District.

In March 2018, the District caused the execution and delivery of the California Community College Financing Authority Lease Revenue Bonds, Series 2018A for Marin Community College District (the "Series 2018A Lease Revenue Bonds"). The District's debt service obligations with respect to the Series 2018A Lease Revenue Bonds are as follows:

Year Ending (May 15)	Annual Principal Payment	Annual Interest Payment	Total Annual Debt Service
2021	$285,000.00	$260,556.26	$545,556.26
2022	295,000.00	249,156.26	544,156.26
2023	310,000.00	237,356.26	547,356.26
2024	325,000.00	221,856.26	546,856.26
2025	340,000.00	205,606.26	545,606.26
2026	360,000.00	188,606.26	548,606.26
2027	375,000.00	170,606.26	545,606.26
2028	395,000.00	151,856.26	546,856.26
2029	415,000.00	132,106.26	547,106.26
2030	425,000.00	120,693.76	545,693.76
2031	440,000.00	107,943.76	547,943.76
2032	450,000.00	94,743.76	544,743.76
2033	465,000.00	80,681.26	545,681.26
2034	480,000.00	66,150.00	546,150.00
2035	495,000.00	50,550.00	545,550.00
2036	510,000.00	34,462.50	544,462.50
2037	530,000.00	17,887.50	547,887.50
Total	$6,895,000.00	$2,390,818.88	$9,285,818.88

Source: Marin Community College District.

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2019 Certificates. On February 7, 2019, the District caused the execution and delivery of its 2019 Certificates of Participation (the "2019 Certificates"), representing an aggregate principal amount of $3,980,000. The net proceeds of the 2019 Certificates were used to finance the construction of District facilities, including workforce housing. The Certificates are payable from lease payments to be made by the District pursuant to a lease-purchase agreement by and between the District and the Public Property Financing Corporation of California.

The following table shows future annual lease payments due with respect to the Certificates.

ANNUAL DEBT SERVICE REQUIREMENTS
Certificates of Participation
Marin Community College District

Year Ending (August 1)	Annual Principal Payment	Annual Interest Payment	Total Annual Debt Service
2021	--	$74,896.88	$149,793.76
2022	$155,000.00	74,896.88	304,793.76
2023	160,000.00	71,796.88	303,593.76
2024	165,000.00	68,596.88	302,193.76
2025	175,000.00	64,471.88	303,943.76
2026	180,000.00	60,096.88	300,193.76
2027	190,000.00	55,596.88	301,193.76
2028	200,000.00	50,846.88	301,693.76
2029	210,000.00	45,846.88	301,693.76
2030	220,000.00	40,596.88	301,193.76
2031	230,000.00	37,296.88	304,593.76
2032	235,000.00	33,846.88	302,693.76
2033	240,000.00	30,321.88	300,643.76
2034	250,000.00	26,721.88	303,443.76
2035	255,000.00	22,815.63	300,631.26
2036	265,000.00	18,831.25	302,662.50
2037	275,000.00	14,525.00	304,050.00
2038	285,000.00	9,884.38	304,768.76
2039	290,000.00	5,075.00	300,150.00
Total	$3,980,000.00	$806,962.58	$5,593,925.16

Source: Marin Community College District.

General Obligation Bonds. On November 2, 2004, the voters of the District voted to authorize not-to-exceed $249,500,000 general obligation bonds of the District (the "2004 Authorization"). On April 28, 2005, the District caused the issuance of the first series of bonds pursuant to the Authorization in the aggregate principal amount of $75,000,000 (the "2004 Series A Bonds"). On March 4, 2009, the District caused the issuance of the second series of bonds pursuant to the Authorization in the aggregate principal amount of $75,000,000 (the "2004 Series B Bonds"). On June 1, 2011 the District caused the issuance of the third series of bonds pursuant to the Authorization in the aggregate principal amount of $52,505,000 (the "2004 Series C Bonds"). On December 4, 2012 the District caused the issuance of the fourth series of bonds pursuant to the Authorization in the aggregate principal amount of $46,995,000 (the "2004 Series D Bonds"). Concurrently with the issuance of the Series D Bonds, on December 4, 2012, the District caused the issuance of its 2012 General Obligation Refunding Bonds in the aggregate principal amount of $44,380,000 (the "2012 Refunding Bonds"), the proceeds of which were utilized to advance refund a portion of the District's then-outstanding 2004 Series A Bonds. On June 17, 2015, the District caused the issuance of its 2015 General Obligation Refunding Bonds in the aggregate principal amount of $32,055,000 (the "2015 Refunding Bonds"), the proceeds of which were utilized to advance refund portions of the District's then-outstanding 2004 Series A Bonds and Series B Bonds. On March 16, 2016, the District caused the issuance of its 2016 General Obligation Refunding Bonds in the aggregate principal amount of $40,845,000 (the "2016 Refunding Bonds"), the proceeds of which were utilized to refund portions of the District's then-outstanding Series B Bonds. On December 14, 2017, the District caused the issuance of its 2017 General Obligation Refunding Bonds in the aggregate principal amount of $49,405,000 (the "2017 Refunding Bonds"), the proceeds of which were utilized to refund portions of the District's then-outstanding Series C Bonds.

The 2016 Authorization was approved by voters at an election held on June 7, 2016, at which the requisite 55% or more of the persons voting on the proposition voted to authorize the issuance and sale of $265,000,000 principal amount of general obligation bonds of the District. On December 6, 2016, the District caused the issuance of the first series of bonds pursuant to the 2016 Authorization in the aggregate principal amount of $60,000,000 (the "2016 Series A Bonds"). Concurrently with the issuance of the 2016 Series A Bonds, on December 6, 2016, the District caused the issuance of the second series of bonds pursuant to the 2016 Authorization in the aggregate principal amount of $37,500,000 (the "Series A-1 Bonds"). On February 7, 2019, the District caused the issuance of the third and fourth series of bonds pursuant to the 2016 Authorization in the aggregate principal amount of $70,000,000 (the "2016 Series B Bonds") and in the aggregate principal amount of $97,500,000 (the "2016 Series B-1 Bonds"). The Series B-1 Bonds were final issuance of bonds pursuant to the 2016 Authorization.

The following table summarizes the annual debt service requirements for the District's outstanding general obligation bonds, including the Bonds, and assuming no optional redemptions.

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GENERAL OBLIGATION BONDS – CONSOLIDATED DEBT SERVICE SCHEDULE
Marin Community College District

	2004 Authorization					2016 Authorization					
Period Ending August 1	Series C Bonds	2012 Refunding Bonds(1)	2015 Refunding Bonds(1)	2016 Refunding Bonds(1)	2017 Refunding Bonds	Series A Bonds	Series A-1 Bonds	Series B Bonds	Series B-1 Bonds	The Bonds	Total Annual Debt Service
2021	$558,625.00	$3,120,900.00	$1,942,500.00	372,475.00	$996,225.00	$1,177,918.75	$2,304,514.68	$1,423,031.25	$3,616,779.30	$2,071,391.20	$17,584,360.18
2022	--	3,432,000.00	2,335,400.00	581,950.00	2,582,450.00	2,353,037.50	2,735,178.70	2,846,062.50	5,678,842.60	3,508,979.60	26,053,900.90
2023	--	--	2,393,150.00	583,650.00	2,697,950.00	2,422,437.50	2,816,805.90	2,846,062.50	5,929,910.26	7,131,385.06	26,821,351.22
2024	--	--	2,458,650.00	585,250.00	2,811,200.00	2,496,687.50	2,900,539.00	2,846,062.50	6,185,285.50	7,310,766.76	27,594,441.26
2025	--	--	2,526,150.00	586,750.00	2,916,950.00	2,566,687.50	2,991,343.80	2,846,062.50	6,062,157.00	7,495,198.56	27,991,299.36
2026	--	--	2,595,150.00	582,750.00	3,035,200.00	2,642,437.50	3,079,433.40	3,131,062.50	6,337,657.00	7,686,934.36	29,090,624.76
2027	--	--	111,150.00	388,500.00	3,144,950.00	2,728,437.50	3,169,265.20	3,226,812.50	6,522,062.00	10,656,194.36	29,947,371.56
2028	--	--	111,150.00	388,500.00	3,246,200.00	2,808,937.50	3,265,686.00	3,322,062.50	6,719,341.50	10,952,401.36	30,814,278.86
2029	--	--	111,150.00	388,500.00	3,464,400.00	2,888,937.50	3,362,840.00	3,421,562.50	6,923,342.00	11,658,172.36	32,218,904.36
2030	--	--	3,531,150.00	388,500.00	3,271,400.00	4,503,187.50	--	4,199,812.50	8,392,064.50	9,390,470.36	33,676,584.86
2031	--	--	--	388,500.00	9,708,200.00	4,599,387.50	--	4,332,562.50	8,673,641.00	7,018,447.20	34,720,738.20
2032	--	--	--	388,500.00	10,049,800.00	4,732,787.50	--	4,470,062.50	8,934,141.00	7,303,334.10	35,878,625.10
2033	--	--	--	388,500.00	10,614,600.00	4,876,587.50	--	4,601,562.50	9,200,978.00	7,381,219.76	37,063,447.76
2034	--	--	--	388,500.00	10,987,600.00	5,023,112.50	--	4,736,812.50	9,478,621.00	7,674,768.60	38,289,414.60
2035	--	--	--	388,500.00	--	5,173,837.50	--	4,883,843.76	9,760,832.00	20,244,455.90	40,451,469.16
2036	--	--	--	388,500.00	--	5,328,637.50	--	5,029,000.00	10,052,385.60	20,980,533.26	41,779,056.36
2037	--	--	--	5,783,500.00	--	5,488,537.50	--	5,182,800.00	10,353,739.20	--	26,808,576.70
2038	--	--	--	5,904,675.00	--	5,655,537.50	--	5,331,000.00	10,668,481.60	--	27,559,694.10
2039	--	--	--	--	--	5,823,937.50	--	16,483,400.00	--	--	22,307,337.50
2040	--	--	--	--	--	5,999,250.00	--	16,974,400.00	--	--	22,973,650.00
2041	--	--	--	--	--	6,178,250.00	--	17,482,400.00	--	--	23,660,650.00
Total	$558,625.00	$6,552,900.00	$18,115,600.00	$18,866,000.00	$69,527,125.00	$85,468,568.75	$26,625,606.68	$119,616,437.51	$139,490,261.06	$148,464,652.80	$633,285,776.80

(1) Does not include debt service on the Refunded Bonds.
Source: Marin Community College District.

Notes Payable – PG&E. In July 2014, the District entered into an On Bill Financing Loan with PG&E with an effective interest rate of 0% and expiring in February 2022. The loan is used as financing for an energy efficiency retrofit.

The annual payments to amortize the PG&E loan outstanding as of June 30, 2016 are as follows:

Year Ending (June 30)	Annual Principal Payment	Annual Interest Payment	Total Annual Debt Service
2021	$70,379	--	$70,379
2022	46,919	--	46,919
Total	$117,298		$117,298

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TAX MATTERS

In the opinion of Bond Counsel, under existing statutes, regulation, rulings and judicial decisions, interest (and original issue discount) on the Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code but is exempt from State of California personal income tax.

Except for certain exceptions, the difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of the same maturity is to be sold to the public) and the stated redemption price at maturity with respect to such Bond (to the extent the redemption price at maturity is greater than the issue price) constitutes original issue discount. Original issue discount accrues under a constant yield method. The amount of original issue discount deemed received by the Owner of a Bond will increase the Owner's basis in the Bond. Owners of Bonds should consult their own tax advisor with respect to taking into account any original issue discount on the Bonds.

In the event of a legal defeasance of a Bond, such bond might be treated as retired and "reissued" for federal tax purposes as of the date of the defeasance, potentially resulting in recognition of taxable gain or loss to the applicable Bondholder generally equal to the difference between the amount deemed realized from the deemed redemption and reissuance and the Bondholder's adjusted tax basis in such bond.

The amount by which a Bond Owner's original basis for determining loss on sale or exchange in the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium, which the Owner of a Bond may elect to amortize under Section 171 of the Code. Such amortizable bond premium reduces the Bond Owner's basis in the applicable Bond (and the amount of taxable interest received) and is deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in the Owner of a Bond realizing a taxable gain when a Bond is sold by the Owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Owner. The Owners of the Bonds that have a basis in the Bonds that is greater than the principal amount of the Bonds should consult their own tax advisors with respect to whether or not they should elect to amortize such premium under Section 171 of the Code.

The federal tax and State of California personal income tax discussion set forth above with respect to the Bonds is included for general information only and may not be applicable depending upon an Owner's particular situation. The ownership and disposal of the Bonds and the accrual or receipt of interest with respect to the Bonds may otherwise affect the tax liability of certain persons. Bond Counsel expresses no opinion regarding any such tax consequences.

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

LIMITATION ON REMEDIES; BANKRUPTCY

General. State law contains certain safeguards to protect the financial solvency of community college districts. See "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA" herein. If the safeguards are not successful in preventing a community college district from becoming insolvent, the State Chancellor and the Board of Governors, operating through a special trustee appointed by the State Chancellor, may be authorized under State law to file a petition under Chapter 9 of the United States Bankruptcy Code (the "Bankruptcy Code") on behalf of the community college district for the adjustment of its debts. In addition, an insolvent community college district may be able to file a petition under Chapter 9 before a special trustee is appointed. Prior to such petition, if any, the community college district is required to participate in a neutral evaluation process with interested parties as provided in the Government Code or declare a fiscal emergency and adopt a resolution by a majority vote of the governing board that includes findings that the financial state of the community college district jeopardizes the health, safety, or well-being of the residents of its jurisdiction or service area absent the protections of Chapter 9.

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

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

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

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

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

LEGAL MATTERS

Legality for Investment in California

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

Continuing Disclosure

Current Undertaking. In connection with the issuance of the Bonds, the District has covenanted for the benefit of Bondholders (including Beneficial Owners of the Bonds) to provide certain financial information and operating data relating to the District (the "Annual Reports") by not later than nine months following the end of the District's fiscal year (which currently ends June 30), commencing with the report for the 2020-21 fiscal year, and to provide notices of the occurrence of certain Listed Events. The Annual Reports and notices of Listed Events will be filed by the District in accordance with the requirements of S.E.C. Rule 15c2-12(b)(5) (the "Rule"). The specific nature of the information to be contained in the Annual Reports or the notices of Listed Events is included in "APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE FOR THE BONDS" attached hereto. These covenants have been made in order to assist the Underwriter in complying with the Rule.

Prior Undertakings. Within the past five years, the District failed to timely file (i) a portion of its annual report for fiscal year 2014-15 in connection with its outstanding general obligation bonds and Series 2003 Lease Revenue Bonds, as required by its existing continuing disclosure obligations and (ii) a portion of its annual report for fiscal year 2018-19 in connection with its outstanding general obligation bonds, as required by its existing continuing disclosure obligations. In addition, the District failed to timely file a portion of its annual report in connection with its Lease Revenue Bonds for fiscal year 2014-15, as required by its existing continuing disclosure obligations. Within the past five years, the District also failed to file notices of certain enumerated events, as required by its existing continuing disclosure obligations. In connection with the annual reports described above, within the past five years, the District has never filed a notice of a failure to provide annual financial information, on or before the date specified in its prior continuing disclosure certificates.

Absence of Material Litigation

No litigation is pending or threatened concerning the validity of the Bonds, and a certificate to that effect will be furnished to purchasers at the time of the original delivery of the Bonds. The District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the District's ability to receive *ad valorem* property taxes to collect other revenues or contesting the District's ability to issue and retire the Bonds.

Information Reporting Requirements

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

Legal Opinion

The validity of the Bonds and certain other legal matters are subject to the approving opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, as Bond Counsel. A copy of the proposed form of such legal opinion is attached to this Official Statement as APPENDIX B.

Verification

Upon delivery of the Bonds, the Verification Agent, will deliver a report on the mathematical accuracy of certain computations based upon certain information and assertions provided to them by the Underwriter (defined herein) relating to the adequacy of the maturing principal of and interest on the Federal Securities in the Escrow Fund, together with any moneys held therein as cash, to pay the redemption price of and interest on the Refunded Bonds.

Financial Statements

The District's audited financial statements with required supplemental information for the year ended June 30, 2020, the independent auditor's report of the District, and the related statements of activities and of cash flows for the year then ended, and the report dated November 5, 2020 of CWDL, Certified Public Accountants (the "Auditor"), are included in this Official Statement as APPENDIX A. In connection with the inclusion of the financial statements and the report of the Auditor thereon in APPENDIX A to this Official Statement, the District did not request the Auditor to, and the Auditor has not undertaken to, update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditor with respect to any event subsequent to the date of its report.

RATING

Moody's has assigned a rating of "Aaa" to the Bonds.

Such rating reflects only the views of such organization and any desired explanation of the significance of such rating should be obtained from the rating agency furnishing the same, at the following addresses: Moody's Investors Service, 7 World Trade Center at 250 Greenwich, New York, New York 10007. Generally, rating agencies base their ratings on information and materials furnished to them (which may include information and material from the District which is not included in this Official Statement) and on investigations, studies and assumptions by the rating agencies. There is no assurance such rating will continue for any given period of time or that such rating will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price for the Bonds.

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

UNDERWRITING

The Bonds are being purchased by Piper Sandler & Co. as underwriter (the "Underwriter"). The Underwriter has agreed to purchase the Bonds at a price of $127,282,005.00, which is equal to the initial principal amount of the Bonds of $127,665,000.00, less the Underwriter's discount of $382,995.00. The Purchase Contract for the Bonds provides that the Underwriter will purchase all of the Bonds if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in said agreement, the approval of certain legal matters by counsel and certain other conditions.

The Underwriter may offer and sell Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover. The offering prices may be changed from time to time by the Underwriter.

Underwriter Disclosure. The Underwriter has provided the following information for inclusion in this Official Statement:

Distribution Agreements. Piper Sandler & Co. has entered into a distribution agreement (the "Schwab Agreement") with Charles Schwab & Co., Inc. ("CS&Co.") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the Schwab Agreement, CS&Co. will purchase Bonds from Piper Sandler & Co. at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that CS&Co. sells.

ADDITIONAL INFORMATION

Quotations from and summaries and explanations of the Bonds, the Resolution providing for issuance of the Bonds, Escrow Agreement, and the constitutional provisions, statutes and other documents referenced herein, do not purport to be complete, and reference is made to said documents, constitutional provisions and statutes for full and complete statements of their provisions.

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

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

This Official Statement and the delivery thereof have been duly approved and authorized by the District.

MARIN COMMUNITY COLLEGE DISTRICT

By /s/ Greg Nelson
Assistant Superintendent/Vice President of
Administrative Services

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APPENDIX A

THE 2019-20 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT

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MARIN COMMUNITY COLLEGE DISTRICT

FINANCIAL STATEMENTS

JUNE 30, 2020

MARIN COMMUNITY COLLEGE DISTRICT
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JUNE 30, 2020

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INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Marin Community College District
Kentfield, California

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Marin Community College District (District), as of and for the year ended June 30, 2020; and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2019-2020 Contracted District Audit Manual*, issued by the California Community Colleges Chancellor's Office. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the District, as of June 30, 2020; and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information listed in the table of contents, including the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and other supplementary information as listed in the table of contents are presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

The District organizational structure has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

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Other Reporting Required by *Government Auditing Standards*

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

CWDL, Certified Public Accountants

San Diego, California
November 5, 2020

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Governmental Accounting Standards Board (GASB) Statement 34/35

Marin Community College District (the District) prepares financial reports in accordance with GASB statements No. 34/35, Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities," issued in November 1999. The following discussion and analysis provides an overview of the District's financial activities for the fiscal year ended June 30, 2020 and the intent of this discussion and analysis is to look at the District's financial performance as a whole. To provide a complete understanding of the District's financial standing, this analysis should be read in conjunction with the entire Independent Auditor's Report, particularly the District's financial statements beginning on page 15, and the notes to the basic financial statements beginning on page 21.

The California Community College Chancellor's Office, through its Fiscal and Accountability Standards Committee, has recommended the Business Type Activity (BTA) model for financial reporting and the District has adopted the BTA reporting model for these financial statements.

As required, the annual report consists of three basic financial statements that provide information on the District as a whole:

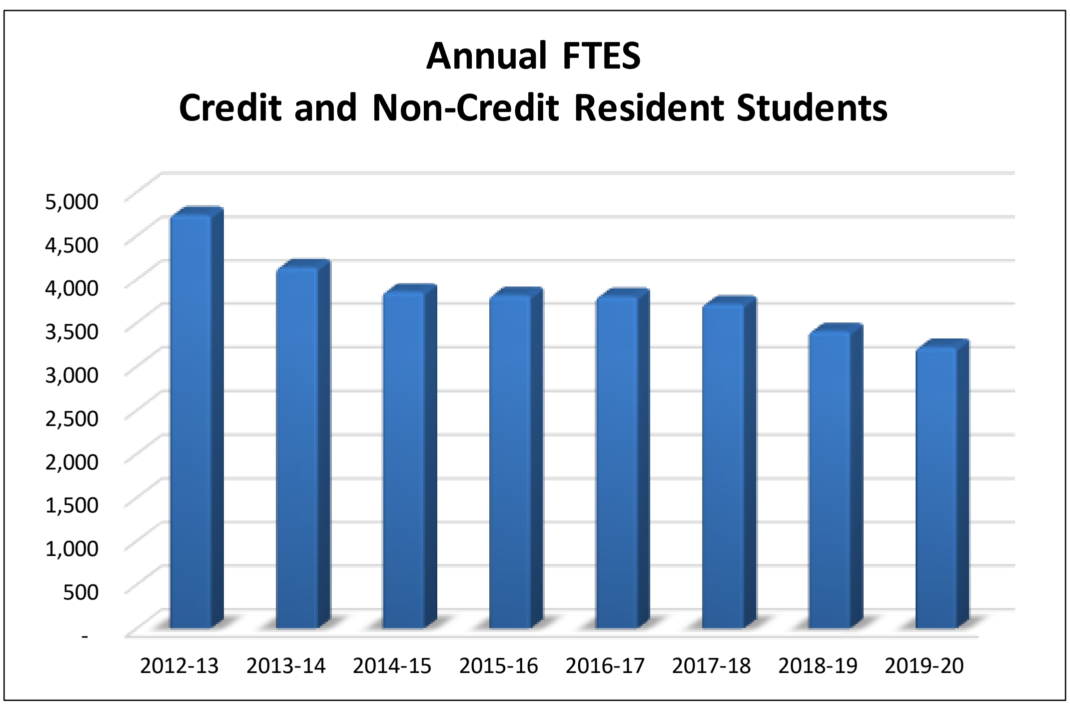
- Statement of Net Position
- Statement of Revenues, Expenses and Change in Net Position
- Statement of Cash Flows

Financial Highlights

- The District continues to maintain its "Basic Aid" (also known as community supported) status because the receipts from local property taxes and enrollment fees exceeded the State's funding formula known as apportionment for 2019-20 by about $34.7 million. The state of California changed the funding formula for community college districts during 2019-20 to a more student-centered formula that rewards on equity and success in addition to enrollment. The District does not anticipate the new funding formula will impact revenue since the District will continue to be basic aid (also known as community supported) where revenues are received from local property taxes and enrollment fees rather than the state.

- FTES totaled 3,222 representing a 5.4% decrease over the prior fiscal year. The decline in enrollment over the last several years was attributable to a convergence of factors including changes in student enrollment patterns and near record low county unemployment.

  Creating strong future enrollment remains a strategic priority for the District. Outreach and marketing efforts are well underway in an attempt to stabilize the declining trend in enrollment. The District has been collaborating with K-12 and business partners to develop new career technical education programs in high-demand fields such as biotechnology, agri-tourism, and information and communication technology. The District's K-12 connections also include expansion of concurrent enrollment opportunities for high school students, including offering select courses at high school sites; the Summer Bridge program which is dramatically reducing the remedial needs of incoming students; and COMPASS (College of Marin Providing Access and Supporting Success).



Financial Highlights, continued

- Fiscal year 2019-20 fund-level net position ended higher than originally budgeted. Unrestricted revenues were about $531 thousand higher principally from higher than budgeted state on-behalf payments. Unrestricted expenditures were approximately $252 thousand lower than budget primarily due to lower salaries and benefits offset by higher other outgo. The year ended with the unrestricted fund reserve level at 10.6%.

- Academic salaries increased 0.7% and classified salaries increased 0.8% in 2019-20. The slight increases were primarily due to overall staff reductions offset by negotiated salary increases and step and column increases. Benefits decreased by 6.3% due to the final payment of a five-year Supplemental Early Retirement Plan (SERP) in 2018-19 and a reduction in state on-behalf STRS and PERS payments in 2019-20.

- The Board directed funding the retiree healthcare obligation (other post-employment benefits or "OPEB") in advance rather than on the prior "pay as you go" basis. Between Fiscal Years 2005-06 and 2009-10, the District pre-funded the obligation transferring $2,000,000 out of the General Fund into the Retiree Unfunded Medical Benefits Liability Fund. This pre-funding accumulated interest earnings in the amount of $164,078. In June 2013, the District established an irrevocable OPEB trust fund with CalPERS, formally named the California Employers' Retiree Benefit Trust (CERBT) fund, and transferred the $2,164,078 fund balance from the previous Retiree Unfunded Medical Benefits Liability Fund to the irrevocable OPEB Trust fund.

  Subsequently, the District's Board of Trustees approved additional contributions of $250,000 and $850,000 to the irrevocable trust fund. In FY 2016-17 the District began receiving "pay-as-you-go" disbursements from the trust fund for its retiree medical and dental premium payments.

  The District's most recent actuarial report is dated May 21, 2020 with a valuation date of June 30, 2019 and measurement date of June 30, 2019. At June 30, 2019, the District's Total OPEB Liability was $2.0 million and the Fiduciary Net Position of the trust was $3.1 million, leaving a Net OPEB Liability (Asset) of ($1.1) million.

- The District provided Financial Aid to more than 2,260 qualifying students in FY 2019-20 translating to about $6.8 million in paid aid. This aid is provided through grants, loans, institutional and outside scholarships, work study from the Federal government, the State, and local funding.

Capital Asset and Debt Administration

- On June 7, 2016, the voters of Marin County overwhelmingly passed Measure B, a $265 million bond. To provide modern, well-maintained educational facilities for our students, Measure B will:

    - Repair and upgrade classrooms, science labs, vocational education facilities and job training centers for 21st-centruy careers in technology, computer and engineering
    - Repair or replace leaking roofs
    - Modernize and update science classrooms and labs
    - Update classrooms and educational facilities to meet current earthquake, fire and safety codes
    - Update campus facilities to provide access for disabled students.

- The College retained the services of Gilbane Management & Consulting, Inc. as its Measure B program and construction management provider, and Ann Kennedy Group to provide financial reporting and bond compliance services.

- In December 2016, $60 million in tax exempt bonds were sold, netted against $280 thousand in issuance and underwriting costs, and $37.5 million in federally-taxable bonds were sold, netted against $287.5 thousand in issuance and underwriting costs. Issuances were sold pursuant to the terms of a public sale. All proceeds were delivered to the Marin County Treasury for credit of College of Marin into its Measure B, Series A Building Fund and Series A-1 Fund, respectively.

- In January 2019, $70 million in tax exempt bonds were issued, netted against $172 thousand in issuance and underwriting costs, and $97.5 million in federally-taxable bonds were issued, netted against $230 thousand in issuance and underwriting costs. Issuances were sold pursuant to the terms of a public sale. All proceeds were delivered to the Marin County Treasury for credit of College of Marin into its Measure B, Series B Building Fund and Series B-1 Fund, respectively.

- The District's 2019-20 Measure B Capital Improvement and Modernization Program included the beginning, continuation and/or completion of projects as follows:
    - Athletic Synthetic Turf Fields (Phase I & II)
    - ADA Barrier Removal Site Improvements
    - Administrative Cluster Upgrades (Building 11) at the Indian Valley Campus
    - Organic Farm & Garden
    - Pomo Cluster (Phase I & II)
    - Fine Arts Building: Audio Visual Upgrades
    - Performing Arts Building: Ticket Booth Improvements
    - Building 27: Exterior Painting
    - Admin Cluster: Buildings 8, 9, 10, and 12 Roof Replacement
    - Admin Cluster: Buildings 9 & 12 Exterior Window Replacements
    - STEM Center
    - New Miwok Center
    - Jonas Center & Building 18
    - Maintenance & Operations Building and District Warehouse

Capital Asset and Debt Administration, continued

- The District's 2019-20 Measure B Capital Improvement and Modernization Program includes projects that have been initiated during this period and newly added projects:
  - Admin Cluster: Building 12 Interior Abatement and Renovation
  - 941 Sir Francis Drake: New Home of Reprographics
  - Swing Space: Temporary Offices and Classrooms
  - Swing Space: Modernization of Existing Maintenance & Operations Building for Campus Bookstore
  - Learning Resource Center Project
  - Fusselman Hall: Structural & Waterproofing Improvements
- In March 2018 the District issued $7.37 million of lease revenue bonds to finance solar energy facilities on the Kentfield and Indian Valley campuses.
- In February 2019 the District issued $3.98 million of Certificates of Participation to finance acquisition and construction of District facilities and workforce housing units.

Statement of Net Position

The Statement of Net Position includes all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector institutions. Net position – the difference between assets and liabilities – is one way to measure the financial health of the District.

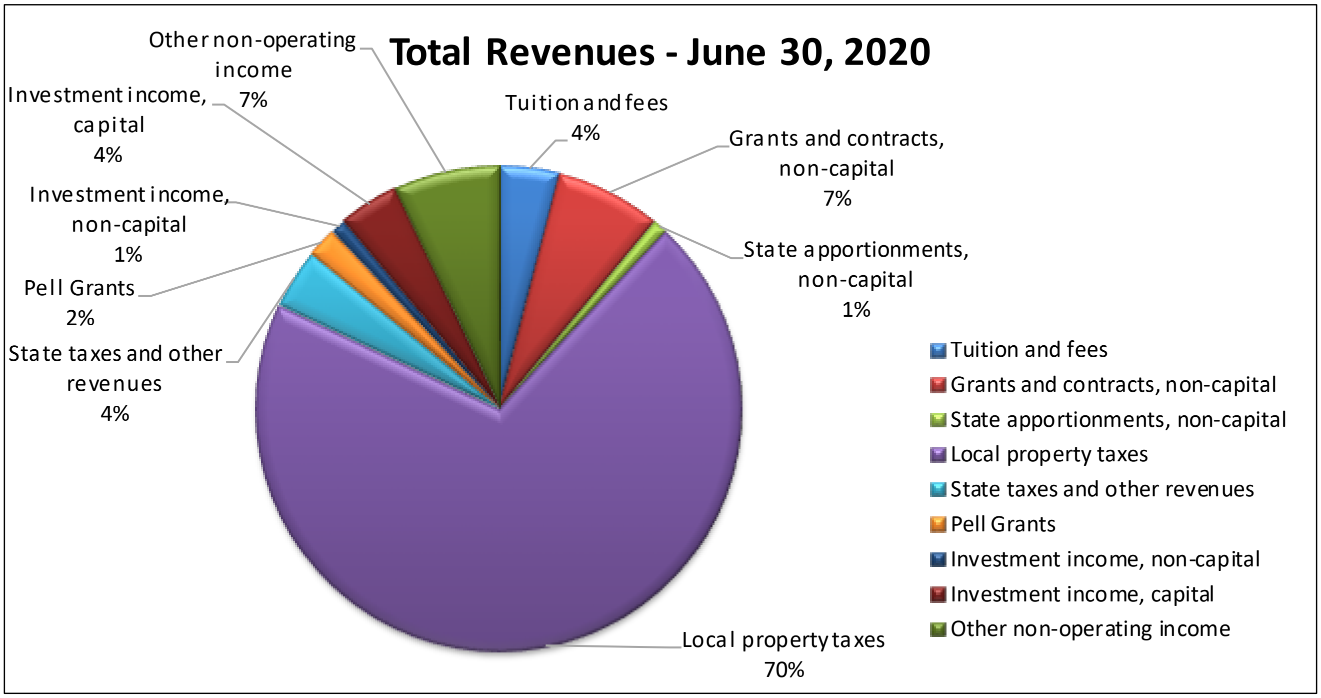
	2020	2019	Change
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets	$ 27,718,199	$ 28,309,164	$ (590,965)
Noncurrent assets	537,186,322	544,237,116	(7,050,794)
Deferred outflow of resources	30,388,186	33,418,041	(3,029,855)
Total Assets and Deferred Outflows of Resources	595,292,707	605,964,321	(10,671,614)
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current liabilities	36,080,806	44,594,983	(8,514,177)
Noncurrent liabilities	542,941,029	550,102,396	(7,161,367)
Deferred inflows of resources	4,065,615	3,418,532	647,083
Total Liabilities and Deferred Inflows of Resources	583,087,450	598,115,911	(15,028,461)
NET POSITION			
Invested in capital assets, net of related debt	34,751,396	12,860,250	21,891,146
Restricted	24,522,645	35,282,672	(10,760,027)
Unrestricted	(47,068,784)	(40,294,512)	(6,774,272)
Total Net Position	$ 12,205,257	$ 7,848,410	$ 4,356,847

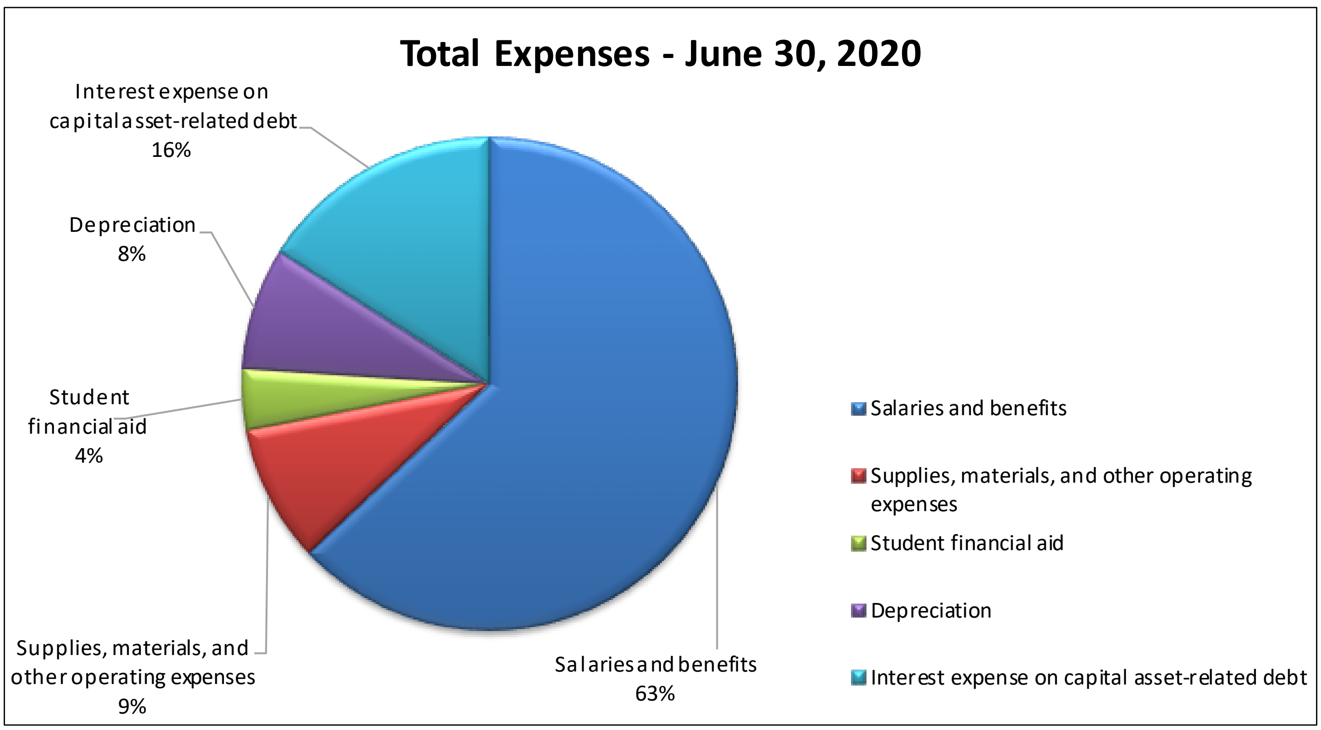
- The $591 thousand net decrease in "Current Assets" is due primarily to the decrease in cash in the bond interest and redemption funds off set by an increase in prepaid expenses.
- The $7.1 million net decrease in "Noncurrent Assets" is due to a decrease in restricted cash of $44.3 million and an increase in capital assets of $37.8 million that relates primarily to the construction of capital projects from the Measure B bonds.
- The $8.5 million decrease in "Current Liabilities" is due to a decrease in Accounts Payable and Accrued Liabilities of $2.3 million and Current Portion of Long-Term Debt of $5.9 million relating to Measure B – accounts payable for projects getting underway.
- The $7.2 million decrease in "Noncurrent Liabilities" is primarily attributable to payments made on the District's General Obligation Bonds.
- Net Position includes the value of all capital assets (net of accumulated depreciation).

Statement of Revenues, Expenses and Change in Net Position

The Statement of Revenues, Expenses and Change in Net Position presents the operating results of the District, as well as the non-operating revenues and expenses.

	2020	2019	Change
OPERATING REVENUES			
Tuition and fees	$ 4,403,355	$ 4,455,919	$ (52,564)
Grants and contracts, non-capital	8,038,956	8,138,938	(99,982)
Total Operating Revenues	12,442,311	12,594,857	(152,546)
OPERATING EXPENSES			
Salaries and benefits	70,357,561	66,038,487	4,319,074
Supplies, materials, and other operating expenses	10,573,177	9,991,340	581,837
Student financial aid	4,613,853	3,889,042	724,811
Depreciation	9,094,709	8,667,300	427,409
Total Operating Expenses	94,639,300	88,586,169	6,053,131
Operating Loss	(82,196,989)	(75,991,312)	(6,205,677)
NON-OPERATING REVENUES (EXPENSES)			
State apportionments, non-capital	703,258	584,186	119,072
Local property taxes	59,556,182	57,712,768	1,843,414
State taxes and other revenues	4,279,695	5,299,133	(1,019,438)
Pell Grants	2,681,172	2,897,940	(216,768)
Investment income, non-capital	602,474	489,810	112,664
Investment income, capital	4,235,716	-	4,235,716
Interest expense on capital asset-related debt	(17,375,291)	(12,032,127)	(5,343,164)
Other non-operating income	8,373,782	1,599,033	6,774,749
Total Non-Operating Revenues (Expenses)	63,056,988	56,550,743	6,506,245
OTHER REVENUES (EXPENSES)			
Local property taxes, capital	23,496,848	28,437,516	(4,940,668)
Change in Net Position	4,356,847	8,996,947	(4,640,100)
NET POSITION, BEGINNING OF YEAR	7,848,410	(1,148,537)	8,996,947
NET POSITION, END OF YEAR	$ 12,205,257	$ 7,848,410	$ 4,356,847


Total Revenues - June 30, 2020
Other non-operating income 7%
Investment income, capital 4%
Investment income, non-capital 1%
Pell Grants 2%
State taxes and other revenues 4%
Tuition and fees 4%
Grants and contracts, non-capital 7%
State apportionments, non-capital 1%
Local property taxes 70%
Tuition and fees
Grants and contracts, non-capital
State apportionments, non-capital
Local property taxes
State taxes and other revenues
Pell Grants
Investment income, non-capital
Investment income, capital
Other non-operating income


Total Expenses - June 30, 2020
Interest expense on capital asset-related debt 16%
Depreciation 8%
Student financial aid 4%
Supplies, materials, and other operating expenses 9%
Salaries and benefits 63%
Salaries and benefits
Supplies, materials, and other operating expenses
Student financial aid
Depreciation
Interest expense on capital asset-related debt

Statement of Revenues, Expenses, and Change in Net Position

- As reported in the Statement of Revenues, Expenses and Change in Net Position on page 16 of this report, the cost of all the District's operational activities this year was $94.6 million, an increase of approximately 6.8% compared to that of the prior year, primarily due to increased salaries and benefits.

- Expenses for 2019-20 included depreciation of the District's plant and equipment of approximately $9.1 million.

- About 74.3% of all operating expenses were directed to salary and benefit costs, compared to 74.5% last year. The STRS "On-Behalf" expenditures were approximately $2.6 million during 2019-20.

- Non-operating revenue and expense increased about $6.5 million primarily due to a $4.2 million increase in investment income related to lease revenue bonds and $6.8 million increase primarily related to rentals and leases offset by an increase in interest expense of $5.3 million.

- The ad valorem taxes collected in the bond redemption funds was $4.9 million less than 2018-19. The ad valorem taxes fluctuate because they are collected based on the need to repay the bond principal and interest.

Statement of Cash Flows

The Statement of Cash Flows provides information about cash receipts and cash payments during the fiscal year. This statement also helps users assess the District's ability to generate net cash flows, its ability to meet its obligations as they come due, and its need for external financing.

Cash Provided by (Used in)	2020	2019	Change
Operating activities	$ (70,085,880)	$ (65,589,279)	$ (4,496,601)
Noncapital financing activities	75,060,387	68,093,060	6,967,327
Capital financing activities	(51,512,898)	145,674,607	(197,187,505)
Investing activities	602,474	489,810	112,664
Net Increase (Decrease) in Cash	$ (45,935,917)	$ 148,668,198	$ (194,604,115)

- Operating activities includes tuition and fees, grants, and operating payments. The decrease in cash used for operating activities is primarily due to the increase in salaries and benefits.

Statement of Cash Flows, continued

A consistent significant cash in-flow is in non-capital financing activities which includes property taxes, enrollment fees, State apportionments, and local revenues; property taxes being the largest contributor.

- Capital and related financing activities correlate to bond issuances and redemptions. The District's construction projects and capital debt are reported in capital and related financing activities, and spending is underway in 2019-20 with the issuance of Measure B in 2018-19.
- Cash flow is adequate for a small district; the District participates in Marin County Treasurer's Office investment pool to maximize interest earnings on excess cash.

Economic Factors and Budgetary Highlights

- Despite the negative impact COVID-19 has had on the economy, the District expects an increase in property taxes in 2020-21. The budget for 2020-21 anticipates a 2.0% increase in property taxes with the California Consumer Price Index at 2.980%. The budgeted revenue increase is offset by escalating salaries and pension costs as well as a $1.2 million contribution to the Pension Rate Stabilization Fund, resulting in a slight decrease in fund balance.

- Because the District continues to be basic-aid (also known as community supported) where revenues are received from property taxes and enrollment fees, the state budget and changes in apportionment funding formulas have a relatively minimal impact on District funding. The District receives funding for categorical programs from the state but does not rely on state funding for general operations. In 2019-20 the District received almost $35 million more in revenue from property taxes than it would have under the state funding formula, and it is anticipated to receive about $37 million more in 2020-21. A decline in Marin County property values would cause a reduction in District revenues but that isn't anticipated in 2020-21. To be cautious, revenue assumptions for budget projections in outer years is conservative.

- Pension Reform may help control costs as employees new to the pension systems are required to pay their own share of pension expense. The District has negotiated with the bargaining units so classic CalPERS (California Public Employees' Retirement System) members for whom the District used to pay the employee share of CalPERS started to pay the full employee share in 2019. Although CalSTRS (California State Teachers' Retirement System) and CalPERS have both projected annual increases for several years into the future to help with the unfunded liability of those plans, the state budget provided some temporary relief in 2020-21 and 2021-22 by reducing the school employer pension contribution rates by about 2% each year. In 2022-23 and outer years, rates are anticipated to increase back to earlier projections which will increase costs to the District. The District has also been required to reflect the unfunded liability of STRS and PERS for its employees in the financial statements beginning with the fiscal year ending June 30, 2015 which had and will continue to have a negative impact.

Economic Factors and Budgetary Highlights, continued

- In 2017-18, the District established a Pension Rate Stabilization Fund to prefund pension obligations. Contributions to the trust fund are determined by the Board of Trustees. As of June 30, 2020, contributions of $5.3 million were made to the trust fund. A contribution to the trust fund of $1.2 million is in the 2020-21 Adoption Budget and has already been transmitted to the trust fund. Future contributions will be determined by the availability of resources and will likely fluctuate. Contributed funds may be withdrawn from the trust fund as needed to assist with paying STRS and PERS pension liabilities.

- In prior years, the District contributed funds into an irrevocable trust to fund its postemployment retirement benefits. That trust is fully funded and is now providing disbursements to the District for the "pay as you go" cost of medical benefits for retirees. These disbursements are providing another financing source to the District.

- In addition to the negative impact on the economy, COVID-19 has required a dramatic change in instructional methodology, moving from primarily in-class face-to-face instruction to online teaching. While it is difficult to assess the impact on future enrollment, current trends indicate a slight increase in enrollment. This may be the result of increased unemployment resulting from the COVID-19 crisis.

- In 2014 the District joined SISC (Self-Insured Schools of California) in an effort to control its health care costs. The District's medical premium has increased an average of less than 4.0% annually since joining SISC. The District's contribution to the medical premium is also capped at $2,050 per month.

- 2020-21 reserves are budgeted at 10.3% of General Fund Unrestricted expenditures in the 2019-20 Annual Budget and Financial Report (CCFS 311). The District anticipates maintaining a reserve of 9.5% or higher in compliance with the Board's administrative procedure on reserve fund management.

MARIN COMMUNITY COLLEGE DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2020

ASSETS		
Current Assets:		
Cash and investments	$	22,657,285
Accounts receivable, net		2,902,836
Prepaid expenses		2,158,078
Total Current Assets		27,718,199
Noncurrent Assets:		
Restricted cash and investments		198,386,185
Net OPEB asset		1,075,536
Capital assets, net		337,724,601
Total Noncurrent Assets		537,186,322
TOTAL ASSETS		564,904,521
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to bond refundings		11,273,516
Deferred outflows related to OPEB		18,743
Deferred outflows related to pensions		19,095,927
TOTAL DEFERRED OUTFLOWS OF RESOURCES		30,388,186
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$	595,292,707
LIABILITIES		
Current Liabilities:		
Accounts payable	$	18,201,297
Unearned revenue		7,007,973
Claims liability		61,062
Long-term debt, current portion		10,810,474
Total Current Liabilities		36,080,806
Noncurrent Liabilities:		
Compensated absences		1,713,237
Net pension liability		67,773,813
Long-term debt, non-current portion		473,453,979
Total Noncurrent Liabilities		542,941,029
TOTAL LIABILITIES		579,021,835
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to OPEB		36,505
Deferred inflows related to pensions		4,029,110
TOTAL DEFERRED INFLOWS OF RESOURCES		4,065,615
NET POSITION		
Net investment in capital assets		34,751,396
Restricted for:		
Debt service		24,918,219
Capital projects		(395,574)
Unrestricted		(47,068,784)
TOTAL NET POSITION		12,205,257
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$	595,292,707

See accompanying notes to the financial statements.

MARIN COMMUNITY COLLEGE DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020

OPERATING REVENUES	
Tuition and fees	$ 5,809,963
Less: Scholarship discounts and allowances	(1,406,608)
Net tuition and fees	4,403,355
Grants and contracts, non-capital	
Federal	1,726,404
State	6,312,552
TOTAL OPERATING REVENUES	12,442,311
OPERATING EXPENSES	
Salaries and benefits	70,357,561
Supplies, materials, and other operating expenses and services	10,573,177
Student aid	4,613,853
Depreciation	9,094,709
TOTAL OPERATING EXPENSES	94,639,300
OPERATING (LOSS)	(82,196,989)
NON-OPERATING REVENUES (EXPENSES)	
State apportionments, non-capital	703,258
Local property taxes	59,556,182
State taxes and other revenues	4,279,695
Pell Grants	2,681,172
Investment income, non-capital	602,474
Investment income, capital	4,235,716
Interest expense on capital asset-related debt	(17,375,291)
Other non-operating income	8,373,782
TOTAL NON-OPERATING REVENUES (EXPENSES)	63,056,988
INCOME BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES	(19,140,001)
Local property taxes, restricted for bonded debt repayment	23,496,848
CHANGE IN NET POSITION	4,356,847
NET POSITION, BEGINNING OF YEAR	7,848,410
NET POSITION, END OF YEAR	$ 12,205,257

MARIN COMMUNITY COLLEGE DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Tuition and fees	$ 4,611,810
Grants and contracts	8,342,256
Payments to vendors	(14,171,669)
Payments to employees	(68,868,277)
Net Cash Used by Operating Activities	(70,085,880)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
State apportionments	703,258
Pell grants	2,681,172
Local property taxes	59,556,182
State taxes and other apportionments	4,279,695
Other receipts	7,840,080
Net Cash Provided by Non-capital Financing Activities	75,060,387
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Purchase of capital assets	(46,836,268)
Local property taxes for capital purposes	23,496,848
Principal paid on capital debt	(14,643,874)
Interest received on capital debt	4,235,716
Interest paid on capital debt	(17,765,320)
Net Cash Used by Capital Financing Activities	(51,512,898)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received from investments	602,474
Net Cash Provided by Investing Activities	602,474
NET DECREASE IN CASH & CASH EQUIVALENTS	(45,935,917)
CASH & CASH EQUIVALENTS, BEGINNING OF YEAR	266,979,387
CASH & CASH EQUIVALENTS, END OF YEAR	$ 221,043,470

See accompanying notes to the financial statements.

RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES		
Operating loss	$	(82,196,989)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation expense		9,094,709
Changes in Assets and Liabilities:		
Accounts receivables, net		264,443
Prepaid expenses		(1,268,988)
Net OPEB liability		451,946
Deferred outflows of resources		1,785,212
Accounts payable and accrued liabilities		(2,329,504)
Unearned revenue		271,568
Claims liability		(18,257)
Compensated absences		349,084
Net pension liability		2,863,813
Deferred inflows of resources		647,083
Total Adjustments		12,111,109
Net Cash Flows From Operating Activities	$	(70,085,880)
SUPPLEMENTAL DISCLOSURES OF NON-CASH TRANSACTIONS		
Amortization of premiums on debt	$	1,244,643
Amortization of accreted interest	$	1,638,006

MARIN COMMUNITY COLLEGE DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2020

	Trust Funds		Agency Funds		
	Scholarship and Loan Trust Fund	Private Purpose Trust Fund	Associated Students of College of Marin	Emeritus Students of College of Marin	Representation Fee Fund
ASSETS					
Cash and cash equivalents	$ 639,664	$ 1,233,536	$ 444,969	$ 62,689	$ 106,967
Accounts receivable, net	10,650	-	13,463	12,810	600
Total Assets	$ 650,314	$ 1,233,536	$ 458,432	$ 75,499	$ 107,567
LIABILITIES					
Accounts payable	$ 10,697	$ 117	$ 125,102	$ 441	$ -
Due to student groups	-	-	333,330	75,058	107,567
Total Liabilities	10,697	117	$ 458,432	$ 75,499	$ 107,567
NET POSITION					
Restricted	639,617	1,233,419			
Total Net Position and Liabilities	$ 650,314	$ 1,233,536			

MARIN COMMUNITY COLLEGE DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020

	Trust Funds	
	Scholarship and Loan Trust Fund	Private Purpose Trust Fund
OPERATING REVENUES:		
Student fees	$ 250,442	$ 76,999
Interest and investment income	13,196	27,187
Total Operating Revenues	263,638	104,186
OPERATING EXPENSES:		
Supplies and materials	-	5,592
Other operating expenses	115,176	-
Total Operating Expenses	115,176	5,592
OTHER FINANCING SOURCES (USES)		
Operating transfers out	(42,594)	(24,751)
Total Other Financing Sources (Uses)	(42,594)	(24,751)
Net Change in Net Position	105,868	73,843
Net Position - Beginning of Year	533,749	1,159,576
Net Position - End of Year	$ 639,617	$ 1,233,419

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: Marin Community College District (the "District") is a political subdivision of the State of California and provides educational services to the local residents of the surrounding area. While the District is a political subdivision of the State, it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (GASB) Codification Section (Cod. Sec.) 2100.101. The District is classified as a state instrumentality under Internal Revenue Code Section 115 and is therefore exempt from federal taxes.

Basis of Presentation and Accounting: For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities as defined by GASB. Under this model, the District's financial statements provide a comprehensive entity-wide perspective look at the District's financial position and activities. Accordingly, the District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when the obligation has been incurred. All significant intra-agency transactions have been eliminated.

Fiduciary funds for which the District acts only as an agent or trustee are not included in the business- type activities of the District. These funds are reported in the Statement of Fiduciary Net Position and the Statement of Change in Fiduciary Net Position at the fund financial statement level.

The District records revenues when earned and expenses when a liability is incurred regardless of the timing of the related cash flow. The budgetary and financial accounts of the District are recorded and maintained in accordance with the Chancellor's Office's *Budget and Accounting Manual*.

Cash and Cash Equivalents: For the purposes of the financial statements, cash equivalents are defined as financial instruments with an original maturity of three months or less. Funds invested in the Marin County Treasury are considered cash equivalents.

Restricted Cash, Cash Equivalents and Investments: Cash that is externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other noncurrent assets, is classified as non current assets in the statement of net position.

Receivables: Receivables consist of tuition and fee charges to students. Receivables also include amounts due from the federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. The District maintains an allowance for doubtful accounts at an amount which management considers sufficient to fully reserve and provide for the possible uncollectibility of other receivable balances.

Capital Assets: Capital assets are recorded at cost at the date of acquisition or, if donated, at acquisition value at the date of donation. For equipment, the District's capitalization policy included all items with a unit cost of $5,000 or higher, and estimated useful life of greater than one year. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES , continued

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 50 years for buildings, 15 years for land improvements, and 5 years for most machinery and equipment.

Deferred Outflows/Inflows of Resources: In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s), and as such will not be recognized as an outflow of resources (expense/expenditures) until then. The District has recognized a deferred loss on refunding reported which is in the statement of net position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter life of the refunded or refunding debt. Additionally, the District has recognized a deferred outflow of resources related to the recognition of the pension liability and net OPEB liability reported in the Statement of Net Position.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and as such, will not be recognized as an inflow of resources (revenue) until that time. The District has recognized a deferred inflow of resources related to the recognition of the pension liability and the net OPEB liability reported which is in the Statement of Net Position.

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State Teachers' Retirement Plan (STRP) and Public Employers Retirement Fund B (PERF B) and additions to/deductions from STRP's and PERF B's fiduciary net position have been determined on the same basis as they are reported by STRP and PERF B. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

Compensated Absences: Compensated absence costs are accrued when earned by employees. Accumulated unpaid employee vacation benefits are recognized at year end as liabilities of the District.

Sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expenditure or expense in the period taken since such benefits do not vest nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits for certain California State Teachers Retirement System and California Public Employees' Retirement System, when the employee retires.

Unearned Revenue: Revenue from federal, state and local special projects and programs is recognized when qualified expenditures have been incurred. Other funds, including tuition and student fees, received but not earned are recorded as unearned revenue until earned

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Net Position: The District's net position are classified as follows:

Net investment in capital assets: This represents the District's total investment in capital assets, net of associated outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted net position: Restricted expendable net position include resources in which the District is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties. Nonexpendable restricted net position consist of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

The District's scholarship and loan trust fund and private purpose trust fund includes resources held in trust from contributions from various organizations or groups. Amounts held are restricted based on agreements with the various organizations, groups or donors. The funds are restricted primarily for Emeritus, nursing, and EOPS scholarships, however there are also general and performing arts scholarships.

Unrestricted net position: Unrestricted net position represent resources derived from student tuition and fees, State apportionments, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the District, and may be used at the discretion of the governing board to meet current expenses for any purpose.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the District typically first applies the expense toward restricted resources, then to unrestricted resources. This practice ensures fully utilizing restricted funding each fiscal year.

Risk Management: As more fully described in Note 8, the District is partially self-insured with regard to dental and vision claims and certain other risks. The amount of the outstanding liability at June 30, 2020 for dental and vision claims includes estimates of future claim payments for known cases as well as provisions for incurred but not reported claims and adverse development on known cases which occurred through that date. Outstanding claims which are expected to become due and payable within the subsequent fiscal year are reflected as a claims liability on the District's Statement of Net Position.

State Apportionments: Certain current year apportionments from the state are based on various financial and statistical information of the previous year. Any prior year corrections due to the recalculation will be recorded in the year completed by the State.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Classification of Revenues and Expenses: The District has classified its revenues as either operating or nonoperating revenues. Certain significant revenue streams relied upon for operations are recorded as nonoperating revenues, as defined by GASB Cod. Sec. C05.101 including State appropriations, local property taxes, Pell grants and investment income. Nearly all the District's expenses a change transactions. Revenues and expenses are classified according to the following criteria:

Operating revenues and expenses: Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances, and (2) most Federal, State and local grants and contracts and Federal appropriations. All expenses are considered operating expenses except for interest expense on capital related debt.

Nonoperating revenues and expenses - Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as gifts and contributions, and other revenue sources described in GASB Cod. Sec. C05.101, such as State appropriations, Pell grants and investment income. Interest expense on capital related debt is the only nonoperating expense.

Scholarship Discounts and Allowances: Student tuition and fee revenue are reported net of scholarship discounts and allowances in the statement of revenues, expenses and change in net position. Scholarship discounts and allowances represent the difference between stated charges for goods and services provided by the District and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, and other federal, state and nongovernmental programs, are recorded as operating revenues, while Federal Pell Grants are classified as non-operating revenues in the District's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the District has recorded a scholarship discount and allowance.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Accordingly, actual results may differ from those estimates.

New Accounting Pronouncements: In June 2015, the GASB issued GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period. This Statement enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and simplifies accounting for interest cost incurred before the end of a construction period. The provisions in GASB Statement No. 89 are effective for fiscal years beginning after December 15, 2019. Earlier application is encouraged and the District early adopted the Statement for the year ended June 30, 2019. The implementation of this Statement did not have a material effect on amounts previously presented.

NOTE 2 - CASH AND INVESTMENTS

District cash and investments at June 30, 2020, consisted of the following:

	District	Fiduciary
Pooled Funds:		
Cash in County Treasury	$ 210,457,801	$ 1,921,375
Deposits:		
Cash on hand and in banks	543,958	454,400
Revolving cash	20,000	-
Cash held by fiscal agent	4,153,419	-
Investments	5,868,292	112,050
Total cash and cash equivalents	221,043,470	2,487,825
Less: restricted cash and cash equivalents		
Cash in County Treasury	198,386,185	-
Net cash and cash equivalents	$ 22,657,285	$ 2,487,825

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

Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party and the District's share of the pool does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual deposits and investments or related custodial risk classifications is required.

The District's deposits in the fund are considered to be highly liquid. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool. The Marin County Treasurer has indicated that there are no derivatives in the pool as of June 30, 2020.

Restricted Cash and Investments: Restricted cash of $198,386,185 represents amounts held in the District's name with third party custodians for future construction projects and repayment of long-term liabilities.

Restricted investments of $5,868,292 represents amounts held in the District's name with third party custodians in a multiple employer trust arrangement to fund the District's pension obligation.

Custodial Credit Risk: The California Government Code requires California banks and savings and loan associations to secure the District's deposits by pledging government securities as collateral. The fair value of pledged securities must equal 110 percent of an agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150 percent of an agency's total deposits and collateral is considered to be held in the name of the District. All cash held by financial institutions is entirely insured or collateralized.

NOTE 2 - CASH AND INVESTMENTS, continued

The District limits custodial credit risk by ensuring uninsured balances are collateralized by the respective financial institution. Cash balances held in banks are insured up to $250,000 by the Federal Deposit Insurance Corporation (FDIC) and are collateralized by the respective financial institution. At June 30, 2020, the carrying amount of the District's accounts was $5,171,777. At June 30, 2020, $510,069 of the bank balance was FDIC insured and $4,661,708 remained uninsured.

Credit Risk: Under provision of the District's policies and in accordance with Sections 53601 and 53602 of the California Government code, the District may invest in the following types of investments:

- Local agency bonds, notes or warrants within the state
- Securities of the U.S. Government or its agencies
- Certificates of Deposit with commercial banks
- Commercial paper
- Repurchase Agreements

Interest Rate Risk: The District's investment policies do not limit cash and investment maturities as a means of managing their exposure to fair value losses arising from increasing interest rates. At June 30, 2020, the District had no significant interest rate risk related to cash and investments held.

Concentration of Credit Risk: The District does not place limits on the amount they may invest in any one issuer. At June 30, 2020, the District and Trust had no concentration of credit risk.

Fair Value Measurements: The following presents information about the District's assets and liabilities measured at fair value on a recurring basis as of June 30, 2020, and indicates the fair value hierarchy of the valuation techniques utilized by the District to determine such fair value based on the hierarchy:

Level 1 - Quoted market prices for identical instruments traded in active exchange markets.

Level 2 - Significant other observable inputs such as quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable or can be corroborated by observable market data.

Level 3 - Significant unobservable inputs that reflect a reporting entity's own assumptions about the methods that market participants would use in pricing an asset or liability.

There were no changes in the valuation techniques used during the year ended June 30, 2020. There were no transfers of assets between the fair value levels for the year ended June 30, 2020.

The District is required or permitted to record the following assets at fair value on a recurring basis:

	June 30, 2020			
	Fair Value	Level 1	Level 2	Level 3
Investment securities;				
Mutual funds	$ 5,868,292	$ 5,868,292	$ -	$ -

NOTE 3 - RECEIVABLES

Receivables at June 30, 2020 are summarized as follows:

Federal	$ 255,447
State	551,632
Local and other	3,129,544
Subtotal	3,936,623
Less: Allowance for doubtful accounts	(1,033,787)
Total	$ 2,902,836

NOTE 4 - CAPITAL ASSETS

Capital asset activity consists of the following:

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Capital Assets not being Depreciated				
Land	$ 6,719,027	$ -	$ -	$ 6,719,027
Construction in progress	56,534,593	44,859,169	9,791,049	91,602,713
Total Capital Assets Not Being Depreciated	63,253,620	44,859,169	9,791,049	98,321,740
Capital Assets Being Depreciated				
Land improvements	36,187,026	7,013,186	-	43,200,212
Building improvements	251,142,080	3,265,655	-	254,407,735
Machinery and equipment	24,967,222	1,511,803	29,995	26,449,030
Total Capital Assets Being Depreciated	312,296,328	11,790,644	29,995	324,056,977
Total Capital Assets	375,549,948	56,649,813	9,821,044	422,378,717
Less Accumulated Depreciation				
Land improvements	12,566,021	1,721,631	-	14,287,652
Building improvements	50,431,105	5,359,904	-	55,791,009
Machinery and equipment	12,569,780	2,013,174	7,499	14,575,455
Total Accumulated Depreciation	75,566,906	9,094,709	7,499	84,654,116
Net Capital Assets	$ 299,983,042	$ 47,555,104	$ 9,813,545	$ 337,724,601

At June 30, 2020, the District had capital assets acquired from capital leases with an original cost of $486,733 and accumulated depreciation totaling $286,582.

NOTE 5 - UNEARNED REVENUE

Unearned revenue for the District consisted of the following:

Unearned Federal and State revenues	$ 3,294,782
Unearned tuition and student fees	1,266,699
Unearned local revenues	2,446,492
Total unearned revenue	$ 7,007,973

NOTE 6 - LONG-TERM LIABILITIES

In March 2009, the District issued Series B, 2004 General Obligation Bonds aggregating $75,000,000. The bonds mature through August 2019 and bear interest at rates ranging from 3% to 5%. The proceeds from the issuance will be used to finance the acquisition, construction and modernization of certain District property and facilities. Resulting from the bond issuance, the District received a premium of $1,982,513 and paid issuance costs of $1,148,198. The premium is amortized over the life of the bond repayment. The Series B, 2004 General Obligation Bonds were paid off during 2019-20.

In May 2011, the District issued Series C, 2004 General Obligation Bonds aggregating $52,505,000. The bonds mature through August 2021 and bear interest at rates ranging from 3% to 5%. The proceeds from the issuance will be used to finance the acquisition, construction and modernization of certain District property and facilities. Resulting from the bond issuance, the District received a premium of $767,032 and paid issuance costs of $285,719. The premium is amortized over the life of the bond repayment. At June 30, 2020, the District has unamortized premiums of $6,991.

The annual payments required to amortize the 2004, Series C General Obligation Bonds as of June 30, 2020, are as follows:

Year Ended June 30,	Principal	Interest	Total
2021	$ 410,000	$ 35,450	$ 445,450
2022	545,000	13,625	558,625
	$ 955,000	$ 49,075	$ 1,004,075

In November 2012, the District issued Series D, 2004 General Obligation Bonds aggregating $46,995,000. The bonds mature through August 2036 and bear interest at rates ranging from 3% to 3.25%. The proceeds from the issuance will be used to finance the acquisition, construction and modernization of certain District property and facilities and pay the costs of issuing Series D Bonds. Resulting from the bond issuance, the District received a premium of $401,662 and paid issuance costs of $120,809. The premium is amortized over the life of the bond repayment. At June 30, 2020, the District has unamortized premiums of $308,637.

The annual payments required to amortize the 2004, Series D General Obligation Bonds as of June 30, 2020, are as follows:

Year Ended June 30,	Principal	Interest	Total
2021	$ -	$ 1,487,500	$ 1,487,500
2022	-	1,487,500	1,487,500
2023	-	1,487,500	1,487,500
2024	-	1,487,500	1,487,500
2025	-	1,487,500	1,487,500
2026-2030	-	7,437,500	7,437,500
2031-2035	15,935,000	5,955,725	21,890,725
2036-2037	31,060,000	1,027,813	32,087,813
	$ 46,995,000	$ 21,858,538	$ 68,853,538

NOTE 6 - LONG-TERM LIABILITIES, continued

In November 2012, the District issued 2012 General Obligation Refunding Bonds aggregating $44,380,000. The bonds mature through August 2028 and bear interest at rates ranging from 2.5% to 4%. The proceeds from the issuance will be used to advance refund a portion of the District's outstanding Election 2004 General Obligation Bonds, Series A and pay the cost of issuing the Refunding Bonds. Resulting from the bond issuance, the District received a premium of $7,445,473 and paid issuance costs of $425,765. The premium is amortized over the life of the bond repayment. At June 30, 2020, the District has unamortized premiums of $4,663,517.

The annual payments required to amortize the 2012 General Obligation Refunding Bonds as of June 30, 2020, are as follows:

Year Ended June 30,	Principal	Interest	Total
2021	$ 2,625,000	$ 1,340,700	$ 3,965,700
2022	2,995,000	1,228,300	4,223,300
2023	3,300,000	1,102,400	4,402,400
2024	3,620,000	964,000	4,584,000
2025	3,960,000	812,400	4,772,400
2026-2029	19,720,000	1,465,400	21,185,400
	$ 36,220,000	$ 6,913,200	$ 43,133,200

During the year ended June 30, 2015, the District issued $32,055,000 of 2015 General Obligation Refunding Bonds. The current interest bonds bear interest at rates of 2.00% to 5.00%, maturing August 1, 2030. Proceeds were used to advance refund a portion of the outstanding 2004 Series A and B General Obligation Bonds and to pay the costs of issuing the 2015 Refunding Bonds. At June 30, 2020, $25,445,000 of bonds outstanding are considered defeased. At June 30, 2020, the District has unamortized premiums of $3,154,980.

The annual payments required to amortize the 2015 General Obligation Refunding Bonds outstanding as of June 30, 2020, are as follows:

Year Ended June 30,	Principal	Interest	Total
2021	$ 1,510,000	$ 1,362,450	$ 2,872,450
2022	1,615,000	1,299,950	2,914,950
2023	1,745,000	1,224,025	2,969,025
2024	1,890,000	1,133,150	3,023,150
2025	2,050,000	1,034,650	3,084,650
2026-2030	19,225,000	3,470,675	22,695,675
2031	3,420,000	55,575	3,475,575
	$ 31,455,000	$ 9,580,475	$ 41,035,475

NOTE 6 - LONG-TERM LIABILITIES, continued

In February 2016, the District issued $40,845,000 of 2016 General Obligation Refunding Bonds. The current interest bonds bear interest at rates of 2.00% to 5.00%, maturing August 1, 2038. At June 30, 2020, the District has unamortized premiums of $1,794,288.

The annual payments required to amortize the 2016 General Obligation Refunding Bonds outstanding as of June 30, 2020, are as follows:

Year Ended June 30,	Principal	Interest	Total
2021	$ 155,000	$ 1,410,600	$ 1,565,600
2022	160,000	1,404,275	1,564,275
2023	165,000	1,398,625	1,563,625
2024	170,000	1,395,275	1,565,275
2025	175,000	1,391,825	1,566,825
2026-2030	980,000	6,832,375	7,812,375
2031-2035	17,215,000	5,494,850	22,709,850
2036-2039	21,005,000	1,522,588	22,527,588
	$ 40,025,000	$ 20,850,413	$ 60,875,413

Defeasance of Debt: The District defeased certain General Obligation Bonds by placing proceeds of the new General Obligation Refunding Bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the District's financial statements. At June 30, 2020, $37,500,000 of bonds outstanding are considered defeased.

In November 2016, the District issued Election of 2016 General Obligation Bonds, Series A (Federally Tax-Exempt) aggregating $60,000,000. The bonds mature through August 2041 and bear interest at rates ranging from 3% to 5%. The proceeds from the issuance will be used to finance the acquisition, strict sites and facilities and pay the costs of issuing Series A Bonds. At June 30, 2020, the District has unamortized premiums of $3,301,261.

The annual payments required to amortize the Series A, 2016 General Obligation Bonds outstanding as of June 30, 2020, are as follows:

Year Ended June 30,	Principal	Interest	Total
2021	$ 170,000	$ 2,219,238	$ 2,389,238
2022	70,000	2,214,438	2,284,438
2023	140,000	2,210,238	2,350,238
2024	215,000	2,202,063	2,417,063
2025	300,000	2,189,188	2,489,188
2026-2030	2,970,000	10,591,188	13,561,188
2031-2035	14,640,000	8,805,388	23,445,388
2036-2040	21,745,000	5,275,694	27,020,694
2041-2042	11,335,000	565,375	11,900,375
	$ 51,585,000	$ 36,272,806	$ 87,857,806

NOTE 6 - LONG-TERM LIABILITIES, continued

In November 2016, the District issued Election of 2016 General Obligation Bonds, Series A-1 (Federally Taxable) aggregating $37,500,000. The bonds mature through August 2029 and bear interest at rates ranging from 1.296% to 3.472%. The proceeds from the issuance will be used to finance the acquisition, District sites and facilities and pay the costs of issuing Series A Bonds. At June 30, 2020, the District has unamortized premiums of $468,689.

The annual payments required to amortize the Series A-1, 2016 General Obligation Bonds outstanding as of June 30, 2020, are as follows:

Year Ended June 30,	Principal	Interest	Total
2021	$ 1,840,000	$ 717,825	$ 2,557,825
2022	1,955,000	677,104	2,632,104
2023	2,080,000	628,492	2,708,492
2024	2,215,000	571,172	2,786,172
2025	2,360,000	505,941	2,865,941
2026-2030	14,365,000	1,267,897	15,632,897
	$ 24,815,000	$ 4,368,432	$ 29,183,432

During the year ended June 30, 2018, the District issued $49,405,000 of 2017 General Obligation Refunding Bonds. The current interest bonds bear interest at rates of 2.00% to 5.00%, maturing August 1, 2034. Proceeds were used to advance refund a portion of the outstanding 2004 Series C General Obligation Bonds and to pay the costs of issuing the 2017 Refunding Bonds. At June 30, 2020, the District has unamortized premiums of $5,006,883.

The annual payments required to amortize the 2017 General Obligation Refunding Bonds outstanding as of June 30, 2020, are as follows:

Year Ended June 30,	Principal	Interest	Total
2021	$ -	$ 1,992,450	$ 1,992,450
2022	-	1,992,450	1,992,450
2023	590,000	1,977,700	2,567,700
2024	735,000	1,944,575	2,679,575
2025	885,000	1,904,075	2,789,075
2026-2030	6,985,000	8,664,925	15,649,925
2031-2035	39,160,000	4,688,400	43,848,400
	$ 48,355,000	$ 23,164,575	$ 71,519,575

Defeasance of Debt: The District defeased certain General Obligation Bonds by placing proceeds of the new General Obligation Refunding Bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are the District's financial statements. At June 30, 2020, $49,845,000 of bonds outstanding are considered defeased.

NOTE 6 - LONG-TERM LIABILITIES, continued

During the year ended June 30, 2019, the District issued $70,000,000 of 2016 General Obligation Bonds, Series B (Federally Tax-Exempt). The current interest bonds bear interest at rates of 3.125% to 5.00%, maturing August 1, 2041. Proceeds from the issuance will be used to finance the acquisition, of District sites and facilities and pay the costs of issuing the debt. At June 30, 2020, the District has unamortized premiums of $1,967,380.

The annual payments required to amortize the Series B, 2016 General Obligation Refunding Bonds outstanding as of June 30, 2020, are as follows:

Year Ended June 30,	Principal	Interest	Total
2021	$ -	$ 2,846,063	$ 2,846,063
2022	-	2,846,063	2,846,063
2023	-	2,846,063	2,846,063
2024	-	2,846,063	2,846,063
2025	-	2,846,063	2,846,063
2026-2030	1,825,000	14,076,938	15,901,938
2031-2035	9,395,000	12,732,828	22,127,828
2036-2040	26,295,000	10,100,322	36,395,322
2041-2042	32,485,000	1,322,100	33,807,100
	$ 70,000,000	$ 52,462,500	$ 122,462,500

During the year ended June 30, 2019, the District issued $97,500,000 of 2016 General Obligation Bonds, Series B-1 (Federally Taxable). The current interest bonds bear interest at rates of 2.662% to 5.00%, maturing August 1, 2039. Proceeds from the issuance will be used to finance the acquisition, of District sites and facilities and pay the costs of issuing the debt. At June 30, 2020, the District has unamortized premiums of $1,612,381.

The annual payments required to amortize the Series B-1, 2016 General Obligation Refunding Bonds outstanding as of June 30, 2020, are as follows:

Year Ended June 30,	Principal	Interest	Total
2021	$ 1,420,000	$ 3,652,459	$ 5,072,459
2022	1,800,000	3,608,701	5,408,701
2023	2,095,000	3,554,376	5,649,376
2024	2,405,000	3,490,098	5,895,098
2025	2,730,000	3,413,721	6,143,721
2026-2030	16,895,000	15,362,013	32,257,013
2031-2035	33,180,000	10,866,329	44,046,329
2036-2040	36,975,000	3,115,022	40,090,022
	$ 97,500,000	$ 47,062,720	$ 144,562,720

NOTE 6 - LONG-TERM LIABILITIES, continued

Lease Revenue Bonds: In June 2003, the District issued $3,070,834 of Lease Revenue Bonds with effective interest rates ranging from 2.0% to 4.25% and maturing through May 2033. The bond proceeds are being used to fund various capital improvement projects throughout the District.

The annual payments required to amortize the 2003 Lease Revenue Bonds outstanding as of June 30, 2020, are as follows:

Year Ended June 30,	Principal	Interest	Total
2021	$ 135,000	$ 5,738	$ 140,738
2022	177,655	278,770	456,425
2023	174,282	296,374	470,656
2024	172,033	316,308	488,341
2025	169,784	336,820	506,604
2026-2030	806,195	1,989,437	2,795,632
2031-2033	450,885	1,458,144	1,909,029
	$ 2,085,834	$ 4,681,591	$ 6,767,425

In March 2018, the District issued $7,370,000 of Lease Revenue Bonds with effective interest rates ranging from 2.0% to 5.0% and maturing through May 2037. The bond proceeds are being used to fund various capital improvement projects throughout the District.

The annual payments required to amortize the Lease Revenue Bonds outstanding as of June 30, 2020, are as follows:

Year Ended June 30,	Principal	Interest	Total
2021	$ 285,000	$ 260,556	$ 545,556
2022	295,000	249,156	544,156
2023	310,000	237,356	547,356
2024	325,000	221,856	546,856
2025	340,000	205,606	545,606
2026-2030	1,970,000	763,869	2,733,869
2031-2035	2,330,000	400,070	2,730,070
2036-2037	1,040,000	52,350	1,092,350
	$ 6,895,000	$ 2,390,819	$ 9,285,819

NOTE 6 - LONG-TERM LIABILITIES, continued

Note Payable - PG&E: In July 2014, the District entered into an On Bill Financing Loan with PG&E with an effective interest rate of 0% and expiring in February 2022. The loan is used as financing for an energy efficiency retrofit.

The annual payments required to amortize the PG&E loan outstanding as of June 30, 2020, are as follows:

Year Ended June 30,	Principal	Interest	Total
2021	$ 70,379	$ -	$ 70,379
2022	46,919	-	46,919
	$ 117,298	$ -	$ 117,298

Certificates of Participation: In January 2019, the District issued $3,980,000 of Certificates of Participation (2019 Workforce Housing Project) with effective interest rates ranging from 3.00% to 5.00% and maturing through June 2039. The proceeds are being used to finance the construction of District facilities, including workforce housing, and pay the costs related to execution and delivery of the Certificates.

Year Ended June 30,	Principal	Interest	Total
2021	$ -	$ 149,794	$ 149,794
2022	155,000	149,794	304,794
2023	160,000	143,594	303,594
2024	165,000	137,194	302,194
2025	175,000	128,944	303,944
2026-2030	1,000,000	505,969	1,505,969
2031-2035	1,210,000	302,006	1,512,006
2036-2039	1,115,000	96,631	1,211,631
	$ 3,980,000	$ 1,613,925	$ 5,593,925

NOTE 6 - LONG-TERM LIABILITIES, continued

Supplemental Employee Retirement Plan: During the fiscal year ended June 30, 2017 and 2016, the District provided the option of a Supplemental Employee Retirement Plan to the District employees. Employees under the SERP will receive monthly annuity benefits. The District is obligated to pay annual installments for the calculated benefits for employees under the SERP and for the administration of the plan. As of June 30, 2020 there was no SERP liability outstanding.

Changes in Long-Term Debt: A schedule of changes in long-term debt for the year ended June 30, 2020 is as follows:

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020	Due Within One Year
Governmental Activities:					
General obligation (GO) bonds	$ 462,100,000	$ -	$ 14,195,000	$ 447,905,000	$ 8,130,000
Lease revenue (LR) bonds	9,380,834	-	400,000	8,980,834	420,000
Bond premium - GO bonds	23,901,377	-	1,616,369	22,285,008	1,664,400
Bond premium - LR bonds	323,781	-	15,079	308,702	15,414
Certificates of participation	3,980,000	-	-	3,980,000	-
Certificates of participation - premium	190,717	-	6,558	184,159	6,829
Net pension liability	64,910,000	2,863,813	-	67,773,813	-
Compensated absences	1,721,664	445,370	-	2,167,034	453,797
Note payable - PG&E	212,800	-	95,502	117,298	70,379
Capital lease obligations	99,313	-	49,658	49,655	49,655
Total	$ 566,820,486	$ 3,309,183	$ 16,378,166	$ 553,751,503	$ 10,810,474

NOTE 7 - PROPERTY TAXES

All property taxes are levied and collected by the Tax Assessor of the County of Marin and paid upon collection to the various taxing entities including the District. Secured taxes are levied on July 1 and are due in two installments on November 1 and February 1, and become delinquent on December 10 and April 10, respectively, property taxes is March 1 of the preceding fiscal year.

NOTE 8 - RISK MANAGEMENT

The District administers dental and vision insurance programs on behalf of the District's eligible employees on a cost-reimbursement basis. The District records an estimated liability for dental and vision claims against the District. Claims liabilities are based on estimates of the ultimate cost of reported claims (including future claim adjustment expenses) and an estimate for claims incurred, but not reported based on historical experience. A formal actuarial study has not been performed, however, the District calculated the estimated amount based on historical experience.

The dental and vision claims reserve activity for the years ended June 30, 2020 and 2019 is as follows:

	2020	2019
Liability balance, beginning of year	$ 79,319	$ 79,464
Claims and changes in estimates	704,040	711,247
Claims payments	(722,297)	(711,392)
Liability balance, end of year	$ 61,062	$ 79,319

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Academic employees are members of CalSTRS and classified employees are members of CalPERS.

For the fiscal year ended June 30, 2020, the District reported its proportionate share of the net pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources for each of the above plans as follows:

Pension Plan	Collective Net Pension Liability	Collective Deferred Outflows of Resources	Collective Deferred Inflows of Resources	Collective Pension Expense
CalSTRS	$ 34,013,818	$ 9,932,489	$ 3,271,245	$ 4,508,891
CalPERS	33,759,995	9,163,438	757,865	7,697,198
Total	$ 67,773,813	$ 19,095,927	$ 4,029,110	$ 12,206,089

California State Teachers' Retirement System (CalSTRS)

Plan Description: Teaching-certified employees of the District are provided with pensions through the State Teachers' Retirement Plan (STRP) – a cost-sharing multiple-employer defined benefit pension plan administered by the California State Teachers' Retirement System (CalSTRS). The Teachers' Retirement Law (California Education Code Section 22000 et seq.), as enacted and amended by the California Legislature, established this plan and CalSTRS as the administrator. The benefit terms of the plans may be amended through legislation. CalSTRS issues a publicly available financial report that can be obtained at http://www.calstrs.com.

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

California State Teachers' Retirement System (CalSTRS), continued

Benefits Provided: The STRP provides retirement, disability, and survivor benefits to beneficiaries. Benefits are based on members' final compensation, age, and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service.

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program, and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the State is the sponsor of the STRP and obligor of the trust. In addition, the State is both an employer and nonemployer contributing entity to the STRP. The District contributes exclusively to the STRP Defined Benefit Program; thus disclosures are not included for the other plans.

The STRP provisions and benefits in effect at June 30, 2020, are summarized as follows:

	STRP Defined Benefit Plan	
	On or before	On or after
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	9.205%*
Required employer contribution rate	18.13%	18.13%
Required state contribution rate	10.328%	10.328%

*The rate imposed on CalSTRS 2% at 62 members assuming no change in the normal cost of benefits.

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

California State Teachers' Retirement System (CalSTRS), continued

Contributions: Required member, District, and State of California contribution rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contribution rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1 percent of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2020, are presented above, and the District's total contributions were $3,447,051.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	$	34,013,818
State's proportionate share of the net pension liability associated with the District		18,556,959
Total	$	52,570,777

The net pension liability was measured as of June 30, 2019. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating college districts and the State, actuarially determined. The District's proportionate share for the measurement periods of June 30, 2019 and June 30, 2018, was 0.038 percent and 0.036 percent, respectively, resulting in a net increase in the proportionate share of 0.002 percent.

For the year ended June 30, 2020, the District recognized pension expense of $4,508,891. In addition, the District recognized pension expense and revenue of $507,709 for support provided by the State. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
Difference between projected and actual earnings on plan investments	$	-	$	1,309,922
Differences between expected and actual experience		85,868		957,823
Changes in assumptions		4,301,520		-
Net changes in proportionate share of net pension liability		2,098,050		1,003,500
District contributions subsequent to the measurement date		3,447,051		-
Total	$	9,932,489	$	3,271,245

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

California State Teachers' Retirement System (CalSTRS), continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, continued

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to pensions will be recognized as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2021	$ 1,008,173
2022	99,867
2023	994,550
2024	1,315,402
2025	(104,428)
Thereafter	(99,371)
	$ 3,214,193

Actuarial Methods and Assumptions: Total pension liability for STRP was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2018, and rolling forward the total pension liability to June 30, 2019. The financial reporting actuarial valuation as of June 30, 2018, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2018
Measurement date	June 30, 2019
Experience study	July 1, 2010, through June 30, 2015
Actuarial cost method	Entry Age Normal
Discount rate	7.10%
Investment rate of return	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%

CalSTRS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are based on RP2000 series tables adjusted to fit CalSTRS experience.

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

California State Teachers' Retirement System (CalSTRS), continued

Actuarial Methods and Assumptions, continued

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant. Based on the model for CalSTRS consulting actuary investment practice, a best estimate range was determined assuming the portfolio is re-balanced annually and that the annual returns are lognormally distributed and independent from year to year to develop expected percentile for the long-term distribution of annualized returns.

The assumed asset allocation is based on board policy for target asset allocation in effect on February 2, 2012, the date the current experience study was approved by the board. Best estimates of 20-year geometric real rates of return and the assumed asset allocation for each major asset class used as input to develop the actuarial investment rate of return are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-term Expected Real Rate of Return*
Global Equity	47%	6.30%
Fixed Income	12%	0.30%
Real Estate	13%	5.20%
Private Equity	13%	9.30%
Cash/Liquidity	2%	-1.00%
Risk Mitigating Strategies	9%	2.90%
Inflation Sensitive	4%	3.80%
	100%	

*20-year geometric average

Discount Rate: The discount rate used to measure the total pension liability was 7.10 percent. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10 percent) and assuming that contributions, benefit payments, and administrative expense occurred midyear. Based on these assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

California State Teachers' Retirement System (CalSTRS), continued

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Plan's net pension liability	$ 50,649,391	$ 34,013,818	$ 20,219,761

California Public Employees' Retirement System (CalPERS) Plan Description

Plan Description: Qualified employees are eligible to participate in the School Employer Pool (SEP) and the Safety Risk Pool under CalPERS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law.

A full description of the pension plans regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2018, annual actuarial valuation reports, Schools Pool Actuarial Valuation, and the Risk Pool Actuarial Valuation Report, Safety. These report(s) and CalPERS audited financial information are publicly available reports that can be found on the CalPERS website under Forms and Publications at:
https://www.calpers.ca.gov/page/forms-publications.

Benefits Provided: CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor, and the member's final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed. An employee's eligible survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or age 52 for members hired on or after January 1, 2013), and has at least five years of credited service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

California Public Employees' Retirement System (CalPERS), continued

Plan Description, continued

The CalPERS provisions and benefits in effect at June 30, 2020, are summarized as follows:

	School Employer Pool (CalPERS)	
	On or before	On or after
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.000%	7.000%
Required employer contribution rate	19.721%	19.721%

Contributions: Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contribution rates are expressed as a percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2020, are presented above, and the total District contributions were $3,492,276.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of June 30, 2020, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling $33,759,995. The net pension liability was measured as of June 30, 2019. The District’s proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating college districts, actuarially determined. The District's proportionate share for the measurement periods of June 30, 2019 and June 30, 2018, was 0.116 percent and 0.110 percent, respectively, resulting in a net increase in the proportionate share of 0.006 percent.

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

California Public Employees' Retirement System (CalPERS), continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, continued

For the year ended June 30, 2020, the District recognized pension expense of $7,697,198. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	$ -	$ 313,130
Differences between expected and actual experience	2,452,331	-
Changes in assumptions	1,607,081	-
Net changes in proportionate share of net pension liability	1,611,750	444,735
District contributions subsequent to the measurement date	3,492,276	-
Total	$ 9,163,438	$ 757,865

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to pensions will be recognized as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2021	$ 3,260,660
2022	833,727
2023	690,648
2024	128,262
	$ 4,913,297

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

California Public Employees' Retirement System (CalPERS), continued

Actuarial Methods and Assumptions: Total pension liability for the SEP was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2018, and rolling forward the total pension liability to June 30, 2019. The financial reporting actuarial valuation as of June 30, 2018, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2018
Measurement date	June 30, 2019
Experience study	July 1, 1997, through June 30, 2011
Actuarial cost method	Entry Age Normal
Discount rate	7.15%
Investment rate of return	7.15%
Consumer price inflation	2.50%
Wage growth	Varies by entry age and service

Mortality assumptions are based on mortality rates resulting from the most recent CalPERS experience study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include five years of projected ongoing mortality improvement using Scale AA published by the Society of Actuaries.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations, as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first ten years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund.

The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns.

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

California Public Employees' Retirement System (CalPERS), continued

Actuarial Methods and Assumptions, continued

The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class*	Assumed Asset Allocation	Real Return Years 1 - 10**	Real Return Years 11+***
Global Equity	50%	4.80%	5.98%
Fixed Income	28%	1.00%	2.62%
Inflation Assets	0%	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Assets	13%	3.75%	4.93%
Liquidity	1%	0.00%	-0.92%
	100%		

*In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
**An expected inflation of 2.0% used for this period
***An expected inflation of 2.92% used for this period

Discount Rate: The discount rate used to measure the total pension liability was 7.15 percent. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Based on these assumptions, the School Employer Pool fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Plan's net pension liability	$ 48,662,814	$ 33,759,995	$ 21,397,078

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS

Plan Description: In addition to the pension benefits described in Note 9, the District provides post-retirement health care benefits to employees hired prior to 1988 and who retire from the District and meet the specific eligibility requirements set forth in their prospective employment contracts under a single employer defined benefit OPEB plan. The plan does not issue separate financial statements. The District pays medical and dental insurance premiums to maintain the level of coverage enjoyed by the retiree immediately preceding retirement up until the age of 70 or death of the retiree.

The District established an irrevocable trust under the California Employer's Retiree Benefit Trust Program (CERBT) to prefund the costs of other postemployment benefits. The funds in the CERBT are held in trust and will be administered by the California Public Employees' Retirement System (CalPERS) as an agent multiple-employer plan. Benefit provisions are established and may be amended by District labor agreements which are approved by the Board of Education. The District's contributions to the irrevocable trust is included in the CERBT, which is included in the CalPERS CAFR. Copies of the CalPERS' CAFR may be obtained from the CalPERS Executive Office – 400 P Street – Sacramento, CA 95814.

The CERBT fund, which is an Internal Revenue Code (IRC) Section 115 Trust, is set up for the purpose of (i) receiving employer contributions to prefund health and other post-employment benefits for retirees and their beneficiaries, (ii) invest contributed amounts and income therein, and (iii) disburse contributed amounts and income therein, if any, to pay for costs of administration of the fund and to pay for health care costs or other post-employment benefits in accordance with the terms of the District's OPEB plan.

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS, continued

Employees Covered by Benefit Terms: The following is a table of plan participants at June 30, 2020:

	Number of Participants
Inactive Employees Receiving Benefits	34
Active Employees	7
	41

Benefits Provided: The following is a description of the current retiree benefit plan:

	Faculty	Classified	Management
Benefit types provided	Medical and dental	Medical and dental	Medical and dental
Duration of Benefits	To age 70	To age 70	To age 70
Required Service	15 years	10 years	10 years
Minimum Age	55	50	50/55*
Dependent Coverage	Yes	Yes**	Yes
District Contribution %	100%	100%	100%
District Cap	Active rates	Active rates	Active rates

*Depending on retirement system
**SEIU employees are not eligible for District-paid dependent benefits

Contributions: California Government Code specifies that the District's contribution requirements for covered employees are established and may be amended by the Governing Board.

The District did not make any contributions to the Plan for the year ended June 30, 2020.

Actuarial Assumptions: The net OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2019
Measurement date	June 30, 2019
Actuarial cost methods	Entry-age actuarial cost method
Inflation rate	2.75%
Investment rate of return	6.00%
Health care cost trend rate	4.00%
Payroll increase	2.75%
Mortality	For certificated employees the 2009 CalSTRS mortality tables were used. For classified employees the 2014 CalPERS active mortality for miscellaneous employees were used.

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS, continued

Discount Rate: The actuary assumed that contributions would be sufficient to fully fund the obligation over a period not to exceed 30 years. Historical 30 year real rates of return for each asset class along with assumed long-term inflation assumption was used to set the discount rate. A discount rate of 6.0% was determined using the following asset allocation and assumed rate of return:

CERBT - Strategy 2

Asset Class	Percentage of Portfolio	Rate of Return
All Equities	22%	7.8%
All Fixed Income	49%	4.5%
Real Estate Investment Trusts	8%	7.5%
All Commodities	5%	7.8%
Treasury Inflation Protected Securities (TIPS)	16%	3.3%

The actuary looked at rolling periods of time for all asset classes in combination to reflect the correlation between asset classes. The average returns for any asset class don't necessarily reflect the averages over time individually, but reflect the return for the asset class for the portfolio average. Geometric means were used.

Changes in the Net OPEB Liability (Asset):

	Increase/(Decrease)		
	Total OPEB Liability (a)	Total Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance July 1, 2018	$ 1,736,141	$ 3,263,623	$ (1,527,482)
Changes for the year:			
Service cost	12,654	-	12,654
Interest on TOL	90,874	-	90,874
Employer contributions	-	33,842	(33,842)
Assumption changes	259,253	-	259,253
Expected investment income	-	184,330	(184,330)
Experience gains/losses	376,512	-	376,512
Investment gains/losses	-	30,134	(30,134)
Administrative expense	-	(696)	696
Benefit payments	(455,801)	(416,064)	(39,737)
Net change	283,492	(168,454)	451,946
Balance June 30, 2019	$ 2,019,633	$ 3,095,169	$ (1,075,536)

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS, continued

Sensitivity of the Net Pension OPEB to Assumptions: The following presents the net OPEB liability (asset) calculated using the discount rate of 6.0 percent. The schedule also shows what the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1 percent lower (5.0 percent) and 1 percent higher (7.0):

	Discount Rate 1% Lower (5.0%)	Discount Rate (6.0%)	Discount Rate 1% Higher (7.0%)
Net OPEB liability	$ (1,021,413)	$ (1,075,536)	$ (1,127,193)

The following table presents the net OPEB liability (asset) calculated using the heath care cost trend rate of 4.0 percent. The schedule also shows what the net OPEB liability (asset) would be if it were calculated using a health care cost trend rate that is 1 percent lower (3.0 percent) and 1 percent higher (5.0 percent):

	Health Care Trend Rate 1% Lower (3.0%)	Health Care Trend Rate (4.0%)	Health Care Trend Rate 1% Higher (5.0%)
Net OPEB liability	$ (1,127,789)	$ (1,075,536)	$ (1,022,659)

OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the District recognized OPEB expense of $481,292. At June 30, 2020, the District reported deferred outflows or resources and deferred inflow of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual earnings on plan investments	$ 18,743	$ 36,505

Amounts reported as deferred outflows of resources related to the net difference between projected and actual earnings of OPEB plan investments will be amortized over five years and recognized in OPEB expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2021	$ (788)
2022	(791)
2023	(10,157)
2024	(6,026)
	$ (17,762)

NOTE 11 - COMMITMENTS AND CONTINGENCIES

Contingent Liabilities: There are various claims and legal actions pending against the District for which no provision has been made in the general purpose financial statements. In the opinion of the District, any liabilities arising from these claims and legal actions are not considered significant.

The District has received Federal and State funds for specific purposes that are subject to review or audit by the grantor agencies. Although such audits could result in expenditure disallowances under terms of the grants, it is management's opinion that any required reimbursements or future revenue offsets subsequently determined will not have a material effect.

Construction Commitments: As of June 30, 2020, the District has $40,950,629 in outstanding commitments on construction contracts.

NOTE 12 - JOINT POWERS AGREEMENTS

Marin Community College District participates in Joint Power Agreements (JPAs), with Northern California Community College Self Insurance Authority (NCCCSIA), Schools Association for Excess Risk (SAFER), the Protected Insurance Program for Schools (PIPS) and Statewide Association of Community Colleges (SWACC). The relationship between Marin Community College District and the JPAs is such that the JPAs are not component units of Marin Community College District for financial reporting purposes.

The JPAs are governed by boards consisting of a representative from each member district. The boards control the operations of the JPAs, including the selection of management and approval of operating budgets, independent of any influence by the member district beyond their representation on the governing board. NCCCSIA, SAFER and SWACC provide property and liability insurance for its members. PIPS provides workers' compensation insurance for its members. Marin Community College District pays a premium commensurate with the level of coverage requested. Settled claims resulting from these risks have not exceeded insurance coverage on any of the past three years.

Member districts share surpluses and deficits proportionate to their participation in the JPAs. The JPAs are independently accountable for their fiscal matters and maintain their own accounting records. Budgets are not subject to any approval other than that of the governing board.

Condensed financial information of the JPAs for the most current year for which audited information is available, is as follows:

	NCCCSIA June 30, 2019	SAFER June 30, 2019	PIPS June 30, 2019	SWACC June 30, 2019
Total assets and deferred outflows of resources	$ 3,012,681	$ 43,494,593	$ 133,474,239	$ 53,983,748
Total liabilities and deferred inflows of resources	$ 984,365	$ 52,232,601	$ 99,564,236	$ 36,138,632
Net position	$ 2,028,316	$ (8,738,008)	$ 33,910,003	$ 17,845,116
Total revenues	$ 9,005,600	$ 67,971,132	$ 315,861,808	$ 25,464,876
Total expenses	$ 9,227,125	$ 77,854,967	$ 306,086,109	$ 25,634,995
Change in net position	$ (221,525)	$ (9,883,835)	$ 9,775,699	$ (170,119)

REQUIRED SUPPLEMENTARY INFORMATION

MARIN COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2020

	2020	2019	2018
Total OPEB liability			
Service cost	$ 12,654	$ -	$ -
Interest	90,874	112,809	143,562
Assumption changes	259,253	(24,276)	-
Experience gains/losses	376,512	-	-
Investment gains/losses	-	(34,022)	-
Benefit payments	(455,801)	(431,055)	(479,042)
Net change in total OPEB liability	283,492	(376,544)	(335,480)
Total OPEB liability, beginning of year	1,736,141	2,112,685	2,448,165
Total OPEB liability, end of year (a)	$ 2,019,633	$ 1,736,141	$ 2,112,685
Plan fiduciary net position			
Employer contributions	$ 33,842	$ -	$ -
Expected investment income	184,330	195,841	271,379
Investment gains/losses	30,134	22,503	-
Administrative expense	(696)	(6,427)	(3,198)
Expected benefit payments	(416,064)	(431,055)	(479,042)
Change in plan fiduciary net position	(168,454)	(219,138)	(210,861)
Fiduciary trust net position, beginning of year	3,263,623	3,482,761	3,693,622
Fiduciary trust net position, end of year (b)	$ 3,095,169	$ 3,263,623	$ 3,482,761
Net OPEB liability (asset), ending (a) - (b)	$ (1,075,536)	$ (1,527,482)	$ (1,370,076)
Covered payroll	$ 783,679	$ 869,945	$ 1,315,977
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	153%	188%	165%
Net OPEB asset as a percentage of covered payroll	-124%	-176%	-104%

This is a 10 year schedule, however the information in this schedule is not required to be presented retrospectively.

MARIN COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CONTRIBUTIONS – OPEB
FOR THE YEAR ENDED JUNE 30, 2020

	2020	2019	2018
Actuarially determined contribution	$ 479,102	$ 455,801	$ 465,077
Contributions in relations to the actuarially determined contribution	368,114	382,222	431,055
Contribution deficiency (excess)	$ 110,988	$ 73,579	$ 34,022
Covered-employee payroll	$ 783,679	$ 869,945	$ 1,315,977
Contribution as a percentage of covered-employee payroll	61.13%	52.39%	35.34%

This is a 10 year schedule, however the information in this schedule is not required to be presented retrospectively.

See accompanying note to required supplementary information.

MARIN COMMUNITY COLLEGE DISTRICT
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2020

CalSTRS	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
District's proportion of the net pension liability	0.038%	0.036%	0.036%	0.041%	0.039%	0.036%
District's proportionate share of the net pension liability	$ 34,013,818	$ 33,431,000	$ 33,024,000	$ 33,449,000	$ 26,052,000	$ 20,662,000
State's proportionate share of the net pension liability associated with the District	18,556,959	19,141,000	19,537,000	19,044,000	13,779,000	12,477,000
Total	$ 52,570,777	$ 52,572,000	$ 52,561,000	$ 52,493,000	$ 39,831,000	$ 33,139,000
District's covered - employee payroll	$ 21,267,000	$ 19,363,000	$ 19,784,000	$ 20,611,000	$ 17,961,111	$ 15,748,000
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	160%	173%	167%	162%	145%	131%
Plan fiduciary net position as a percentage of the total pension liability	73%	71%	69%	70%	74%	77%

CalPERS	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
District's proportion of the net pension liability	0.116%	0.110%	0.105%	0.108%	0.121%	0.133%
District's proportionate share of the net pension liability	$ 33,759,995	$ 31,479,000	$ 26,284,000	$ 23,362,000	$ 19,671,000	$ 15,387,250
District's covered - employee payroll	$ 16,470,000	$ 14,986,000	$ 13,723,000	$ 14,443,000	$ 14,898,000	$ 15,342,000
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	205%	210%	192%	162%	132%	100%
Plan fiduciary net position as a percentage of the total pension liability	70%	71%	72%	74%	79%	83%

Note: In the future, as data becomes available, ten years of information will be presented.

MARIN COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CONTRIBUTIONS – PENSIONS
FOR THE YEAR ENDED JUNE 30, 2020

	Reporting Fiscal Year					
CalSTRS	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 3,447,051	$ 3,462,266	$ 2,940,921	$ 2,488,796	$ 2,211,544	$ 1,594,920
District's contributions in relation to the statutorily required contribution	3,447,051	3,462,266	2,940,921	2,488,796	2,211,544	1,594,920
District's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 19,012,967	$ 21,267,000	$ 19,363,000	$ 19,784,000	$ 20,611,000	$ 17,961,000
District's contributions as a percentage of covered-employee payroll	18.13%	16.28%	15.19%	12.58%	10.73%	8.88%

	Reporting Fiscal Year					
CalPERS	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 3,492,276	$ 3,063,500	$ 2,351,656	$ 1,905,803	$ 1,711,105	$ 1,753,636
District's contributions in relation to the statutorily required contribution	3,492,276	3,063,500	2,351,656	1,905,803	1,711,105	1,753,636
District's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 17,708,412	$ 16,470,000	$ 14,986,000	$ 13,923,000	$ 14,443,000	$ 14,898,000
District's contributions as a percentage of covered-employee payroll	19.72%	18.60%	15.69%	13.69%	11.85%	11.77%

Note: In the future, as data becomes available, ten years of information will be presented.

NOTE 1 - PURPOSE OF SCHEDULE

Schedule of Changes in Net OPEB Liability and Related Ratios

The Schedule of Changes in Net OPEB asset is presented to illustrate the elements of the District's Net OPEB liability. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Schedule of Contributions – OPEB

This schedule presents information on the District's actuarially determined contribution, contributions in relation to the actuarially determined contribution, and any excess or deficiency related to the actuarially determined contribution. In the future, as data becomes available, ten years of information will be presented.

Schedule of Proportionate Share of the Net Pension Liability

The Schedule of the District's Proportionate Share of the Net Pension Liability is presented to illustrate the elements of the District's Net Pension Liability. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Schedule of Contributions – Pensions

The Schedule of the District's Contributions is presented to illustrate the District's required contributions relating to the pensions. There is a requirement to show information for 10 years. However, until a full 10- year trend is compiled, governments should present information for those years for which information is available.

Changes of Benefit Terms

There are no changes in benefit terms reported in the Required Supplementary Information.

Changes of Assumptions

There are no changes in assumptions reported in the Required Supplementary Information.

SUPPLEMENTARY INFORMATION

Marin Community College District was established in 1926, and is comprised of two campuses, Kentfield and Indian Valley. There were no changes in the boundaries of the District during the current year.

The Governing Board and District Administration for the fiscal year ended June 30, 2020 were composed of the following members:

GOVERNING BOARD

MEMBER	OFFICE	TERM EXPIRES
Stuart Tanenberg	President	2020
Wanden P. Treanor	Vice President	2022
Stephanie O'Brien	Clerk	2020
Philip Kranenburg	Trustee	2020
Diana Conti	Trustee	2022
Suzanne Brown Crow	Trustee	2022
Eva Long, Ph.D.	Trustee	2020
Khadija Nakhuda	Student Trustee	2021

DISTRICT ADMINISTRATION

David Wain Coon, Ed.D.
Superintendent/President

Gregory W. Nelson
Assistant Superintendent/Vice President of Administrative Services

Jonathan Eldridge
Assistant Superintendent/Vice President of Student Learning and Success

MARIN COMMUNITY COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Total Program Expenditures
U.S. DEPARTMENT OF EDUCATION		
Direct Programs:		
Student Financial Aid Programs:		
Federal Supplemental Educational Opportunity Grant (FSEOG) Program	84.007	$ 164,700
Federal Direct Loans	84.268	412,584
Federal Work Study (FWS)	84.033	172,666
Federal Pell Grants (PELL)	84.063	2,681,172
PELL Admin Allowance	84.063	1,538
Subtotal Financial Aid Programs		3,432,660
Higher Education Emergency Relief Fund - Institutional Portion	84.425F	117,168
Higher Education Emergency Relief Fund - Student Aid Portion	84.425E	661,500
Passed through the California Department of Education:		
Early Childhood Mentor Program	84.405A	5,138
Passed through the California Community Colleges Chancellor's Office:		
Vocation and Applied Technology Education - Act Program:		
Vocational and Applied Technology Educational Act		
Title I, Part C	84.048A	87,072
Title II, Tech Prep	84.048A	46,195
Subtotal Perkins Program		133,267
Total U.S. Department of Education		4,349,733
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Passed through the California Community Colleges Chancellor's Office:		
Temporary Assistance for Needy Families (TANF)	93.558	14,924
Passed through the California Department of Education:		
Child Development Training Consortium - CCDF Cluster	93.575	11,214
Foster Care Education	93.658	25,709
Total U.S. Department of Health and Human Services		51,847
U.S. DEPARTMENT OF AGRICULTURE		
Passed through the California Department of Education:		
Child Care Food Program	10.558	5,050
Total Federal Programs		$ 4,406,630

See accompanying note to supplementary information.

MARIN COMMUNITY COLLEGE DISTRICT
SCHEDULE OF STATE FINANCIAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

	Program Revenues				
	Cash Received	Accounts Receivable	Deferred Income	Total	Total Program Expenditures
AEBG - Adult Ed Block Grant - FY16/17, FY17/18	$ 269,250	$ -	$ 83,007	$ 186,243	$ 186,243
Administrative 2% Enrollment Fee Waivers	28,686	-	-	28,686	28,686
BFAP Administration	160,119	-	-	160,119	160,119
CA College Promise	511,913	-	333,633	178,280	178,280
CalWORKs	171,087	-	-	171,087	171,087
Cooperative Agencies Resources for Education	79,199	-	-	79,199	79,199
Disabled Students Program	808,547	-	-	808,547	808,547
Extended Opportunity Programs and Services	530,825	-	-	530,825	530,825
Extended Opportunity Programs and Services PY	1,263	-	-	1,263	1,263
Faculty/Staff Development	11,325	-	123	11,202	11,202
Faculty/Staff Diversity	74,527	-	50,557	23,970	23,970
Financial Aid Technology	206,162	-	162,539	43,623	43,623
Foster Care Education	40,541	-	-	40,541	40,541
Hazardous Substance	4,880	-	4,880	-	-
SSSP - Credit	1,594,636	-	-	1,594,636	1,594,636
SSSP - Credit PY	1,226	-	-	1,226	1,226
Nursing Enrollment Growth	114,368	-	17,419	96,949	96,949
Nursing Enrollment Growth PY	5,090	-	-	5,090	5,090
Peace Officers Training	4,505	-	4,016	489	489
Physical Plant and Instructional Support 14/15,15/16	54,089	-	-	54,089	54,089
Prop. 20, Lottery-Instructional Supplies	1,239,502	77,847	1,144,306	173,043	173,043
Scheduled Maintenance & Repair Ongoing 0809, 13/14	27,900	-	27,900	-	-
Scheduled Maintenance & Repair Ongoing	98,087	-	98,087	-	-
Strong Workforce (Local)	1,348,687	-	875,502	473,185	473,185
Strong Workforce (Regional)	260,669	65,833	48,385	278,117	278,117
Transitional Assistance to Needy Families	7,581	7,965	-	15,546	15,546
Veterans Resource Center	44,724	-	42,037	2,687	2,687
CA Planning & Research STEM Thinkers & Learning	132,016	94,841	-	226,857	226,857
Guided Pathways	345,196	-	176,926	168,270	168,270
Hunger Free Campus	46,212	-	32,866	13,346	13,346
OTF - Improving Online CTE Pathways	25,124	80,348	-	105,472	105,472
Mental Health Support	30,936	-	10,197	20,739	20,739
North Bay Trades Intership Program	-	210,098	-	210,098	210,098
OTF - Certified Nurse Assistant (CNA)	57,500	-	57,500	-	-
OTF - Other State Grant, Classified Professional Development	32,697	-	32,697	-	-
OTF - Other State Grant, Institutional Effectiveness & Leadership Grant	8,301	-	4,848	3,453	3,453
OTF - Other State Grant, Textbooks Affordability	27,774	7,350	4,094	31,030	31,030
OTF - Other State Grants (ZCT,Leadership,Campus Safety,GIG,Clss Prof, other)	68,772	7,350	41,639	34,483	34,483
OTF - Scheduled Maintenance 07 & 08	24,884	-	24,884	-	-
Child Care Food Program-Preschool	221	-	-	221	221
OTF - Child Development Bailout Funds	86,034	-	-	86,034	86,034
Child Development Contract Funds (State Preschool) - CSPP9286	80,540	(59,149)	-	21,391	21,391
Cal Grants	410,520	3,446	-	413,966	413,966
Full Time Student Success Grant	10,566	-	10,566	-	-
Student Success Completion	226,075		-	226,075	226,075
	$ 9,312,756	$ 495,929	$ 3,288,608	$ 6,520,077	$ 6,520,077

MARIN COMMUNITY COLLEGE DISTRICT
SCHEDULE OF WORKLOAD MEASURES FOR STATE GENERAL APPORTIONMENT
FOR THE YEAR ENDED JUNE 30, 2020

CATEGORIES	Reported Data	Audit Adjustments	Audited Data
A. Summer Intersession (Summer 2019 only)			
1. Noncredit	-	-	-
2. Credit	-	-	-
B. Summer Intersession (Summer 2020 - Prior to July 1, 2020)			
1. Noncredit	8.57	-	8.57
2. Credit	185.64	-	185.64
C. Primary Terms (Exclusive of Summer Intersession)			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	2,293.21	-	2,293.21
(b) Daily Census Contact Hours	127.87	-	127.87
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit	225.94	-	225.94
(b) Credit	87.30	-	87.30
3. Independent Study/Work Experience			
(a) Weekly Census Contact Hours	287.70	-	287.70
(b) Daily Census Contact Hours	5.37	-	5.37
(c) Noncredit Independent Study/Distance Education Courses	-	-	-
D. Total FTES	3,221.60	-	3,221.60
Supplemental Information (subset of above information)			
E. In-service Training Courses	-	-	-
F. Basic Skills Courses and Immigrant Education			
1. Credit	76.59	-	76.59
2. Noncredit	81.91	-	81.91
Total Basic Skills FTES	158.50	-	158.50
CCFS 320 Addendum			
CDCP Noncredit FTES	-	-	-
Centers FTES			
1. Credit	347.08	-	347.08
2. Noncredit	19.85	-	19.85
Total Centers FTES	366.93	-	366.93

There were no audit adjustments proposed to any funds of the District.

MARIN COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2020

Total Fund Equity - District Funds Included in the Reporting Entity		
General Fund	$ 7,394,612	
Bond Interest and Redemption Fund	20,040,650	
Revenue Bond Interest and Redemption Fund	4,673,922	
Other Debt Service Fund	203,647	
Other Special Revenue Fund	295,797	
Capital Outlay Fund	7,326,621	
Revenue Bond Construction Fund	161,724,442	
Self-Insurance Fund	628,375	
PARS Trust Fund	5,868,292	$ 208,156,358
Assets recorded within the statements of net position not included in the fund financial statements:		
Capital assets	$ 422,378,717	
Accumulated depreciation	(84,654,116)	337,724,601
Unmatured Interest		(7,322,306)
Deferred outflows recorded within the statement of net position not included in the District fund financial statements:		
Deferred outflows related to bond refundings		11,273,516
Deferred outflows related to OPEB		18,743
Deferred outflows related to pensions		19,095,927
Liabilities recorded within the statements of net position not recorded in the District fund financial statements:		
General obligation (GO) bonds	$ 447,905,000	
Lease revenue (LR) bonds	8,980,834	
Bond premium - GO bonds	22,285,008	
Bond premium - LR bonds	308,702	
Certificates of participation	3,980,000	
Certificates of participation - premium	184,159	
Net pension liability	67,773,813	
Compensated absences	2,167,034	
Note payable - PG&E	117,298	
Capital lease obligations	49,655	(553,751,503)
Deferred inflows recorded within the statement of net position not included in the District fund financial statements:		
Deferred inflows related to OPEB		(36,505)
Deferred inflows related to pensions		(4,029,110)
Net Assets Reported Within the Statement of Net Position		$ 12,205,257

See accompanying note to supplementary information.

MARIN COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF ECS 84362 (50 PERCENT LAW) CALCULATION
FOR THE YEAR ENDED JUNE 30, 2020

		Activity (ESCA) ECS 84362 A Instructional Salary Cost AC 0100-5900 & AC 6100			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
	Object/ TOP Codes	Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
Academic Salaries							
Instructional Salaries							
Contract or Regular	1100	$ 9,842,233	$ -	$ 9,842,233	$ 9,842,233	$ -	$ 9,842,233
Other	1300	8,291,487	-	8,291,487	8,291,487	-	8,291,487
Total Instructional Salaries		18,133,720	-	18,133,720	18,133,720	-	18,133,720
Non-Instructional Salaries							
Contract or Regular	1200	-	-	-	3,640,805	-	3,640,805
Other	1400	-	-	-	1,079,391	-	1,079,391
Total Non-Instructional Salaries		-	-	-	4,720,196	-	4,720,196
Total Academic Salaries		18,133,720	-	18,133,720	22,853,916	-	22,853,916
Classified Salaries							
Non-Instructional Salaries							
Regular Status	2100	-	-	-	11,056,786	-	11,056,786
Other	2300	-	-	-	210,292	-	210,292
Total Non-Instructional Salaries		-	-	-	11,267,078	-	11,267,078
Instructional Aides							
Regular Status	2200	960,363	-	960,363	960,363	-	960,363
Other	2400	278,476	-	278,476	278,476	-	278,476
Total Instructional Aides		1,238,839	-	1,238,839	1,238,839	-	1,238,839
Total Classsified Salaries		1,238,839	-	1,238,839	12,505,917	-	12,505,917
Employee Benefits	3000	8,178,823	-	8,178,823	15,850,088	-	15,850,088
Supplies and Materials	4000	-	-	-	473,722	-	473,722
Other Operating Expenses	5000	-	-	-	4,531,529	-	4,531,529
Equipment Replacement	6420	-	-	-	-	-	-
Total Expenditures Prior to Exclusions		27,551,382	-	27,551,382	56,215,172	-	56,215,172
Exclusions							
Activities to Exclude							
Inst. Staff-Retirees' Benefits and Incentives	5900	82,409	-	82,409	82,409	-	82,409
Std. Health Srvcs. Above Amount Collected	6441	-	-	-	-	-	-
Student Transportation	6491	-	-	-	-	-	-
Non-inst.Staff-Retirees' Benefits and Incentives	6740	-	-	-	263,598	-	263,598
Object to Exclude							
Rents and Leases	5060	-	-	-	234,067	-	234,067
Lottery Expenditures		-	-	-	-	-	-
Academic Salaries	1000	-	-	-	-	-	-
Classified Salaries	2000	-	-	-	-	-	-
Employee Benefits	3000	-	-	-	-	-	-
Supplies and Materials	4000						
Software	4100	-	-	-	-	-	-
Books, Magazines & Periodicals	4200	-	-	-	-	-	-
Instructional Supplies & Materials	4300	-	-	-	-	-	-
Non-inst. Supplies & Materials	4400	-	-	-	-	-	-
Total Supplies and Materials		-	-	-	-	-	-
Other Operating Expenses and Services	5000	-	-	-	547,448	-	547,448
Capital Outlay	6000	-	-	-	-	-	-
Library Books	6300	-	-	-	88,674	-	88,674
Equipment	6400						
Equipment - Additional	6410	-	-	-	190,103	-	190,103
Equipment - Replacement	6420	-	-	-	-	-	-
Total Equipment		-	-	-	190,103	-	190,103
Total Capital Outlay		-	-	-	278,777	-	278,777
Other Outgo	7000	-	-	-	-	-	-
Total Exclusions		$ 82,409	$ -	$ 82,409	$ 1,406,299	$ -	$ 1,406,299
Total for ECS 84362, 50% Law		$ 27,468,973	$ -	$ 27,468,973	$ 54,808,873	$ -	$ 54,808,873
Percent of CEE (Instructional Salary Cost/Total CEE)		50.12%	0.00%	50.12%	100.00%	0.00%	100.00%
50% of Current Expense of Education		$ -	$ -	$ -	$ 27,404,437	$ -	$ 27,404,437

MARIN COMMUNITY COLLEGE DISTRICT
EDUCATION PROTECTION ACCOUNT EXPENDITURE REPORT
FOR THE YEAR ENDED JUNE 30, 2020

EPA Revenue	248,136

Activity Classification	Activity Code	Salaries and Benefits (Obj 1000-3000)	Operating Expenses (Obj 4000-5000)	Capital Outlay (Obj 6000)	Total
Instructional Activities	0100-5900	248,136	-	-	248,136
Total		248,136	-	-	248,136

See accompanying note to supplementary information.

NOTE 1 - PURPOSE OF SCHEDULES

Schedule of Expenditure of Federal Awards

The Schedule of Expenditure of Federal Awards includes the federal award activity of Marin Community College District under programs of the federal government for the year ended June 30, 2020, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of Marin Community College District, it is not intended to and does not present the financial position, changes in net position, or cash flows of Marin Community College District. Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Schedule of State Financial Awards

The accompanying Schedule of State Financial Awards includes State grant activity of the District and is presented on the accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The information in this schedule is presented to comply with reporting requirements of the California Community Colleges Chancellor's Office.

Schedule of Workload Measures for State General Apportionment

Full-time equivalent students is a measurement of the number of students attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of State funds are made to community college districts. This schedule provides information regarding the attendance of students based on various methods of accumulating attendance data.

Reconciliation of Annual Financial and Budget Report (CCFS-311) with Audited Basic Financial Statements

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the CCFS-311 to the audited basic financial statements.

Reconciliation of Governmental funds to the Statement of Net Position

This schedule provides the information necessary to reconcile the fund balances to the audited financial statements.

NOTE 1 - PURPOSE OF SCHEDULES, continued

Reconciliation of ECS 84362 (50 Percent Law) Calculation

This schedule provides the information necessary to reconcile the 50 Percent Law Calculation reported on the CCFS-311 to the audited data.

Education Protection Account Expenditure Report

This schedule provides information about the District's EPA proceeds and summarizes how the EPA proceeds were spent.

OTHER INDEPENDENT AUDITORS' REPORTS

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

The Board of Trustees
Marin Community College District
Kentfield, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of the business-type activities and the aggregate remaining fund information of Marin Community College District (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 5, 2020.

Internal Control Over Financial Reporting

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

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

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

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CalCPA

Compliance and Other Matters

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

Purpose of This Report

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

CWDL, Certified Public Accountants

San Diego, California
November 5, 2020

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Board of Trustees
Marin Community College District
Kentfield, California

Report on Compliance for Each Major Federal Program

We have audited Marin Community College District's (the District) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the District's major Federal programs for the year ended June 30, 2020. The District's major Federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2020.

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Report on Internal Control Over Compliance

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

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

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

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

CWDL, Certified Public Accountants

San Diego, California
November 5, 2020

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INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

The Board of Trustees
Marin Community College District
Kentfield, California

Compliance

We have audited the Marin Community College District's (the District) compliance with the types of state compliance requirements described in the *California Community Colleges Contracted District Audit Manual 2019-20*, published by the California Community Colleges Chancellor's Office, for the year ended June 30, 2020. The applicable state compliance requirements are identified in the table below.

Management's Responsibility

Compliance with the requirements referred to above is the responsibility of the District's management.

Auditors' Responsibility

Our responsibility is to express an opinion on the District's compliance with the state laws and regulations based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and *California Community Colleges Contracted District Audit Manual 2019-20*, published by the California Community Colleges Chancellor's Office. Those standards and the *California Community Colleges Contracted District Audit Manual 2019-20* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on compliance with the state laws and regulations described in the schedule below occurred. An audit includes examining, on a test basis, evidence supporting the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

Opinion

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the programs noted below that were audited for the year ended June 30, 2020.

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Other Matters

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

Section 411 – SCFF Data Management Control Environment
Section 421 – Salaries of Classroom Instructors (50 Percent Law)
Section 423 – Apportionment for Instructional Service Agreements/Contracts
Section 424 – Student Centered Funding Formula Base Allocation: FTES
Section 425 – Residency Determination for Credit Courses
Section 426 – Students Actively Enrolled
Section 427 – Dual Enrollment (CCAP and Non-CCAP)
Section 428 – Student Equity
Section 429 – Student Success and Support Program (SSSP)
Section 430 – Scheduled Maintenance Program
Section 431 – Gann Limit Calculation
Section 435 – Open Enrollment
Section 439 – Proposition 39 Clean Energy
Section 440 – Intersession Extension Programs
Section 444 – Apprenticeship Related and Supplemental Instruction (RSI) Funds
Section 475 – Disabled Student Programs and Services (DSPS)
Section 479 – To Be Arranged Hours (TBA)
Section 490 – Proposition 1D and 51 State Bond Funded Projects
Section 491 – Education Protection Account Funds

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing over state laws and regulations based on the requirements described in the *California Community Colleges Contracted District Audit Manual (CDAM) 2019-20*. Accordingly, this report is not suitable for any other purpose.

CWDL, Certified Public Accountants

San Diego, California
November 5, 2020

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FINDINGS AND RECOMMENDATIONS

SECTION I - SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None reported
Non-compliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards	No
Identification of major programs:	

CFDA Numbers	Name of Federal Program of Cluster
84.007, 84.033, 84.063, 84.268	Student Financial Aid Cluster
84.425E, 84.425F	CARES Act

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000
Auditee qualified as low-risk auditee?	Yes

STATE AWARDS

Internal control over State programs:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None Noted
Type of auditors' report issued on compliance for State programs:	Unmodified

MARIN COMMUNITY COLLEGE DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

SECTION II - FINANCIAL STATEMENT FINDINGS

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

There were no financial statement audit findings or questioned costs identified during 2019-20

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SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

This section identifies the audit findings required to be reported by the Uniform Guidance (e.g., deficiencies, significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs).

There were no financial statement audit findings or questioned costs identified during 2019-20.

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SECTION IV – STATE AWARD FINDINGS AND QUESTIONED COSTS

There were no state award findings or questioned costs identified during 2019-20.

There were no prior year findings and recommendations identified during 2018-19.

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APPENDIX B

FORM OF OPINION OF BOND COUNSEL

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

February 25, 2021

Board of Trustees
Marin Community College District

Members of the Board of Trustees:

We have examined a certified copy of the record of the proceedings relative to the issuance and sale of $127,665,000 Marin Community College District (Marin County, California) 2021 General Obligation Refunding Bonds (Federally Taxable) (the "Bonds"). As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

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

1. Such proceedings and proofs show lawful authority for the issuance and sale of the Bonds pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, and a resolution (the "Resolution") of the Board of Trustees of the Marin Community College District (the "District").

2. The Bonds constitute valid and binding general obligations of the District, payable as to both principal and interest from the proceeds of a levy of *ad valorem* property taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount.

3. Under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code").

4. Interest on the Bonds is exempt from State of California personal income tax.

5. Except for certain exceptions, the difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity is to be sold to the public) and the stated payment price at maturity with respect to such Bond (to the extent the redemption price at maturity is greater than the issue price) constitutes original issue discount. Original issue discount accrues under a constant yield method. The amount of original issue discount deemed received by a Bond owner will increase the Bond owners' basis in the applicable Bond.

6. The amount by which a Bond owner's original basis for determining gain or loss on sale or exchange of the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium, which the owner of the Bond may elect to amortize under Section 171 of the Code. Such amortizable Bond

premium reduces the Bond owner's basis in the applicable Bond (and the amount of taxable interest received), for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Bond owner realizing a taxable gain when a Bond is sold by the Bond owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Bond owner. The owners of the Bonds that have a basis in the Bonds that is greater than the principal amount of the Bonds should consult their own tax advisors with respect to whether or not they should elect to amortize such premium under Section 171 of the Code.

Except as expressly set forth in paragraphs (3), (4), (5) and (6), we express no opinion regarding any tax consequences with respect to the Bonds.

The opinions expressed herein are based upon our analysis and interpretation of existing statutes regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities. The opinions expressed herein may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. Our engagement as bond counsel to the District terminates upon the issuance of the Bonds.

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

Respectfully submitted,

Stradling Yocca Carlson & Rauth

APPENDIX C

FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Disclosure Agreement") is executed and delivered by and between the Marin Community College District (the "District") and Digital Assurance Company (the "Dissemination Agent") in connection with the issuance of $127,665,000 of the District's 2021 General Obligation Refunding Bonds (Federally Taxable) (the "Bonds"). The Bonds are being issued pursuant to a Resolution of the District adopted May 12, 2020 (the "Resolution"). The District covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" shall mean initially Digital Assurance Corporation, or any successor Dissemination Agent designated in writing by the District (which may be the District) and which has filed with the District a written acceptance of such designation.

"Financial Obligation" means: (a) a debt obligation; (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b). The term "Financial Obligation" does not include municipal securities as to which a final official statement has been provided to the Repository consistent with the Rule.

"Holders" shall mean registered owners of the Bonds.

"Listed Events" shall mean any of the events listed in Sections 5(a) and 5(b) of this Disclosure Agreement.

"Official Statement" means the Official Statement relating to the sale of the Bonds, dated as of February 4, 2021.

"Participating Underwriter" shall mean Piper Sandler & Co., the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean the Municipal Securities Rulemaking Board, which can be found at http://emma.msrb.org/, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of California.

SECTION 3. <u>Provision of Annual Reports</u>.

(a) The District shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the District's fiscal year (presently ending June 30), commencing with the report for the 2020-21 Fiscal Year (which is due not later than April 1, 2022), provide to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; *provided* that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the District's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

(b) Not later than 30 days (nor more than 60 days) prior to said date the Dissemination Agent shall give notice to the District that the Annual Report shall be required to be filed in accordance with the terms of this Disclosure Agreement. Not later than 15 Business Days prior to said date, the District shall provide the Annual Report in a format suitable for reporting to the Repository to the Dissemination Agent (if other than the District). If the Dissemination Agent has not received either (i) the Annual Report by 6:00 p.m. on the date required in subsection (a), or (ii) notice from the District that it intends to deliver the Annual Report to the Dissemination Agent by 11:59 p.m. on the date required in subsection (a), the District irrevocably directs the Dissemination Agent to immediately send a notice thereof in substantially the form attached as Exhibit A to the Repository the following business day. Notwithstanding the foregoing, if the District fails to file the Annual Report by 11:59 p.m. on the date required in subsection (a), the District directs the Dissemination Agent to immediately send a notice thereof to the Repository the following business day.

(c) The Dissemination Agent shall file a report with the District stating it has filed the Annual Report in accordance with its obligations hereunder, stating the date it was provided.

SECTION 4. <u>Content and Form of Annual Reports</u>.

(a) The District's Annual Report shall contain or include by reference the following:

1. The audited financial statements of the District for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

2. Material financial information and operating data with respect to the District of the type included in the Official Statement in the following categories (to the extent not included in the District's audited financial statements):

(A) State funding received by the District for the last completed fiscal year;

(B) FTES of the District for the last completed fiscal year;

(C) Summary financial information on revenues, expenditures and fund balances for the District's general fund reflecting adopted budget for then-current fiscal year; and

(D) Outstanding District indebtedness.

(E) Assessed value of taxable property in the District as shown on the most recent equalized assessment role;

(F) If the County of Marin no longer includes the tax levy for payment of the Bonds in its Teeter Plan, the property tax levies, collections, and delinquencies for the District for the most recently completed fiscal year.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which have been submitted to the Repository or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The District shall clearly identify each such other document so included by reference.

(b) The Annual Report shall be filed in an electronic format, and accompanied by identifying information prescribed by the Municipal Securities Rulemaking Board.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5(a), the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not in excess of 10 business days after the occurrence of the event:

1. principal and interest payment delinquencies.

2. tender offers.

3. defeasances.

4. rating changes.

5. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, or Notices of Proposed Issue (IRS Form 5701-TEB).

6. unscheduled draws on the debt service reserves reflecting financial difficulties.

7. unscheduled draws on credit enhancement reflecting financial difficulties.

8. substitution of the credit or liquidity providers or their failure to perform.

9. bankruptcy, insolvency, receivership or similar event (within the meaning of the Rule) of the District. For the purposes of the event identified in this Section 5(a)(9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed

jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

10. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5(b), the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. non-payment related defaults.

2. modifications to rights of Bondholders.

3. optional, contingent or unscheduled bond calls.

4. unless described under Section 5(a)(5) above, material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.

5. release, substitution or sale of property securing repayment of the Bonds.

6. the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms.

7. appointment of a successor or additional trustee or paying agent with respect to the Bonds or the change of name of such a trustee or paying agent.

8. incurrence of a Financial Obligation, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation, any of which affect Bondowners.

(c) Whenever the District obtains knowledge of the occurrence of a Listed Event under Section 5(b) hereof, the District shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the District determines that knowledge of the occurrence of a Listed Event under Section 5(b) hereof would be material under applicable federal securities laws, the District shall (i) file a notice of such occurrence with the Repository in a timely manner not in excess of 10 business days after the occurrence of the event or (ii) provide notice of such reportable event to the Dissemination Agent in format suitable for filing with the Repository in a timely manner not in excess of 10 business days after the occurrence of the event. The Dissemination Agent shall have no duty to independently prepare or file any report of Listed Events. The Dissemination Agent may conclusively rely on the District's determination of materiality pursuant to Section 5(c).

SECTION 6. Termination of Reporting Obligation. The District's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(a) or Section 5(b), as applicable.

SECTION 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent (or substitute Dissemination Agent) to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign upon 15 days written notice to the District. Upon such resignation, the District shall act as its own Dissemination Agent until it appoints a successor. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Agreement and shall not be responsible to verify the accuracy, completeness or materiality of any continuing disclosure information provided by the District. The District shall compensate the Dissemination Agent for its fees and expenses hereunder as agreed by the parties. Any entity succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor Dissemination Agent without the execution or filing of any paper or further act.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the District may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 5(b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances;

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds; and

(d) No duties of the Dissemination Agent hereunder shall be amended without its written consent thereto.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(b), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the District shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the District to comply with any provision of this Disclosure Agreement any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of the District to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Dissemination Agent acts hereunder solely for the benefit of the District; this Disclosure Agreement shall confer no duties on the Dissemination Agent to the Participating Underwriter, the Holders and the Beneficial Owners. The District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Dissemination Agent shall have no liability for the failure to report any event or any financial information as to which the District has not provided an information report in format suitable for filing with the Repository. The Dissemination Agent shall not be required to monitor or enforce the District's duty to comply with its continuing disclosure requirements hereunder.

SECTION 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: February 25, 2021

MARIN COMMUNITY COLLEGE DISTRICT

By ____
Assistant Superintendent/Vice President of Administrative Services

DIGITAL ASSURANCE CORPORATION, as dissemination agent

By ____
Authorized Officer

EXHIBIT A

NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Name of District: MARIN COMMUNITY COLLEGE DISTRICT

Name of Bond Issue: 2021 General Obligation Refunding Bonds

Date of Issuance: February 25, 2021

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement relating to the Bonds. The District anticipates that the Annual Report will be filed by _____________.

Dated:_______________________

MARIN COMMUNITY COLLEGE DISTRICT

By ______[form only; no signature required]_________

APPENDIX D

**GENERAL ECONOMIC AND DEMOGRAPHIC INFORMATION
FOR THE CITY OF NOVATO AND MARIN COUNTY**

The following information regarding the City of Novato (the "City") and Marin County (the "County") is included only for the purpose of supplying general information regarding the local community and economy. The Bonds are not a debt of the County. This material has been prepared by or excerpted from the sources as noted herein and has not been reviewed for accuracy by the District or Bond Counsel.

General

The City of Novato. The City of Novato is located in northern Marin County. The City lies in the region known as the North Bay in the San Francisco Bay Area. The City has a total of 28 square miles and of which approximately 0.5 square miles is water. The City was incorporated on January 20, 1960 as a general law city. The City operates under a council-manager form of government and is governed by a five-member city council whose members are elected at large to serve four-year terms.

Marin County. The County is located in the northern portion of the San Francisco Bay Area, north of San Francisco across the Golden Gate Bridge. The County is one of the nine counties of the greater San Francisco Bay Area. The County's transportation facilities are excellent, with U.S. Highway 101 and U.S. Interstate Highway 580 providing easy access to the rest of California and the West. Buses provide commuter service to San Francisco and other Bay Area cities, and commuter ferries embark for San Francisco from the communities of Sausalito, Tiburon, and Larkspur. The County is bordered by Sonoma County to the north and is surrounded by the Pacific Ocean and the San Francisco Bay. The County has a total area of 828 square miles, 308 of which is water. The County was created on February 18, 1850. The County seat is San Rafael.

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Population

The following table below summarizes population estimates in the City, County and State during years 2011 through 2020.

POPULATION ESTIMATES
2011 through 2020
City of Novato, Marin County and State of California

Year[1]	City of Novato	Marin County	State of California
2011	52,265	254,428	37,561,624
2012	52,865	256,662	37,924,661
2013	53,439	258,133	38,269,864
2014	54,079	261,001	38,556,731
2015	54,400	262,743	38,870,150
2016	54,453	263,327	39,131,307
2017	54,355	263,018	39,398,702
2018	54,201	262,652	39,586,646
2019	54,062	262,240	39,695,376
2020	53,702	260,831	39,782,870

(1) As of January 1.
Source: 2011-20 (2010 Census Benchmark): California Department of Finance for January 1.

Personal Income

The following table summarizes per capita personal income for the County, State of California and United States during years 2010 through 2019.

PER CAPITA PERSONAL INCOME[1]
2010 through 2019
Marin County, State of California and the United States

Year	Marin County	State of California	United States
2010	$84,081	$43,636	$40,547
2011	90,957	46,175	42,739
2012	97,292	48,813	44,605
2013	98,460	49,303	44,860
2014	106,662	52,363	47,071
2015	114,580	55,833	49,019
2016	119,029	58,048	50,015
2017	125,607	60,549	52,118
2018	136,066	63,720	54,606
2019	141,735	66,619	56,490

(1) Per capita personal income is the total personal income divided by the total mid-year population estimates of the U.S. Bureau of the Census. Estimates for 2010 through 2019 reflect county population estimates available as of March 2020.
All dollar estimates are in current dollars (not adjusted for inflation).
Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Employment

The following table summarizes the labor force, employment and unemployment figures for the City, the County, the State and the United States from 2015 through 2019.

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT RATE
2015 through 2019[1]
City of Novato, Marin County, State of California and the United States

Year and Area	Labor Force	Employment[2]	Unemployment[3]	Unemployment Rate (%)
2015				
City of Novato	29,200	28,100	1,000	3.5
Marin County	138,700	133,800	4,900	3.6
State of California	18,828,800	17,660,700	1,168,100	6.2
United States	157,130,000	148,834,000	8,296,000	5.3
2016				
City of Novato	29,700	28,700	1,000	3.3
Marin County	139,600	135,000	4,600	3.3
State of California	19,021,200	17,980,100	1,041,100	5.5
United States	159,187,000	151,436,000	7,751,000	4.9
2017				
City of Novato	29,700	28,800	900	2.9
Marin County	139,800	135,800	4,000	2.9
State of California	19,176,400	18,257,100	919,300	4.8
United States	160,320,000	153,337,000	6,982,000	4.4
2018				
City of Novato	29,700	28,900	700	2.5
Marin County	139,900	136,400	3,400	2.4
State of California	19,280,800	18,460,700	820,100	4.3
United States	162,075,000	155,761,000	6,314,000	3.9
2019				
City of Novato	29,700	29,000	700	2.3
Marin County	140,000	136,800	3,200	2.3
State of California	19,411,600	18,627,400	784,200	4.0
United States	163,539,000	157,538,000	6,001,000	3.7

Note: Data is not seasonally adjusted.
(1) Annual averages, unless otherwise specified.
(2) Includes persons involved in labor-management trade disputes.
(3) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures in this table.
Source: U.S. Department of Labor – Bureau of Labor Statistics, California Employment Development Department. March 2019 Benchmark.

Industry

The following table summarizes the average annual industry employment in the County from 2015 through 2019.

LABOR FORCE AND INDUSTRY EMPLOYMENT ANNUAL AVERAGES
2015 through 2019
Marin County

Type of Employment	2015	2016	2017	2018	2019
Farm	300	300	300	300	400
Goods Producing	10,500	11,300	12,000	12,900	13,000
Construction	6,500	6,800	7,200	7,700	7,700
Manufacturing	4,000	4,500	4,900	5,100	5,300
Transportation, Warehousing & Utilities	1,300	1,300	1,300	1,300	1,300
Wholesale Trade	2,500	2,500	2,500	2,400	2,500
Retail Trade	14,200	14,400	14,600	14,800	14,700
Information	2,900	2,900	2,700	2,700	2,600
Financial Activities	6,400	6,200	5,800	5,600	5,600
Professional and Business Services	18,000	18,000	17,600	17,700	18,300
Educational and Health Services	20,100	20,600	21,000	21,000	21,300
Leisure and Hospitality	15,400	16,100	16,500	16,200	16,100
Other Services	5,200	5,500	5,700	5,700	5,700
Government	15,500	15,500	15,700	16,000	15,800
Total All Industries	112,300	114,500	115,800	116,600	117,200

Note: The "Total, All Industries" data is not directly comparable to the employment data found herein.
Source: State of California, Employment Development Department, Labor Market Information Division, Average Labor Force and Industry Employment. March 2019 Benchmark.

Largest Employers

The following tables list the principal employers located in the City and the County.

LARGEST EMPLOYERS
2018
City of Novato

Employer	Number of Employees
BioMarin Pharmaceuticals	979
Novato Unified School District	837
2K/Visual Concepts	585
Bradley Electric	336
Novato Community Hospital	312
Novato Healthcare Center	308
Costco Wholesale	300
City of Novato	287
Ultragenyx	281
Safeway Stores	275

Source: "Comprehensive Annual Financial Report" of the City of Novato, California for year ending June 30, 2018.

LARGEST EMPLOYERS
2019
Marin County

Employer	Number of Employees
County of Marin	2,317
Kaiser Permanente	2,014
BioMarin Pharmaceutical	1,765
San Quentin State Prison	1,614
Marin General Hospital	1,279
Glassdoor	875
San Rafael City Schools	865
Novato Unified School District	800
Marin County Office of Education	656
Dominican University of California	421

Source: "Comprehensive Annual Financial Report" of Marin County, California for year ending June 30, 2019.

Commercial Activity

Summaries of annual taxable sales for the City and the County from 2015 through 2019 are shown in the following tables.

TAXABLE SALES
2015 through 2019
City of Novato
(Dollars in Thousands)

Year	Retail Permits	Retail Stores Taxable Transactions	Total Permits	Total Taxable Transactions
2015	922	$618,286	1,729	$739,200
2016	931	617,343	1,749	733,815
2017	924	658,519	1,736	793,821
2018	925	668,345	1,794	821,812
2019	922	675,351	1,829	825,024

Source: "Taxable Sales in California (Sales & Use Tax)," California Department of Tax and Fee Administration.

TAXABLE SALES
2015 through 2019
Marin County
(Dollars in Thousands)

Year	Retail Permits	Retail Stores Taxable Transactions	Total Permits	Total Taxable Transactions
2015	6,029	$3,870,097	10,868	$5,080,260
2016	6,055	3,889,584	10,914	5,079,707
2017	6,036	3,939,420	10,899	5,184,100
2018	6,027	4,144,299	11,199	5,393,565
2019	6,057	4,174,455	11,373	5,492,089

Source: "Taxable Sales in California (Sales & Use Tax)," California Department of Tax and Fee Administration.

Construction Activity

The annual building permit valuations and number of permits for new dwelling units issued from 2015 through 2019 for the City and the County are shown in the following tables.

BUILDING PERMIT VALUATIONS
2015 through 2019
City of Novato
(Dollars in Thousands)

	2015	2016	2017	2018	2019
Valuation ($000's)					
Residential	$21,236	$23,558	$23,498	$34,065	$29,108
Non-Residential	23,156	21,115	27,091	28,248	48,489
Total	$44,392	$44,673	$50,589	$62,313	$77,597
Units					
Single Family	16	18	6	16	13
Multiple Family	14	0	0	48	78
Total	30	18	6	64	91

Note: Totals may not add to sum due to rounding.
Source: Construction Industry Research Board.

BUILDING PERMIT VALUATIONS
2015 through 2019
Marin County
(Dollars in Thousands)

	2015	2016	2017	2018	2019
Valuation ($000's)					
Residential	$282,016	$265,417	$281,520	$298,819	$331,776
Non-Residential	550,397	125,041	126,066	156,050	243,211
Total	$832,413	$390,458	$407,586	$454,869	$574,987
Units					
Single Family	121	89	104	133	130
Multiple Family	20	17	0	102	86
Total	141	106	104	235	216

Note: Totals may not add to sum due to rounding.
Source: Construction Industry Research Board.

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APPENDIX E

MARIN COUNTY COMMINGLED INVESTMENT POOL

The following information concerning the Marin County Commingled Investment Pool (the "Investment Pool") has been provided by the Controller-Treasurer (the "Treasurer") of Marin County (the "County"), and has not been confirmed or verified by the District, the Financial Advisor or the Underwriter. The District and the Underwriter have not made an independent investigation of the investments in the Investment Pool and have made no assessment of the current County investment policy. The value of the various investments in the Investment Pool will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Additionally, the Treasurer, with the consent of the County Board of Supervisors, may change the County investment policy at any time. Therefore, there can be no assurance that the values of the various investments in the Investment Pool will not vary significantly from the values described herein. Finally, neither the District, the Financial Advisor, nor the Underwriter make any representation as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof, or that the information contained or incorporated hereby by reference is correct as of any time subsequent to its date. Additional information regarding the Investment Pool may be obtained from the Treasurer's website at http://www.marincounty.org/depts/df/divisions/treasurer; however, the information presented on such website is not incorporated herein by any reference.

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APPROVED
DEC 15 2020
MARIN COUNTY
BOARD OF SUPERVISORS

COUNTY OF MARIN

DIVISION OF THE DEPARTMENT OF FINANCE
TREASURER
Excellent and responsive fiscal leadership.

Roy Given, CPA
DIRECTOR

Mina Martinovich, CPA
ASSISTANT DIRECTOR

Karen Shaw
FINANCE DIVISION CHIEF

Marin County Civic Center
3501 Civic Center Drive
Suite 209
PO Box 4220
San Rafael, CA 94913-4220
415 473 6143 T
415 473 3741 F
CRS Dial 711
www.marincounty.org/treas

December 15, 2020

Katie Rice, President
Board of Supervisors
County of Marin
3501 Civic Center Dr. #329
San Rafael, CA 94903

Mary Jane Burke
Superintendent of Schools
Marin County Office of Education
P.O. Box 4925
San Rafael, CA 94913

Marin County Schools,
Special Districts, and
MCERA

RE: MONTHLY REPORT OF COUNTY, SCHOOLS AND DISTRICT INVESTMENTS as of October 31, 2020.

Dear Investment Fund Participants:

The attached Monthly Report of County, Schools and District investments is provided for your review.

* The investments were made pursuant to Government Code Sections 53601, 53635 and comply with the County Treasurer's Statement of Investment Policy. The investment policy provides for:

  - Preservation of capital through high quality investments;
  - Maintenance of sufficient liquidity to meet participant operating needs; and
  - A rate of return consistent with the above objectives.

* Maturities are scheduled to meet participant expenditure requirements for the next six months.

* Attached spreadsheets identify investment type, issuer, maturity date, amount invested and fair market value for each security held. Fair market values were determined by Wells Fargo Institutional Trust Services on all securities except for investments in the Local Agency Investment Fund which was valued at face value by us. Adjustments have been made for premiums, discounts and accrued interest on discount securities to make the book value and fair market value more comparable.

I trust you find this report informative. Should you have any questions or need additional information, please do not hesitate to call me directly at 415.473.3736. You can also visit our website at: https://www.marincounty.org/depts/df/divisions/treasurer

Respectfully submitted,

Roy Given
Director of Finance

RG: bg
Attachments

cc: Matthew Hymel, County Administrator
Marin County Treasury Oversight Committee

CA 6a

TREASURER DIVISION - DEPARTMENT OF FINANCE
REPORT OF INVESTMENTS - OPERATING FUNDS
COUNTY OF MARIN, SCHOOLS & SPECIAL DISTRICTS

October 31, 2020

INVESTMENT #	TYPE	FACE VALUE	STATED RATE	MATURITY DATE	PURCHASE DATE	BOOK VALUE	YTM 360 DAYS	YTM 365 DAYS	DESCRIPTION	MARKET VALUE
142	LA1	254,831.46	2.967	/ /	07/01/2011	254,831.46	0.611	0.620	Local Agency Investment Fund	254,831.46
3490	LA2	0.00	5.170	/ /	07/01/2011	0.00	0.000	0.001	MM-DREYFUS	0.00
9149	LA2	13,184,942.17	0.040	/ /	07/01/2011	13,184,942.17	0.009	0.010	MM-FIDELITY Institutional Gov	13,184,942.17
4366	LA2	0.00	4.930	/ /	07/01/2011	0.00	0.009	0.010	NATIONS Treasury Reserves	0.00
2246	LA2	16,789,265.66	4.760	/ /	07/01/2011	16,789,265.66	0.009	0.010	MM-WELLS FARGO Institutional G	16,789,265.66
12741	FAD	8,000,000.00	1.455	11/02/2020	02/06/2020	7,912,700.00	1.490	1.510	Fed Home Ln Mtg Corp Disc	8,000,000.00
12807	FAD	3,000,000.00	0.250	11/03/2020	04/14/2020	2,995,770.83	0.254	0.257	Federal Home Loan Discount	3,000,000.00
12815	FAD	3,000,000.00	0.180	11/03/2020	04/16/2020	2,996,985.00	0.183	0.185	Federal Home Loan Discount	3,000,000.00
12808	FAD	3,000,000.00	0.250	11/04/2020	04/14/2020	2,995,750.00	0.254	0.257	Federal Home Loan Discount	3,000,000.00
12745	FAD	8,000,000.00	1.450	11/06/2020	02/13/2020	7,913,966.67	1.484	1.505	Fed Home Ln Mtg Corp Disc	7,999,920.00
12809	FAD	3,000,000.00	0.250	11/09/2020	04/14/2020	2,995,645.83	0.254	0.257	Federal Home Loan Discount	2,999,940.00
12810	FAD	3,000,000.00	0.250	11/10/2020	04/14/2020	2,995,625.00	0.254	0.257	Federal Home Loan Discount	2,999,940.00
12909	TRD	3,000,000.00	0.075	11/12/2020	08/24/2020	2,999,500.00	0.076	0.077	T BILL	2,999,940.00
12642	FAD	10,000,000.00	1.550	11/13/2020	11/25/2019	9,847,583.33	1.593	1.616	Fed Agric Mrg Corp (FarmerMac)	9,999,800.00
12816	FAD	7,000,000.00	0.180	11/16/2020	04/16/2020	6,992,510.00	0.183	0.185	Federal Home Loan Discount	6,999,790.00
12689	FAD	5,000,000.00	1.590	11/17/2020	12/13/2019	4,924,916.67	1.635	1.658	Federal Farm Credit Bank Disc	4,999,850.00
12838	FAD	3,000,000.00	0.110	11/18/2020	05/14/2020	2,998,276.67	0.112	0.114	Federal Home Loan Discount	2,999,880.00
12839	FAD	3,000,000.00	0.110	11/19/2020	05/14/2020	2,998,267.50	0.112	0.114	Federal Home Loan Discount	2,999,880.00
12869	FAD	4,000,000.00	0.150	11/23/2020	06/24/2020	3,997,466.67	0.150	0.152	Federal Home Loan Discount	3,999,800.00
12906	TRD	7,000,000.00	0.095	11/24/2020	08/21/2020	6,998,245.14	0.096	0.097	T BILL	6,999,650.00
12742	FAD	12,000,000.00	1.440	11/30/2020	02/11/2020	11,859,360.00	1.476	1.496	Fed Home Ln Mtg Corp Disc	11,999,280.00
12760	FAD	5,000,000.00	1.310	11/30/2020	02/27/2020	4,949,601.39	1.340	1.359	Fed Home Ln Mtg Corp Disc	4,999,700.00

INVESTMENT #	TYPE	FACE VALUE	STATED RATE	MATURITY DATE	PURCHASE DATE	BOOK VALUE	YTM 360 DAYS	YTM 365 DAYS	DESCRIPTION	MARKET VALUE
12763	FAD	5,000,000.00	0.820	11/30/2020	03/02/2020	4,968,908.33	0.838	0.849	Fed Home Ln Mtg Corp Disc	4,999,700.00
12692	FAD	8,000,000.00	1.500	12/14/2020	12/16/2019	7,878,666.67	1.542	1.564	Federal Home Loan Discount	7,999,200.00
12768	FAD	25,000,000.00	0.420	12/14/2020	03/13/2020	24,919,500.00	0.428	0.434	Federal Home Loan Discount	24,997,500.00
12775	FAD	20,000,000.00	0.340	12/15/2020	03/20/2020	19,949,000.00	0.346	0.351	Fed Agric Mtg Corp Discount	19,997,800.00
12786	FAD	15,000,000.00	0.220	12/15/2020	04/02/2020	14,976,441.67	0.223	0.226	Fed Agric Mtg Corp Discount	14,998,350.00
12790	FAD	15,000,000.00	0.220	12/15/2020	04/06/2020	14,976,808.33	0.223	0.226	Fed Agric Mtg Corp Discount	14,998,350.00
12791	FAD	15,000,000.00	0.220	12/15/2020	04/06/2020	14,976,808.33	0.223	0.226	Fed Agric Mtg Corp Discount	14,998,350.00
12792	FAD	5,000,000.00	0.220	12/15/2020	04/07/2020	4,992,300.00	0.223	0.226	Fed Agric Mtg Corp Discount	4,999,450.00
12702	FAD	17,400,000.00	1.540	12/15/2020	12/26/2019	17,135,761.67	1.583	1.605	Federal Home Loan Discount	17,398,086.00
12769	FAD	28,000,000.00	0.520	12/15/2020	03/16/2020	27,889,182.22	0.530	0.537	Federal Home Loan Discount	27,996,920.00
12922	MC1	1,000,000.00	3.000	12/15/2020	09/04/2020	1,000,000.00	2.958	3.000	MARIN COUNTY	1,000,000.00
12800	FAD	8,000,000.00	0.160	12/16/2020	04/08/2020	7,991,040.00	0.162	0.164	Fed Natl Mtg Assoc Disc	7,999,120.00
12801	FAD	3,000,000.00	0.160	12/17/2020	04/08/2020	2,996,626.67	0.162	0.164	Fed Natl Mtg Assoc Disc	2,999,670.00
12841	FAD	10,000,000.00	0.110	12/18/2020	05/22/2020	9,993,583.33	0.112	0.113	Federal Home Loan Discount	9,998,900.00
12802	FAD	3,000,000.00	0.160	12/18/2020	04/08/2020	2,996,613.33	0.162	0.164	Fed Natl Mtg Assoc Disc	2,999,670.00
12124	FAC	5,000,000.00	2.700	12/21/2020	05/21/2018	4,994,600.00	2.706	2.744	Federal Farm Credit Bank	5,017,150.00
12811	FAD	3,000,000.00	0.250	12/22/2020	04/15/2020	2,994,770.83	0.254	0.257	Federal Home Loan Discount	2,999,640.00
12812	FAD	3,000,000.00	0.250	12/23/2020	04/15/2020	2,994,750.00	0.254	0.257	Federal Home Loan Discount	2,999,610.00
12777	FAD	6,000,000.00	0.350	12/28/2020	03/24/2020	5,983,725.00	0.356	0.361	Federal Home Loan Discount	5,999,160.00
12779	FAD	3,000,000.00	0.350	12/29/2020	03/26/2020	2,991,891.67	0.356	0.361	Federal Home Loan Discount	2,999,580.00
12780	FAD	3,000,000.00	0.350	12/30/2020	03/26/2020	2,991,862.50	0.356	0.361	Federal Home Loan Discount	2,999,580.00
12813	FAD	3,000,000.00	0.250	12/31/2020	04/15/2020	2,994,583.33	0.254	0.257	Federal Home Loan Discount	2,999,550.00
12778	FAD	10,000,000.00	0.350	01/04/2021	03/25/2020	9,972,291.67	0.356	0.361	Fed Agric Mtg Corp Discount	9,998,300.00
12783	FAD	3,000,000.00	0.170	01/07/2021	03/31/2020	2,996,005.00	0.172	0.175	Federal Home Loan Discount	2,999,460.00
12784	FAD	8,000,000.00	0.170	01/08/2021	03/31/2020	7,989,308.89	0.172	0.175	Federal Home Loan Discount	7,998,480.00
12863	FAD	2,000,000.00	0.150	01/08/2021	06/22/2020	1,998,333.33	0.152	0.154	Federal Home Loan Discount	1,999,620.00
12725	FAD	3,000,000.00	1.500	01/11/2021	01/21/2020	2,955,500.00	1.542	1.563	Federal Home Loan Discount	2,999,430.00

INVESTMENT #	TYPE	FACE VALUE	STATED RATE	MATURITY DATE	PURCHASE DATE	BOOK VALUE	YTM 360 DAYS	YTM 365 DAYS	DESCRIPTION	MARKET VALUE
12726	FAD	3,000,000.00	1.500	01/12/2021	01/21/2020	2,955,375.00	1.542	1.563	Federal Home Loan Discount	2,999,400.00
12729	FAD	3,000,000.00	1.520	01/13/2021	01/24/2020	2,955,033.33	1.562	1.584	Federal Home Loan Discount	2,999,400.00
12886	FAD	3,000,000.00	0.100	01/14/2021	07/24/2020	2,998,550.00	0.100	0.101	Federal Home Loan Discount	2,999,400.00
12887	FAD	5,000,000.00	0.100	01/15/2021	07/24/2020	4,997,569.44	0.100	0.101	Federal Home Loan Discount	4,998,950.00
12907	FAD	3,000,000.00	0.080	01/19/2021	08/24/2020	2,999,013.33	0.080	0.081	Federal Home Loan Discount	2,999,340.00
12882	FAD	5,000,000.00	0.150	01/20/2021	07/08/2020	4,995,916.67	0.153	0.155	Federal Home Loan Discount	4,998,900.00
12908	FAD	3,000,000.00	0.080	01/21/2021	08/24/2020	2,999,000.00	0.080	0.081	Federal Home Loan Discount	2,999,340.00
12885	FAC	10,000,000.00	0.150	01/22/2021	07/22/2020	10,000,000.00	0.147	0.150	Fed Agric Mrg Corp (FarmerMac)	10,000,800.00
12818	FAD	8,000,000.00	0.190	01/22/2021	04/17/2020	7,988,177.78	0.193	0.195	Federal Home Loan Discount	7,998,240.00
12854	FAD	5,000,000.00	0.180	01/25/2021	06/11/2020	4,994,300.00	0.182	0.185	Federal Home Loan Discount	4,998,850.00
12853	FAD	3,000,000.00	0.180	01/26/2021	06/11/2020	2,996,565.00	0.182	0.185	Federal Home Loan Discount	2,999,280.00
12761	FAD	28,000,000.00	1.100	01/28/2021	02/28/2020	27,713,388.89	1.126	1.142	Federal Home Loan Discount	27,993,280.00
12830	FAD	19,000,000.00	0.150	01/29/2021	04/28/2020	18,978,150.00	0.152	0.154	Federal Home Loan Discount	18,995,440.00
12040	MC1	100,000.00	3.500	01/31/2021	02/13/2018	100,115.07	3.448	3.495	MARIN COUNTY	100,115.07
12861	FAD	7,000,000.00	0.170	02/01/2021	06/16/2020	6,992,397.22	0.172	0.175	Federal Home Loan Discount	6,998,250.00
12888	FAD	3,000,000.00	0.110	02/02/2021	07/27/2020	2,998,258.33	0.112	0.114	Federal Home Loan Discount	2,999,220.00
12889	FAD	3,000,000.00	0.110	02/03/2021	07/27/2020	2,998,249.17	0.112	0.114	Federal Home Loan Discount	2,999,220.00
12895	FAD	3,000,000.00	0.090	02/04/2021	07/31/2020	2,998,590.00	0.092	0.093	Federal Home Loan Discount	2,999,220.00
12867	FAD	12,000,000.00	0.160	02/05/2021	06/23/2020	11,987,893.33	0.162	0.164	Federal Home Loan Discount	11,996,880.00
12743	FAD	5,000,000.00	1.490	02/08/2021	02/12/2020	4,925,086.11	1.532	1.553	Federal Home Loan Discount	4,998,650.00
12868	FAD	7,000,000.00	0.160	02/08/2021	06/23/2020	6,992,844.44	0.162	0.164	Federal Home Loan Discount	6,998,110.00
12896	FAD	3,000,000.00	0.090	02/09/2021	07/31/2020	2,998,552.50	0.091	0.093	Federal Home Loan Discount	2,999,190.00
12866	FAD	4,000,000.00	0.160	02/10/2021	06/22/2020	3,995,857.78	0.162	0.164	Federal Home Loan Discount	3,998,880.00
12897	FAD	3,000,000.00	0.090	02/11/2021	07/31/2020	2,998,537.50	0.091	0.093	Federal Home Loan Discount	2,999,160.00
12890	FAD	4,000,000.00	0.110	02/12/2021	07/27/2020	3,997,555.56	0.112	0.113	Federal Home Loan Discount	3,998,880.00
12898	FAD	3,000,000.00	0.090	02/16/2021	07/31/2020	2,998,500.00	0.091	0.093	Federal Home Loan Discount	2,999,130.00
12901	FAD	3,000,000.00	0.080	02/17/2021	08/04/2020	2,998,686.67	0.081	0.082	Federal Home Loan Discount	2,999,100.00

INVESTMENT #	TYPE	FACE VALUE	STATED RATE	MATURITY DATE	PURCHASE DATE	BOOK VALUE	YTM 360 DAYS	YTM 365 DAYS	DESCRIPTION	MARKET VALUE
12899	FAD	3,000,000.00	0.080	02/18/2021	08/04/2020	2,998,680.00	0.081	0.082	Federal Home Loan Discount	2,999,100.00
12785	FAD	8,000,000.00	0.180	02/19/2021	03/31/2020	7,987,000.00	0.182	0.185	Fed Home Ln Mtg Corp Disc	7,997,600.00
12870	FAD	6,000,000.00	0.145	02/22/2021	06/25/2020	5,994,151.67	0.147	0.149	Federal Home Loan Discount	5,998,140.00
12900	FAD	3,000,000.00	0.080	02/23/2021	08/04/2020	2,998,646.67	0.081	0.082	Federal Home Loan Discount	2,999,070.00
12926	FAD	4,000,000.00	0.100	02/24/2021	09/09/2020	3,998,133.33	0.100	0.101	Federal Home Loan Discount	3,998,720.00
12871	TRD	3,000,000.00	0.155	02/25/2021	06/25/2020	2,996,835.42	0.157	0.159	T BILL	2,999,040.00
12893	FAD	20,000,000.00	0.110	02/26/2021	07/29/2020	19,987,044.44	0.112	0.113	Federal Home Loan Discount	19,993,600.00
12782	FAD	10,000,000.00	0.130	03/01/2021	03/30/2020	9,987,866.67	0.132	0.133	Fed Agric Mtg Corp Discount	9,996,400.00
12793	FAD	3,000,000.00	0.200	03/02/2021	04/07/2020	2,994,516.67	0.203	0.205	Fed Natl Mtg Assoc Disc	2,998,890.00
12794	FAD	3,000,000.00	0.200	03/03/2021	04/07/2020	2,994,500.00	0.203	0.205	Fed Natl Mtg Assoc Disc	2,998,890.00
12795	FAD	3,000,000.00	0.200	03/04/2021	04/07/2020	2,994,483.33	0.203	0.205	Fed Natl Mtg Assoc Disc	2,998,890.00
12796	FAD	8,000,000.00	0.200	03/05/2021	04/07/2020	7,985,244.44	0.203	0.205	Fed Natl Mtg Assoc Disc	7,996,960.00
12797	FAD	7,000,000.00	0.200	03/08/2021	04/08/2020	6,987,011.11	0.203	0.205	Fed Natl Mtg Assoc Disc	6,997,340.00
12798	FAD	3,000,000.00	0.200	03/09/2021	04/08/2020	2,994,416.67	0.203	0.205	Fed Natl Mtg Assoc Disc	2,998,830.00
12821	FAD	3,000,000.00	0.130	03/10/2021	04/22/2020	2,996,511.67	0.131	0.133	Federal Home Loan Discount	2,998,830.00
12915	FAD	3,000,000.00	0.090	03/11/2021	08/28/2020	2,998,537.50	0.091	0.093	Federal Home Loan Discount	2,998,830.00
12916	FAD	3,000,000.00	0.090	03/12/2021	08/28/2020	2,998,530.00	0.091	0.093	Federal Home Loan Discount	2,998,800.00
12862	FAD	10,000,000.00	0.190	03/15/2021	06/17/2020	9,985,697.22	0.193	0.195	Federal Home Loan Discount	9,995,900.00
12773	FAD	3,000,000.00	0.350	03/18/2021	03/19/2020	2,989,383.33	0.355	0.360	Federal Home Loan Discount	2,998,740.00
12774	FAD	8,000,000.00	0.350	03/19/2021	03/19/2020	7,971,611.11	0.355	0.360	Federal Home Loan Discount	7,996,640.00
12822	FAD	5,000,000.00	0.170	03/22/2021	04/23/2020	4,992,137.50	0.172	0.175	Fed Agric Mtg Corp Discount	4,997,850.00
12832	FAD	3,000,000.00	0.160	03/29/2021	04/30/2020	2,995,560.00	0.162	0.164	Federal Home Loan Discount	2,998,650.00
12833	FAD	3,000,000.00	0.160	03/30/2021	04/30/2020	2,995,546.67	0.162	0.164	Federal Home Loan Discount	2,998,650.00
12831	FAD	10,000,000.00	0.180	03/31/2021	04/29/2020	9,983,200.00	0.182	0.185	Federal Home Loan Discount	9,995,500.00
12834	FAD	8,000,000.00	0.160	03/31/2021	04/30/2020	7,988,088.89	0.162	0.164	Federal Home Loan Discount	7,996,400.00
12877	FAC	10,000,000.00	0.170	04/01/2021	07/01/2020	10,000,000.00	0.167	0.170	Fed Agric Mrg Corp (FarmerMac)	10,002,000.00
12493	FAC	10,000,000.00	1.770	04/05/2021	07/05/2019	9,983,600.00	1.840	1.866	Federal Farm Credit Bank	10,071,800.00

INVESTMENT #	TYPE	FACE VALUE	STATED RATE	MATURITY DATE	PURCHASE DATE	BOOK VALUE	YTM 360 DAYS	YTM 365 DAYS	DESCRIPTION	MARKET VALUE
12716	FAC	5,000,000.00	1.600	04/09/2021	01/09/2020	5,000,000.00	1.578	1.600	Federal Farm Credit Bank	5,033,150.00
12805	FAD	60,000,000.00	0.300	04/12/2021	04/13/2020	59,818,000.00	0.304	0.309	Federal Home Loan Discount	59,970,600.00
12814	FAD	15,000,000.00	0.220	04/15/2021	04/15/2020	14,966,541.67	0.223	0.226	Federal Home Loan Discount	14,992,500.00
12835	FAD	15,000,000.00	0.140	04/15/2021	05/05/2020	14,979,875.00	0.142	0.144	Federal Home Loan Discount	14,992,500.00
12828	FAD	8,000,000.00	0.210	04/16/2021	04/28/2020	7,983,526.67	0.213	0.216	Federal Home Loan Discount	7,996,000.00
12829	FAD	5,000,000.00	0.210	04/19/2021	04/28/2020	4,989,616.67	0.213	0.216	Federal Home Loan Discount	4,997,450.00
12825	FAD	3,000,000.00	0.210	04/20/2021	04/24/2020	2,993,682.50	0.213	0.216	Federal Home Loan Discount	2,998,440.00
12917	FAD	3,000,000.00	0.090	04/21/2021	08/28/2020	2,998,230.00	0.091	0.092	Federal Home Loan Discount	2,998,440.00
12823	FAD	4,000,000.00	0.180	04/22/2021	04/24/2020	3,992,740.00	0.182	0.185	Federal Home Loan Discount	3,997,920.00
12844	FAD	3,500,000.00	0.140	04/23/2021	05/26/2020	3,495,481.11	0.142	0.144	Federal Home Loan Discount	3,498,145.00
12845	FAD	5,000,000.00	0.140	04/26/2021	05/27/2020	4,993,505.56	0.142	0.144	Federal Home Loan Discount	4,997,350.00
12846	FAD	3,000,000.00	0.140	04/27/2021	05/27/2020	2,996,091.67	0.142	0.144	Federal Home Loan Discount	2,998,380.00
12847	FAD	3,000,000.00	0.140	04/28/2021	05/27/2020	2,996,080.00	0.142	0.144	Federal Home Loan Discount	2,998,380.00
12848	FAD	3,000,000.00	0.140	04/29/2021	05/27/2020	2,996,068.33	0.142	0.144	Federal Home Loan Discount	2,998,380.00
12842	FAD	26,000,000.00	0.120	04/30/2021	05/26/2020	25,970,620.00	0.121	0.123	Federal Home Loan Discount	25,985,700.00
12849	FAD	10,000,000.00	0.140	05/03/2021	05/29/2020	9,986,816.67	0.142	0.144	Federal Home Loan Discount	9,993,900.00
12919	FAD	3,000,000.00	0.090	05/04/2021	08/31/2020	2,998,155.00	0.090	0.092	Federal Home Loan Discount	2,998,170.00
12920	FAD	3,000,000.00	0.090	05/05/2021	08/31/2020	2,998,147.50	0.090	0.092	Federal Home Loan Discount	2,998,170.00
12836	FAD	4,000,000.00	0.150	05/06/2021	05/08/2020	3,993,950.00	0.152	0.154	Federal Home Loan Discount	3,997,520.00
12921	FAD	5,000,000.00	0.090	05/07/2021	09/01/2020	4,996,900.00	0.090	0.092	Federal Home Loan Discount	4,996,900.00
12930	FAD	3,000,000.00	0.080	05/10/2021	09/25/2020	2,998,486.67	0.080	0.081	Federal Home Loan Discount	2,998,110.00
12931	FAD	3,000,000.00	0.080	05/11/2021	09/25/2020	2,998,480.00	0.080	0.081	Federal Home Loan Discount	2,998,110.00
12932	FAD	5,000,000.00	0.080	05/12/2021	09/25/2020	4,997,455.56	0.080	0.081	Federal Home Loan Discount	4,996,800.00
12878	FAD	3,000,000.00	0.130	05/13/2021	07/02/2020	2,996,587.50	0.132	0.133	Fed Natl Mtg Assoc Disc	2,998,080.00
12855	FAD	8,000,000.00	0.120	05/14/2021	06/15/2020	7,991,120.00	0.121	0.123	Federal Home Loan Discount	7,994,880.00
12459	FAC	5,000,000.00	2.250	05/17/2021	05/17/2019	4,998,650.00	2.232	2.263	Federal Farm Credit Bank	5,057,850.00
12935	FAD	3,000,000.00	0.070	05/18/2021	10/07/2020	2,998,699.17	0.070	0.071	Federal Home Loan Discount	2,998,020.00

INVESTMENT #	TYPE	FACE VALUE	STATED RATE	MATURITY DATE	PURCHASE DATE	BOOK VALUE	YTM 360 DAYS	YTM 365 DAYS	DESCRIPTION	MARKET VALUE
12933	FAD	5,000,000.00	0.080	05/19/2021	09/25/2020	4,997,377.78	0.080	0.081	Federal Home Loan Discount	4,996,700.00
12929	FAD	3,000,000.00	0.090	05/20/2021	09/22/2020	2,998,200.00	0.090	0.092	Federal Home Loan Discount	2,998,020.00
12936	FAD	3,000,000.00	0.070	05/21/2021	10/07/2020	2,998,681.67	0.070	0.071	Federal Home Loan Discount	2,997,990.00
12923	FAD	3,000,000.00	0.100	05/24/2021	09/08/2020	2,997,850.00	0.101	0.102	Federal Home Loan Discount	2,997,960.00
12924	FAD	3,000,000.00	0.100	05/25/2021	09/08/2020	2,997,841.67	0.101	0.102	Federal Home Loan Discount	2,997,960.00
12925	FAD	3,000,000.00	0.100	05/27/2021	09/08/2020	2,997,825.00	0.101	0.102	Federal Home Loan Discount	2,997,930.00
12955	FAD	25,000,000.00	0.105	05/28/2021	10/20/2020	24,983,958.33	0.106	0.107	Federal Home Loan Discount	24,982,750.00
12851	FAD	5,000,000.00	0.180	06/01/2021	06/04/2020	4,990,950.00	0.182	0.185	Fed Agric Mtg Corp Discount	4,996,500.00
12913	FAD	5,000,000.00	0.090	06/01/2021	08/27/2020	4,996,525.00	0.091	0.092	Federal Home Loan Discount	4,996,500.00
12856	FAD	7,000,000.00	0.120	06/02/2021	06/15/2020	6,991,786.67	0.121	0.123	Federal Home Loan Discount	6,995,030.00
12914	FAD	4,551,000.00	0.110	06/03/2021	08/28/2020	4,547,120.27	0.111	0.113	Federal Home Loan Discount	4,547,768.79
12857	FAD	8,000,000.00	0.170	06/04/2021	06/15/2020	7,986,626.67	0.172	0.174	Federal Home Loan Bank	7,994,320.00
12858	FAD	3,000,000.00	0.170	06/07/2021	06/15/2020	2,994,942.50	0.172	0.174	Federal Home Loan Discount	2,997,840.00
12859	FAD	3,000,000.00	0.170	06/08/2021	06/15/2020	2,994,928.33	0.172	0.174	Federal Home Loan Discount	2,997,810.00
12943	FAD	3,000,000.00	0.080	06/09/2021	10/09/2020	2,998,380.00	0.081	0.082	Federal Home Loan Discount	2,997,810.00
12959	FAD	3,000,000.00	0.070	06/10/2021	10/23/2020	2,998,658.33	0.070	0.071	Federal Home Loan Discount	2,997,810.00
12860	FAD	8,000,000.00	0.170	06/11/2021	06/15/2020	7,986,362.22	0.172	0.174	Federal Home Loan Discount	7,994,080.00
12879	FAD	8,000,000.00	0.130	06/14/2021	07/06/2020	7,990,091.11	0.132	0.133	Fed Natl Mtg Assoc Disc	7,994,000.00
12880	FAD	3,000,000.00	0.130	06/15/2021	07/06/2020	2,996,273.33	0.131	0.133	Fed Natl Mtg Assoc Disc	2,997,750.00
12881	FAD	3,000,000.00	0.130	06/16/2021	07/06/2020	2,996,262.50	0.131	0.133	Fed Natl Mtg Assoc Disc	2,997,750.00
12864	FAD	3,000,000.00	0.180	06/17/2021	06/22/2020	2,994,600.00	0.182	0.185	Federal Home Loan Discount	2,997,720.00
12938	FAD	5,000,000.00	0.080	06/18/2021	10/08/2020	4,997,188.89	0.081	0.082	Federal Home Loan Discount	4,996,200.00
12939	FAD	3,000,000.00	0.080	06/21/2021	10/08/2020	2,998,293.33	0.081	0.082	Federal Home Loan Discount	2,997,690.00
12940	FAD	3,000,000.00	0.080	06/22/2021	10/08/2020	2,998,286.67	0.081	0.082	Federal Home Loan Discount	2,997,690.00
12941	FAD	5,000,000.00	0.080	06/23/2021	10/08/2020	4,997,133.33	0.081	0.082	Federal Home Loan Discount	4,996,100.00
12944	FAD	5,000,000.00	0.080	06/24/2021	10/09/2020	4,997,133.33	0.081	0.082	Federal Home Loan Discount	4,996,100.00
12904	FAD	19,606,000.00	0.115	06/25/2021	08/18/2020	19,586,521.98	0.116	0.118	Federal Home Loan Discount	19,590,707.32

INVESTMENT #	TYPE	FACE VALUE	STATED RATE	MATURITY DATE	PURCHASE DATE	BOOK VALUE	YTM 360 DAYS	YTM 365 DAYS	DESCRIPTION	MARKET VALUE
12903	FAD	10,000,000.00	0.115	06/28/2021	08/17/2020	9,989,937.50	0.116	0.118	Federal Home Loan Discount	9,992,100.00
12948	FAD	3,000,000.00	0.080	06/28/2021	10/14/2020	2,998,286.67	0.081	0.082	Federal Home Loan Discount	2,997,630.00
12872	FAC	5,000,000.00	0.180	06/29/2021	06/29/2020	4,997,250.00	0.231	0.235	Federal Home Loan Bank	4,999,500.00
12937	FAD	5,000,000.00	0.080	06/30/2021	10/07/2020	4,997,044.44	0.081	0.082	Federal Home Loan Discount	4,996,000.00
12947	FAD	12,000,000.00	0.080	07/01/2021	10/14/2020	11,993,066.67	0.081	0.082	Federal Home Loan Discount	11,989,560.00
12954	FAD	6,000,000.00	0.080	07/02/2021	10/20/2020	5,996,600.00	0.081	0.082	Federal Home Loan Discount	5,994,780.00
12960	FAD	3,000,000.00	0.080	07/06/2021	10/23/2020	2,998,293.33	0.081	0.082	Federal Home Loan Discount	2,997,330.00
12965	FAD	3,000,000.00	0.070	07/07/2021	10/29/2020	2,998,535.83	0.070	0.071	Federal Home Loan Discount	2,997,330.00
12966	FAD	3,000,000.00	0.070	07/08/2021	10/29/2020	2,998,530.00	0.070	0.071	Federal Home Loan Discount	2,997,300.00
12928	FAD	10,000,000.00	0.090	07/09/2021	09/22/2020	9,992,750.00	0.091	0.092	Federal Home Loan Discount	9,991,000.00
12918	FAD	5,000,000.00	0.090	07/12/2021	08/28/2020	4,996,025.00	0.091	0.092	Federal Home Loan Discount	4,995,450.00
12967	FAD	3,000,000.00	0.070	07/13/2021	10/29/2020	2,998,500.83	0.070	0.071	Federal Home Loan Discount	2,997,270.00
12968	FAD	3,000,000.00	0.070	07/15/2021	10/29/2020	2,998,489.17	0.070	0.071	Federal Home Loan Discount	2,997,240.00
12956	FAD	8,000,000.00	0.080	07/23/2021	10/20/2020	7,995,093.33	0.081	0.082	Federal Home Loan Discount	7,992,400.00
12961	FAD	7,000,000.00	0.080	07/26/2021	10/26/2020	6,995,753.33	0.081	0.082	Federal Home Loan Discount	6,993,280.00
12826	FAC	5,000,000.00	0.250	07/27/2021	04/27/2020	4,999,350.00	0.256	0.260	Federal Farm Credit Bank	5,004,200.00
12912	FAD	10,000,000.00	0.100	07/30/2021	08/26/2020	9,990,611.11	0.101	0.102	Federal Home Loan Discount	9,990,300.00
12949	FAD	5,000,000.00	0.080	08/02/2021	10/15/2020	4,996,766.67	0.081	0.082	Federal Home Loan Discount	4,995,050.00
12934	FAD	10,000,000.00	0.080	08/06/2021	09/28/2020	9,993,066.67	0.081	0.082	Federal Home Loan Discount	9,990,000.00
12962	FAD	7,000,000.00	0.080	08/09/2021	10/27/2020	6,995,551.11	0.081	0.082	Federal Home Loan Discount	6,992,930.00
12837	FAC	5,000,000.00	0.160	08/12/2021	05/12/2020	4,998,450.00	0.182	0.184	Federal Farm Credit Bank	5,000,850.00
12905	FAC	5,000,000.00	0.125	08/20/2021	08/20/2020	5,000,000.00	0.123	0.125	Federal Home Loan Bank	4,998,300.00
12911	FAC	5,000,000.00	0.125	08/26/2021	08/26/2020	4,999,660.00	0.130	0.131	Federal Home Loan Bank	4,998,650.00
12946	FAD	18,000,000.00	0.080	08/27/2021	10/13/2020	17,987,280.00	0.081	0.082	Federal Home Loan Discount	17,980,560.00
12963	FAD	9,000,000.00	0.080	08/30/2021	10/28/2020	8,993,880.00	0.081	0.082	Federal Home Loan Discount	8,990,190.00
12942	FAD	12,000,000.00	0.080	09/03/2021	10/08/2020	11,991,200.00	0.081	0.082	Federal Home Loan Discount	11,985,720.00
12927	FAC	5,000,000.00	0.125	09/10/2021	09/10/2020	4,999,650.00	0.130	0.132	Federal Home Loan Bank	4,998,500.00

INVESTMENT #	TYPE	FACE VALUE	STATED RATE	MATURITY DATE	PURCHASE DATE	BOOK VALUE	YTM 360 DAYS	YTM 365 DAYS	DESCRIPTION	MARKET VALUE
12951	FAD	3,000,000.00	0.115	09/15/2021	10/19/2020	2,996,827.92	0.116	0.118	Federal Home Loan Discount	2,996,310.00
11877	MC1	42,000.00	3.560	09/15/2021	09/15/2017	42,000.00	3.511	3.560	MARIN COUNTY	42,000.00
12952	FAD	3,000,000.00	0.115	09/16/2021	10/19/2020	2,996,818.33	0.116	0.118	Federal Home Loan Discount	2,996,280.00
12540	FAC	5,000,000.00	1.625	09/17/2021	09/17/2019	4,992,500.00	1.678	1.701	Federal Farm Credit Bank	5,065,850.00
12953	FAD	7,000,000.00	0.115	09/20/2021	10/19/2020	6,992,486.67	0.116	0.118	Federal Home Loan Discount	6,991,250.00
12964	FAD	7,000,000.00	0.080	10/04/2021	10/28/2020	6,994,695.56	0.081	0.082	Federal Home Loan Discount	6,990,830.00
12945	FAD	3,000,000.00	0.120	10/13/2021	10/13/2020	2,996,350.00	0.121	0.123	Federal Home Loan Discount	2,995,980.00
12958	FAD	4,000,000.00	0.080	10/14/2021	10/22/2020	3,996,826.67	0.081	0.082	Federal Home Loan Discount	3,994,600.00
12957	FAD	8,000,000.00	0.080	10/15/2021	10/22/2020	7,993,635.56	0.081	0.082	Federal Home Loan Discount	7,989,200.00
12950	FAC	5,000,000.00	0.125	10/19/2021	10/19/2020	4,999,660.00	0.130	0.131	Federal Home Loan Bank	5,000,150.00
12876	FAC	20,000,000.00	0.180	10/29/2021	07/01/2020	20,000,000.00	0.177	0.180	Fed Agric Mrg Corp (FarmerMac)	20,006,200.00
12910	FAC	10,000,000.00	0.140	11/29/2021	08/25/2020	10,000,000.00	0.138	0.140	Fed Agric Mrg Corp (FarmerMac)	9,997,500.00
12041	MC1	100,000.00	3.560	02/01/2022	02/13/2018	100,117.04	3.507	3.555	MARIN COUNTY	100,117.04
11738	RRP	348,149.12	4.500	02/28/2022	03/01/2017	348,149.12	4.438	4.500	MARIN COUNTY	348,149.12
12770	FAC	5,000,000.00	0.625	03/18/2022	03/18/2020	5,000,000.00	0.616	0.625	Federal Farm Credit Bank	5,030,150.00
12840	FAC	5,000,000.00	0.300	05/17/2022	05/15/2020	5,000,000.00	0.295	0.299	Fed Home Ln Mtg Corp	4,998,100.00
12852	FAC	5,000,000.00	0.300	05/20/2022	06/04/2020	5,000,000.00	0.295	0.300	Fed Agric Mrg Corp (FarmerMac)	5,000,150.00
12843	FAC	5,000,000.00	0.270	05/26/2022	05/26/2020	5,000,000.00	0.266	0.270	Fed Home Ln Mtg Corp	5,000,800.00
12873	FAC	5,000,000.00	0.300	06/30/2022	06/30/2020	5,000,000.00	0.295	0.300	Fed Home Ln Mtg Corp	5,002,900.00
12884	FAC	5,000,000.00	0.250	07/20/2022	07/20/2020	5,000,000.00	0.246	0.250	Fed Home Ln Mtg Corp	4,999,900.00
12891	FAC	5,000,000.00	0.250	07/28/2022	07/28/2020	5,000,000.00	0.246	0.250	Fed Home Ln Mtg Corp	5,000,200.00
12894	FAC	5,000,000.00	0.250	07/29/2022	07/29/2020	5,000,000.00	0.246	0.250	Fed Home Ln Mtg Corp	4,997,150.00
12902	FAC	5,000,000.00	0.220	08/11/2022	08/11/2020	5,000,000.00	0.216	0.220	Fed Home Ln Mtg Corp	4,996,050.00
12850	FAC	5,000,000.00	0.340	09/01/2022	06/01/2020	5,000,000.00	0.335	0.340	Fed Home Ln Mtg Corp	4,996,700.00
11869	RRP	981,129.53	4.500	09/01/2022	09/01/2017	981,129.53	4.438	4.500	MARIN COUNTY	981,129.53
11878	MC1	40,000.00	3.648	09/15/2022	09/15/2017	40,000.00	3.598	3.648	MARIN COUNTY	40,000.00
12883	FAC	5,000,000.00	0.300	10/14/2022	07/14/2020	5,000,000.00	0.295	0.300	Fed Home Ln Mtg Corp	5,000,600.00

INVESTMENT #	TYPE	FACE VALUE	STATED RATE	MATURITY DATE	PURCHASE DATE	BOOK VALUE	YTM 360 DAYS	YTM 365 DAYS	DESCRIPTION	MARKET VALUE
12892	FAC	5,000,000.00	0.300	10/28/2022	07/28/2020	5,000,000.00	0.295	0.300	Fed Home Ln Mtg Corp	5,000,200.00
12662	RRP	300,000.00	3.500	12/05/2022	12/05/2019	300,000.00	3.452	3.500	MARIN COUNTY	300,000.00
12711	FAC	5,000,000.00	1.750	01/06/2023	01/06/2020	5,000,000.00	1.726	1.750	Fed Agric Mrg Corp (FarmerMac)	5,014,400.00
12730	FAC	5,000,000.00	1.700	01/27/2023	01/27/2020	4,997,500.00	1.693	1.717	Fed Natl Mtg Assoc	5,015,050.00
12042	MC1	100,000.00	3.648	02/01/2023	02/13/2018	100,119.93	3.593	3.643	MARIN COUNTY	100,119.93
		1,369,297,317.94				**1,366,320,914.34**				**1,369,069,487.09**
AMORTIZATION & ACCRETION OF PREMIUMS & DISCOUNTS						**1,865.05**			ACCRUED INTEREST DISCOUNT INVESTMENTS	
		1,369,297,317.94				**1,366,322,779.39**				**1,369,069,487.09**

TREASURER DIVISION - DEPARTMENT OF FINANCE
PORTFOLIO SUMMARY REPORT - OPERATING FUNDS
COUNTY OF MARIN, SCHOOLS & SPECIAL DISTRICTS
October 31, 2020

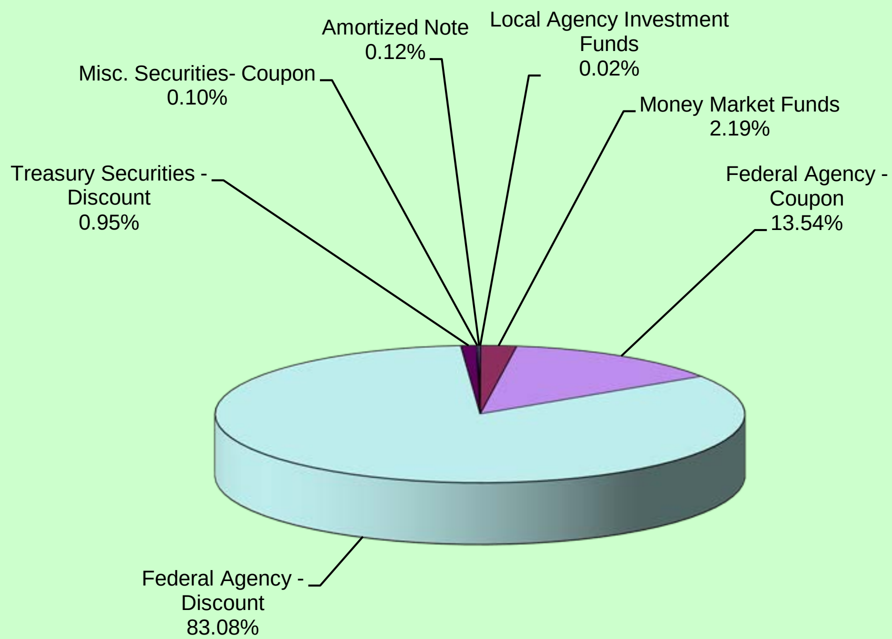
DESCRIPTION	ENDING BALANCE October 31, 2020	AVERAGE BALANCE October 31, 2020	WEIGHTED AVERAGE DAYS TO MATURITY	ANNUALIZED YIELD October 31, 2020	YIELD October 31, 2020
LOCAL AGENCY INVESTMENT FUNDS	$254,831.46	$254,587.60	1	0.620	0.620
MONEY MARKET FUNDS	$29,974,207.83	$30,329,046.54	1	0.010	0.010
FEDERAL AGENCY ISSUES - COUPON	$184,960,870.00	$201,437,045.34	401	0.622	0.596
FEDERAL AGENCY ISSUES - DISCOUNT	$1,135,124,793.80	$1,076,441,362.18	145	0.369	0.309
TREASURY SECURITIES - COUPON					
TREASURY SECURITIES - DISCOUNT	$12,994,580.56	$12,994,580.56	42	0.106	0.107
MISC SECURITIES - COUPON	$1,382,352.04	$1,382,000.00	160	3.159	3.159
AMORTIZED NOTE	$1,629,278.65	$1,629,278.65	647	4.761	4.316
TOTALS & AVERAGES	$1,366,320,914.34	$1,324,467,900.87	176	0.405%	0.347%

The Local Agency Investment Funds is an open ended account and is not included in the total weighted days to maturity.

Treasurer Division - Department of Finance
Portfolio Yield Report - Operating Funds
County of Marin, Schools & Special Districts
October 31, 2020

INVESTMENT HOLDINGS	BOOK VALUE	10/31/20
Local Agency Investment Funds	$254,831.46	0.620%
Money Market Funds	$29,974,207.83	0.010%
Federal Agency - Coupon	$184,960,870.00	0.596%
Federal Agency - Discount	$1,135,124,793.80	0.309%
Treasury Securities - Discount	$12,994,580.56	0.107%
Misc. Securities- Coupon	$1,382,352.04	3.159%
Amortized Note	$1,629,278.65	4.316%
TOTAL	$1,366,320,914.34	0.347%

PORTFOLIO ALLOCATION



TREASURER DIVISION - DEPARTMENT OF FINANCE

REPORT OF INVESTMENTS - NON-OPERATING FUNDS

CHILDREN & FAMILIES COMMISSION

October 31, 2020

INVESTMENT #	TYPE	FACE VALUE	MATURITY DATE	PURCHASE DATE	BOOK VALUE	YTM 360 DAYS	YTM 365 DAYS	DESCRIPTION	MARKET VALUE
101	LA2	105,845.15	/ /	/ /	105,845.15	0.611	0.620	LOCAL AGENCY INVESTMENT FUND	105,845.15
		105,845.15			**105,845.15**				**105,845.15**

TREASURER DIVISION - DEPARTMENT OF FINANCE

REPORT OF INVESTMENTS - NON-OPERATING FUNDS

SAN RAFAEL SCHOOLS

October 31, 2020

INVESTMENT #	TYPE	FACE VALUE	MATURITY DATE	PURCHASE DATE	BOOK VALUE	YTM 360 DAYS	YTM 365 DAYS	DESCRIPTION	MARKET VALUE
687	LA1	0.00	/ /	/ /	0.00	5.181	5.253	LOCAL AGENCY INVESTMENT FUND	0.00
746	LA1	458,486.37	/ /	/ /	458,486.37	0.611	0.620	LOCAL AGENCY INVESTMENT FUND	458,486.37
		458,486.37			**458,486.37**				**458,486.37**
AMORTIZATION & ACCRETION OF PREMIUMS & DISCOUNTS					-0-				
		458,486.37			**458,486.37**				**458,486.37**