

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
FINANCIAL STATEMENTS
June 30, 2022

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT

FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2022

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ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Roseville Joint Union High School District
Roseville, California

Report on the Audit of the Financial Statements***Opinions***

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Roseville Joint Union High School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Roseville Joint Union High School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Roseville Joint Union High School District, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Roseville Joint Union High School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Roseville Joint Union High School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Roseville Joint Union High School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Roseville Joint Union High School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 to 14 and the General Fund Budgetary Comparison Schedule, the Schedule of the District's Proportionate Share of the Net Pension Liability, and the Schedule of the District's Contributions on pages 51 to 55 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

(Continued)

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Roseville Joint Union High School District's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and other supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and, except for that portion marked "unaudited," was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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, that information is fairly stated in all material respects in relation to the financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2022 on our consideration of the Roseville Joint Union High School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Roseville Joint Union High School 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 Roseville Joint Union High School District's internal control over financial reporting and compliance.


Crowe LLP

Sacramento, California
November 18, 2022

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

This section of Roseville Joint Union High School District's annual financial report presents management's discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2022. Please read it in conjunction with the Independent Auditor's Report presented on pages 1 through 3 and the District's financial statement, which immediately follow this section.

USING THIS ANNUAL FINANCIAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and Statement of Activities, presented on pages 15 and 16, provide information about the activities of the District as a whole and present a long-term view of the District's finances. The fund financial statements for governmental activities, presented on pages 17 through 20, provide information about how District services were financed in the short-term, and how much remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside the District.

FINANCIAL HIGHLIGHTS

- For the Governmental Activities programs, total current year revenues exceeded total current year expenses by \$54,772,028.
- Capital assets, net, increased by \$38,554,883 primarily due to projects at West Park High School.
- The District's 2021/22 P2 Average Daily Attendance decreased by 203 or -2.26% over 2020/21.
- The District maintains sufficient reserves for a district of its size. It meets the state required minimum reserve for economic uncertainty of 3% of general fund expenditures, transfers out, and other uses (total outgo). During fiscal year 2021/22, General Fund expenditures and other financing uses totaled \$149,007,803.
- The ending fund balance (EFB) for the General Fund at June 30th was \$23,909,851. This includes a 3% reserve for state required economic uncertainties and a 3% board reserve for economic uncertainties. The combined reserves for economic uncertainties total \$8,989,440. The EFB also includes \$7,764,431 which is a combination of legally restricted categorical carryovers, unrestricted categorical, site base budget, committed reserves and other department carryovers, and non-spendable revolving cash and prepaid items. The remaining \$7,155,980 of EFB is unappropriated, but is going to be used to offset potential future year deficits.
- The District recognized over \$3.4M in Federal and State stimulus revenue related to COVID-19.

**ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

THE FINANCIAL REPORT

The full annual financial report consists of the following: Management's Discussion and Analysis, the basic financial statements, required supplementary information, and supplementary information. The four sections together provide a comprehensive overview of the District. The basic financial statements are comprised of two kinds of statements that present financial information from two different perspectives, district-wide and funds.

- District-wide financial statements, which comprise the first two statements of Statement of Net Position and Statement of Activities, provide both short-term and long-term information about the District's overall financial position.
- Individual parts of the District, which are reported as fund financial statements, comprise the remaining statements.
 - ❖ Basic services funding is described in the governmental funds statements. These statements include short-term financing and identify the balance remaining for future spending.
 - ❖ Financial relationships, for which the District acts as an agent or trustee for the benefit of others to whom the resources belong, are presented in the fiduciary funds statements.

Notes to the financials, which are included in the financial statements, provide more detailed data and explain some of the information in the statements. The required supplementary information provides further explanations and provides additional support for the financial statements. A comparison of the District's budget for the year is included.

Reporting the District as a Whole

The District as a whole is reported in the District-wide statements and uses accounting methods similar to those used by companies in the private sector. All of the District's assets and liabilities are included in the Statement of Net Position. The Statement of Activities reports all of the current year's revenues and expenses regardless of when cash is received or paid.

The District's financial health or position (net position) can be measured by the difference between the District's assets, deferred outflows, liabilities and deferred inflows.

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

**ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

THE FINANCIAL REPORT (CONTINUED)

In the Statement of Net Position and the Statement of Activities, we divide the District into two categories of activities:

Reporting the District as a Whole

Governmental Activities:

The basic services provided by the District, such as regular and special education, administration, and transportation are included here, and are primarily financed by property taxes and state formula aid. Non-basic services, such as child nutrition are also included here, but are financed by a combination of state and federal contracts and grants, and local revenues.

Business-type Activities:

The District does not provide any services that should be included in this category.

Reporting the District's Most Significant Funds:

The District's fund-based financial statements provide detailed information about the District's most significant funds. Some funds are required to be established by State law and bond covenants. However, the District establishes many other funds as needed to control and manage money for specific purposes.

Governmental Funds

The major governmental funds of Roseville Joint Union High School District are the General Fund, Capital Facilities Fund, County School Facilities Fund, and the Bond Interest and Redemption Fund. Governmental fund reporting focuses on how money flows into and out of the funds and the balances that remain at the end of the year. A modified accrual basis of accounting measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's operations and services. Governmental fund information helps to determine the level of financial resources available in the near future to finance the District's programs.

Proprietary Funds

Services for which the District charges a fee are generally reported in proprietary funds on a full accrual basis. These include both Enterprise funds and Internal Service funds. Enterprise funds are considered business-type activities and are also reported under a full accrual method. This is the same basis as business-type activities; therefore no reconciling entries are required. Internal service funds are reported with the Governmental Funds. The District has no funds of this type.

**ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

THE FINANCIAL REPORT (CONTINUED)

Fiduciary Funds

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

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

GOVERNMENTAL ACTIVITIES

The District's net position increased from \$139,321,529 at June 30, 2021 to \$194,093,557 at June 30, 2022; an increase of \$54,772,028 or 39.31%.

Comparative Statement of Net Position			
		2022	2021
<u>Assets:</u>			
	Current & Other Assets	\$116,571,895	\$ 118,687,916
	Capital Assets	461,276,631	422,721,748
	Total Assets	577,848,526	541,409,664
<u>Deferred Outflow:</u>			
Loss on refunded debt	Deferred outflow- Pensions	26,904,772	32,699,204
	Loss on refunded debt	2,383,049	3,155,771
	Total Deferred Outflow	29,287,821	35,854,975
<u>Liabilities:</u>			
	Other liabilities	18,460,966	16,968,617
	Long-Term Debt outstanding	339,580,824	413,939,493
	Total Liabilities	358,041,790	430,908,110
<u>Deferred Inflow:</u>			
	Deferred inflow- Pensions	55,001,000	7,035,000
<u>Net Position:</u>			
	Net Investment in capital assets	242,750,531	196,905,516
	Restricted	46,295,588	35,576,501
	Unrestricted	(94,952,562)	(93,160,488)
	Total Net Position	\$194,093,557	\$ 139,321,529
		-	
	Comparative Change --\$	\$ 54,772,028	n/a
	Comparative Change --%	39.31%	n/a

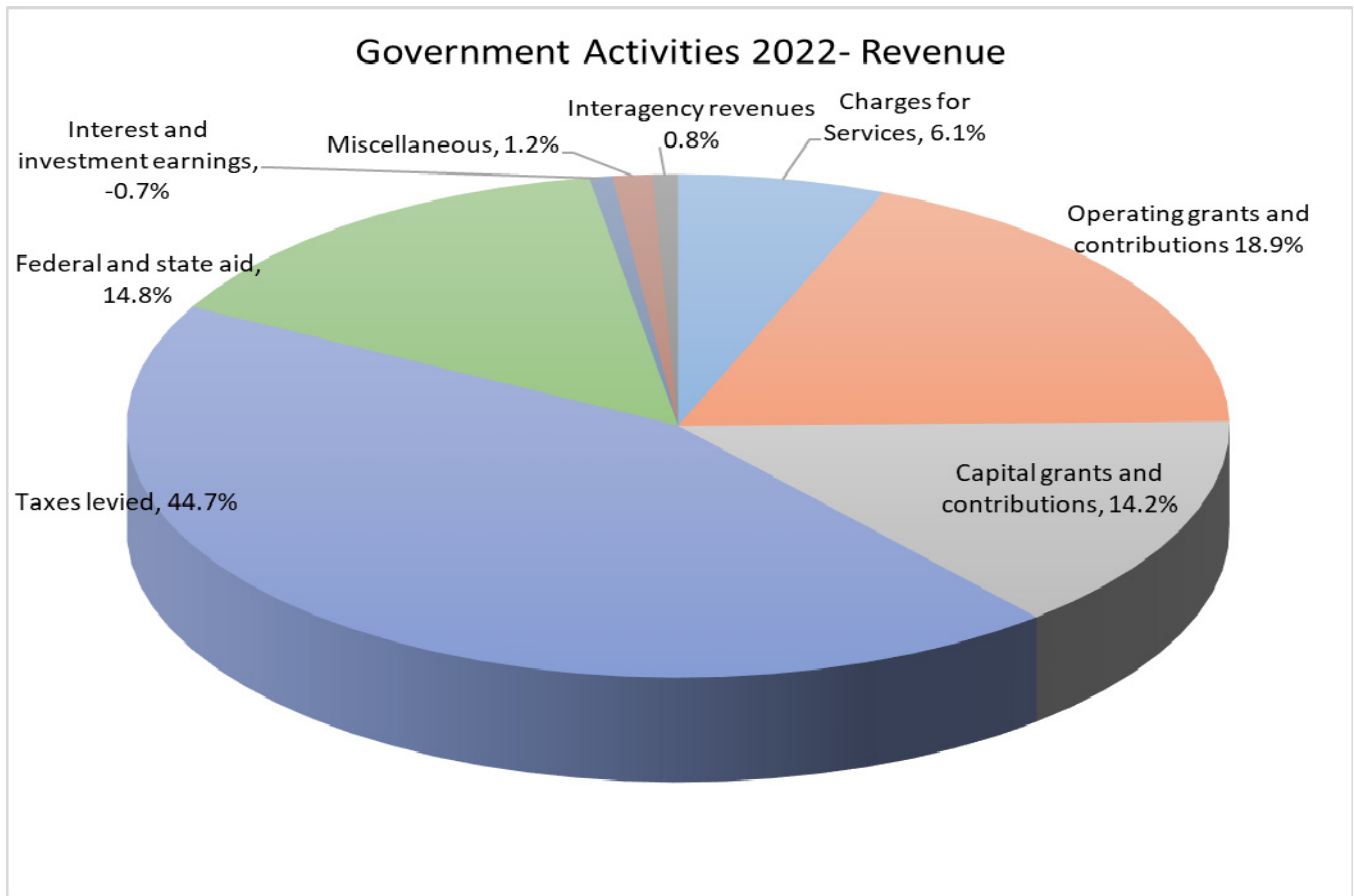
**ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONTINUED)

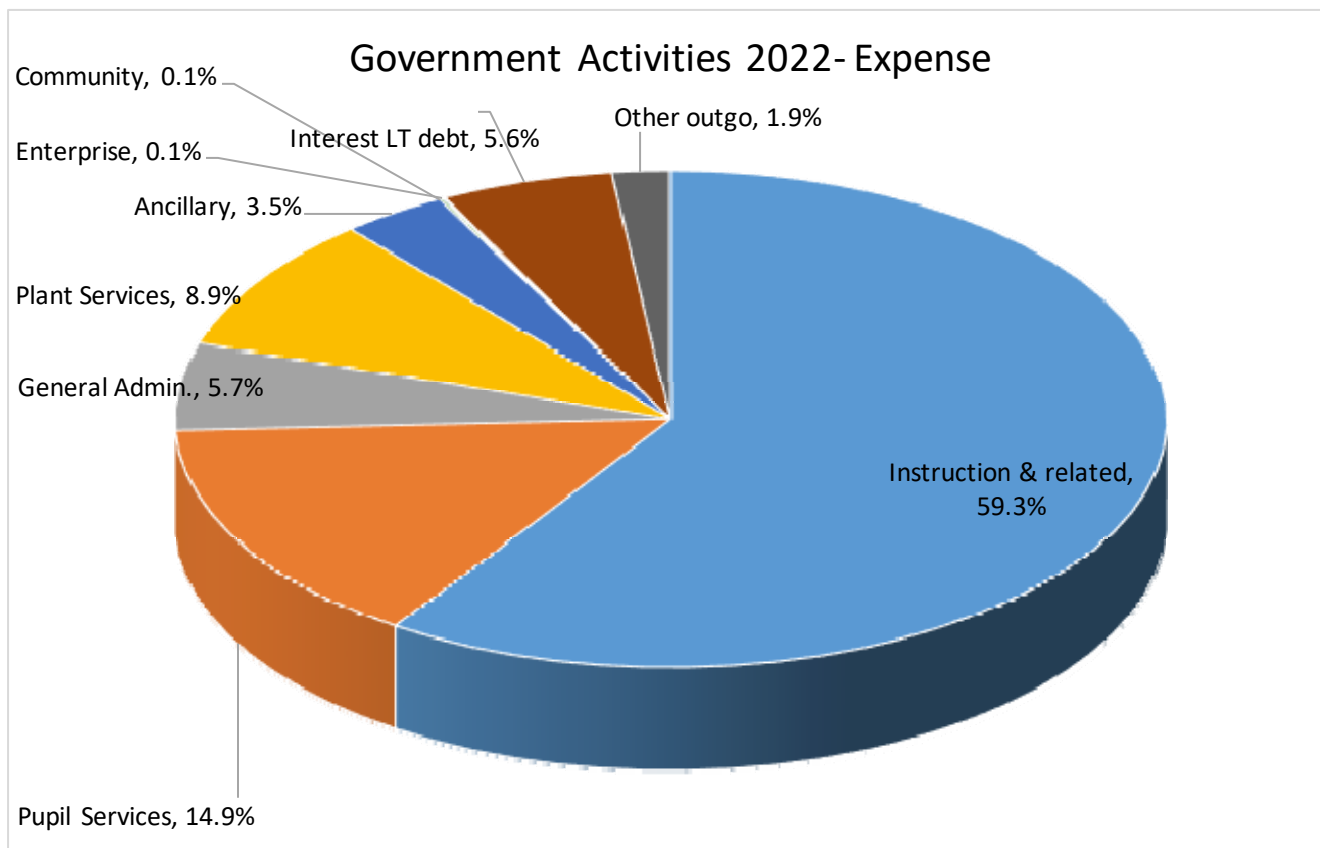
GOVERNMENTAL ACTIVITIES (CONTINUED)

		Comparative Statement of Activities			
		2022		2021	
Program Revenues					
	Charge for services	\$	13,285,398	6.1%	\$ 12,271,260
	Operating grants and contributions		40,807,281	18.9%	46,097,266
	Capital grants and contributions		30,645,923	14.2%	-
General Revenues					
	Taxes levied		96,388,618	44.7%	92,823,946
	Federal and state aid		31,897,296	14.8%	30,727,394
	Interest and investment earnings		(1,473,582)	-0.7%	36,495
	Miscellaneous		2,535,626	1.2%	1,788,538
	Interagency revenues		1,641,522	0.8%	1,476,530
	Total Revenue		<u>215,728,082</u>		<u>185,221,429</u>
Program Expenses					
	Instruction & related		95,471,792	59.3%	101,003,493
	Pupil Services		23,973,208	14.9%	23,468,808
	General Admin.		9,126,735	5.7%	10,108,163
	Plant Services		14,325,769	8.9%	13,322,822
	Ancillary		5,553,295	3.5%	4,239,817
	Community		182,449	0.1%	24,704
	Enterprise		145,769	0.1%	63,075
	Interest LT				
	debt		9,071,821	5.6%	11,549,020
	Other outgo		3,029,295	1.9%	4,010,833
	Total Expenses		<u>160,880,133</u>		<u>167,790,735</u>
	GASB 87&84 implementation		(75,921)		1,261,056
Change in Net Position			<u>54,772,028</u>		<u>18,691,750</u>
			-		
	Comparative Change --\$		36,080,278		
	Comparative Change --%		193.03%		

**ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**



**ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**



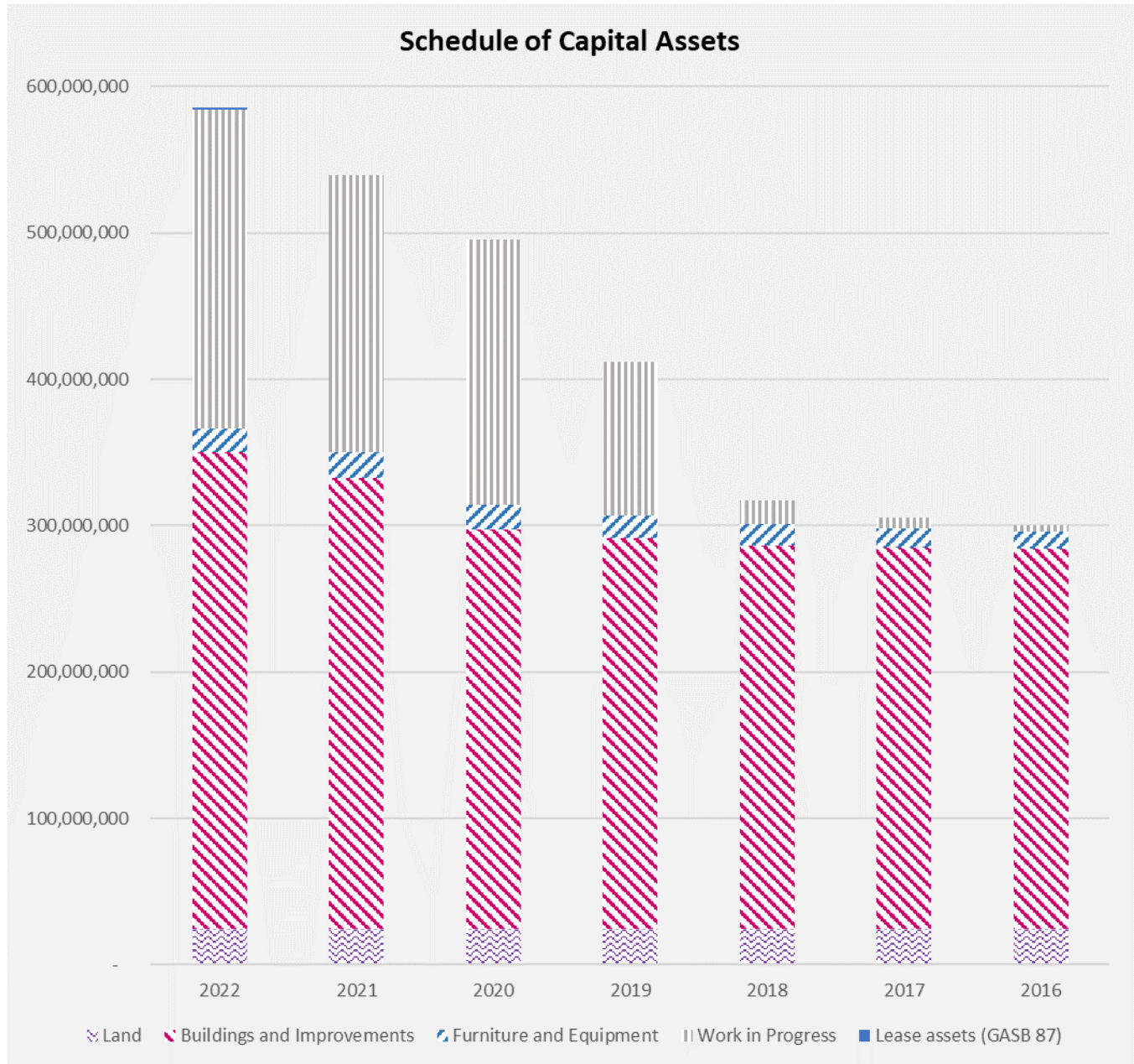
**ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONTINUED)

Comparative Schedule of Capital Assets		
	Governmental Activities	
	2022	2021
Land	\$ 24,422,982	\$ 24,422,982
Buildings and Improvements	325,385,003	307,843,743
Furniture and Equipment	16,765,344	18,115,437
Lease assets (GASB 87)	1,551,193	-
Work in Progress	217,536,119	188,755,207
Subtotals	585,660,641	539,137,366
Less: Accumulated Depreciation	(124,384,010)	(116,415,618)
Capital Assets, Net	\$ 461,276,631	\$ 422,721,748
Comparative Change--\$	\$ 38,554,883	n/a
Comparative Change--%	9.12%	n/a

**ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONTINUED)



Capital assets, net of depreciation increased by \$38,554,883, a 9.12% increase, primarily due to West Park High School.

All of the District's facilities and other assets are extremely well maintained. The capital improvement plan has consistently included modernization, upgrading, and new construction at all of our campuses such that the District's facilities overall are regarded as among the highest quality in the region.

**ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONTINUED)

Comparative Schedule of Long-Term Liabilities		
	Governmental Activities	
	2022	2021
General Obligation Bonds	\$ 196,738,251	\$ 205,863,397
General Obligation Bonds Premium	12,859,192	14,404,157
Certificates of Participation	61,150,000	61,150,000
Capital Leases		1,184,656
Lease Liabilities	1,187,211	-
Net Pension Liability	67,120,000	130,851,000
Compensated Absences	526,170	486,283
Totals	\$ 339,580,824	\$ 413,939,493

The table reflects that a majority of the District's debt is issued in support of school construction to meet the District's enrollment growth. The district received updated bond ratings in June 2020 from S&P. S&P's assigned the district an overall A+ rating. The district has received similar bond ratings in the past. Bond rating agency rationale included:

- Participation in the broad and diverse Sacramento economy
- Strong to very strong property income indicators, coupled with extremely strong market value per capita
- Trend of very strong available (assigned and unassigned) reserve levels
- Stable average daily attendance (ADA) levels, which drive operating revenues under the state funding formula

Bond debt -- combined with developer fee revenue and state construction funds – has been used for:

- Prior site facility construction.
- Technology improvements to infrastructure systems.
- Various identified modernizations/additions throughout the District.
- Purchase of school site property and construction for West Park High School.

**ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONTINUED)

The notes to the financial statements are an integral part of the financial presentation and contain more detailed information as to interest, principal, retirement amounts, and future debt retirement. The district looks at the debt service agreements on an annual basis for potential savings.

Comparative Schedule of Fund Balances			
Fund (Fund #)	Fund Balances		Increase
	2022	2021	(Decrease)
General (1 & 17)	\$ 23,909,851	\$ 32,692,931	\$ (8,783,080)
Student Body (08)	1,380,618	1,114,195	266,423
Adult Education (11)	104,721	125,438	(20,717)
Cafeteria (13)	8,079,544	2,718,057	5,361,487
Deferred Maintenance (14)	5,943,792	3,390,810	2,552,982
Pupil Transportation (15)	609,425	287,820	321,605
Building (21)	-	-	-
Capital Facilities (25)	35,732,536	41,399,719	(5,667,183)
County School Facilities (35)	-	711	(711)
Special Reserve (40)	6,077,085	1,983,667	4,093,418
Bond Interest and Redemption (51)	19,492,805	21,518,836	(2,026,031)
	<u>\$ 101,330,377</u>	<u>\$ 105,232,184</u>	<u>\$ (3,901,807)</u>

As can be seen in the scheduled fund balances, the District has a number of very different funds within which District programs operate. The General Fund has historically had a fund balance in excess of the state required reserve of 3%.

ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE

- The 2022/23 General Fund original budget reflects a \$2,697,087 deficit. The district will develop one-time and on-going spending plans in the 2022/23 fiscal year based on a three-year projection of revenues and expenses.
- The uncertainty of the continued economic effects of COVID-19.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, parents, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions regarding this report or need additional financial information, contact the District Business Department, Roseville Joint Union High School District, 1750 Cirby Way, Roseville, CA 95661 or (916) 782-6565.

BASIC FINANCIAL STATEMENTS

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
June 30, 2022

	<u>Governmental Activities</u>
ASSETS	
Cash and investments (Note 2)	\$ 103,797,401
Receivables	12,512,740
Stores inventory	27,453
Prepaid expenses	234,301
Non-depreciable capital assets (Note 4)	241,959,101
Depreciable capital assets, net of accumulated depreciation and amortization (Note 4)	<u>219,317,530</u>
Total assets	<u>577,848,526</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources - pensions (Notes 7 and 8)	26,904,772
Deferred loss on refunded debt	<u>2,383,049</u>
Total deferred outflows of resources	<u>29,287,821</u>
LIABILITIES	
Accounts payable	16,502,376
Unearned revenue	1,958,590
Long-term liabilities (Note 5):	
Due within one year	12,355,563
Due after one year	<u>327,225,261</u>
Total liabilities	<u>358,041,790</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources - pensions (Notes 7 and 8)	<u>55,001,000</u>
NET POSITION	
Net investment in capital assets	242,750,531
Restricted:	
Legally restricted programs	20,725,698
Capital projects	6,077,085
Debt service	19,492,805
Unrestricted	<u>(94,952,562)</u>
Total net position	<u>\$ 194,093,557</u>

See accompanying notes to financial statements.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

		Program Revenues			Net (Expense) Revenues and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Instruction	\$ 78,891,394	\$ 128,107	\$ 19,158,092	\$ 30,645,923	\$ (28,959,272)
Instruction-related services:					
Supervision of instruction	3,565,149	20,539	873,826	-	(2,670,784)
Instructional library, media and technology	2,427,414	55,690	32,905	-	(2,338,819)
School site administration	10,587,835	9,327	1,586,556	-	(8,991,952)
Pupil services:					
Home-to-school transportation	3,302,172	-	-	-	(3,302,172)
Food services	4,936,081	76,641	9,940,183	-	5,080,743
All other pupil services	15,734,955	186,231	2,797,075	-	(12,751,649)
General administration:					
Data processing	2,425,860	-	20,400	-	(2,405,460)
All other general administration	6,700,875	56,904	1,000,965	-	(5,643,006)
Plant services	14,325,769	12,367,133	411,757	-	(1,546,879)
Ancillary services	5,553,295	2,491	2,657,307	-	(2,893,497)
Community services	182,449	-	-	-	(182,449)
Enterprise activities	145,769	-	-	-	(145,769)
Interest on long-term liabilities	9,071,821	-	-	-	(9,071,821)
Other outgo	3,029,295	382,335	2,328,215	-	(318,745)
Total governmental activities	\$ 160,880,133	\$ 13,285,398	\$ 40,807,281	\$ 30,645,923	(76,141,531)
General revenues:					
Taxes and subventions:					
Taxes levied for general purposes					79,532,380
Taxes levied for debt service					16,322,405
Taxes levied for other specific purposes					533,833
Federal and state aid not restricted to specific purposes					31,897,296
Interest and investment earnings					(1,473,582)
Interagency revenues					1,641,522
Miscellaneous					2,535,626
Total general revenues					130,989,480
Change in net position					54,847,949
Net position, July 1, 2021					139,321,529
Cumulative effect of GASB 87 implementation					(75,921)
Net position, July 1, 2020, as restated					139,245,608
Net position, June 30, 2022					\$ 194,093,557

See accompanying notes to financial statements.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2022

	General <u>Fund</u>	Capital Facilities <u>Fund</u>	County School Facilities <u>Fund</u>	Bond Interest and Redemption <u>Fund</u>	All Non-Major <u>Funds</u>	Total Governmental <u>Funds</u>
ASSETS						
Cash and investments:						
Cash in County Treasury	\$ 23,318,996	\$ 37,101,245	\$ -	\$ 19,484,368	\$ 20,156,701	\$ 100,061,310
Cash on hand and in banks	65,612	-	-	-	1,416,843	1,482,455
Cash in revolving fund	10,000	-	-	-	100	10,100
Cash with fiscal agent	875,430	1,368,106	-	-	-	2,243,536
Receivables	11,049,919	124,139	-	8,437	1,330,245	12,512,740
Due from other funds	187,235	3	-	-	2,268	189,506
Prepaid expenditures	226,317	-	-	-	7,984	234,301
Stores inventory	-	-	-	-	27,453	27,453
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,453</u>	<u>27,453</u>
Total assets	<u>\$ 35,733,509</u>	<u>\$ 38,593,493</u>	<u>\$ -</u>	<u>\$ 19,492,805</u>	<u>\$ 22,941,594</u>	<u>\$ 116,761,401</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 9,865,068	\$ 2,854,777	\$ -	\$ -	\$ 563,083	\$ 13,282,928
Unearned revenue	1,958,590	-	-	-	-	1,958,590
Due to other funds	-	6,180	-	-	183,326	189,506
	<u>-</u>	<u>6,180</u>	<u>-</u>	<u>-</u>	<u>183,326</u>	<u>189,506</u>
Total liabilities	<u>11,823,658</u>	<u>2,860,957</u>	<u>-</u>	<u>-</u>	<u>746,409</u>	<u>15,431,024</u>
Fund balances:						
Nonspendable	236,316	-	-	-	35,537	271,853
Restricted	4,643,135	35,732,536	-	19,492,805	22,159,648	82,028,124
Committed	875,430	-	-	-	-	875,430
Assigned	2,009,550	-	-	-	-	2,009,550
Unassigned	16,145,420	-	-	-	-	16,145,420
	<u>23,909,851</u>	<u>35,732,536</u>	<u>-</u>	<u>19,492,805</u>	<u>22,195,185</u>	<u>101,330,377</u>
Total fund balances	<u>23,909,851</u>	<u>35,732,536</u>	<u>-</u>	<u>19,492,805</u>	<u>22,195,185</u>	<u>101,330,377</u>
Total liabilities and fund balances	<u>\$ 35,733,509</u>	<u>\$ 38,593,493</u>	<u>\$ -</u>	<u>\$ 19,492,805</u>	<u>\$ 22,941,594</u>	<u>\$ 116,761,401</u>

See accompanying notes to financial statements.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2022

Total fund balances - Governmental Funds \$ 101,330,377

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

Capital assets used for governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets is \$585,660,641 and the accumulated depreciation and amortization is \$124,384,010 (Note 4). 461,276,631

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at June 30, 2022 consisted of (Note 5):

General Obligation Bonds	\$ (181,663,795)	
Accreted interest	(15,074,456)	
Unamortized premiums	(12,859,192)	
Certificates of Participation	(61,150,000)	
Lease Liabilities	(1,187,211)	
Net pension liability (Notes 7 and 8)	(67,120,000)	
Compensated absences	<u>(526,170)</u>	
		(339,580,824)

In governmental funds, deferred inflows and deferred outflows of resources resulting from defeasance of debt are not recorded. In governmental activities, for advance refundings resulting in defeasance of debt reported in governmental activities, the difference between reacquisition price and the net carrying amount of the retired debt are reported as deferred inflows or deferred outflows of resources. 2,383,049

In government funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported (Notes 7 and 8).

Deferred outflows of resources relating to pensions	\$ 26,904,772	
Deferred inflows of resources relating to pensions	<u>(55,001,000)</u>	
		(28,096,228)

Unmatured interest is not recognized until it is due and, therefore, is not accrued as a payable in governmental funds. (3,219,448)

Total net position - governmental activities \$ 194,093,557

See accompanying notes to financial statements.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

	General Fund	Capital Facilities Fund	County School Facilities Fund	Bond Interest and Redemption Fund	All Non-Major Funds	Total Governmental Funds
Revenues:						
Local Control Funding Formula (LCFF):						
State apportionment	\$ 39,054,690	\$ -	\$ -	\$ -	\$ 3,508,275	\$ 42,562,965
Local sources	66,287,751	-	-	-	-	66,287,751
Total LCFF	105,342,441	-	-	-	3,508,275	108,850,716
Federal sources	8,059,746	-	-	-	9,829,160	17,888,906
Other state sources	16,038,378	-	30,645,923	958,925	4,395,357	52,038,583
Other local sources	10,546,157	11,832,117	10,753	14,862,315	2,124,792	39,376,134
Total revenues	139,986,722	11,832,117	30,656,676	15,821,240	19,857,584	218,154,339
Expenditures:						
Current:						
Certificated salaries	66,612,670	-	-	-	1,034,668	67,647,338
Classified salaries	20,182,042	362,777	-	-	1,618,831	22,163,650
Employee benefits	35,652,075	143,664	-	-	934,875	36,730,614
Books and supplies	7,290,790	162,689	-	-	3,333,562	10,787,041
Contract services and operating expenditures	13,146,927	626,046	-	-	1,704,752	15,477,725
Other outgo	652,045	(3,999)	6,261	-	2,373,407	3,027,714
Capital outlay	324,996	45,653,405	-	-	772,143	46,750,544
Debt service:						
Principal retirement	201,122	-	-	10,761,625	162,860	11,125,607
Interest	4,778	1,325,844	-	7,085,646	35,554	8,451,822
Total expenditures	144,067,445	48,270,426	6,261	17,847,271	11,970,652	222,162,055
(Deficiency)/excess of revenues (under)/over expenditures	(4,080,723)	(36,438,309)	30,650,415	(2,026,031)	7,886,932	(4,007,716)
Other financing sources (uses):						
Transfers in	186,386	30,771,126	-	-	4,820,358	35,777,870
Transfers out	(4,940,358)	-	(30,651,126)	-	(186,386)	(35,777,870)
Issuance of Leases	51,615	-	-	-	54,294	105,909
Total other financing sources (uses)	(4,702,357)	30,771,126	(30,651,126)	-	4,688,266	105,909
Net change in fund balances	(8,783,080)	(5,667,183)	(711)	(2,026,031)	12,575,198	(3,901,807)
Fund balances, July 1, 2021	32,692,931	41,399,719	711	21,518,836	9,619,987	105,232,184
Fund balances, June 30, 2022	\$ 23,909,851	\$ 35,732,536	\$ -	\$ 19,492,805	\$ 22,195,185	\$ 101,330,377

See accompanying notes to financial statements.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS -
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

Net change in fund balances - Total Governmental Funds	\$ (3,901,807)
Amounts reported for governmental activities in the statement of activities are different because:	
Acquisition of capital assets is an expenditure in the governmental funds, but increases capital assets in the statement of net position (Note 4).	46,765,853
Depreciation and amortization of capital assets is an expense that is not recorded in the governmental funds (Note 4).	(8,400,677)
In governmental funds, donated capital assets are not reported because they do not affect current financial resources. In the government-wide statements, donated capital assets are reported as revenue and as an increase to capital assets. The fair market value of capital assets donated was (Note 4):	5,000
In governmental funds the proceeds from debt are recognized as Other Financing Sources. In the government-wide statements proceeds from debt are recorded as increases in liabilities (Note 5).	(105,909)
Repayment of principal on long-term liabilities is an expenditure in the governmental funds but decreases the long-term liabilities in the statement of net position (Note 5).	11,125,607
Accretion of interest is not recorded in government funds. It increases the long-term liabilities in the Statement of Net Position (Note 5).	(1,636,479)
Amortization of debt issue premium and loss on refunding is recognized in the period incurred in the governmental funds but in the government-wide statements the premium or discount and loss on refunding is amortized as interest over the life of the debt (Note 5).	772,243
Unmatured interest on long-term liabilities is not recognized in the governmental funds until the period it is incurred, but is recognized as an expense in the period it becomes due on the statement of net position.	293,437

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS -
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

Pensions: In government funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was (Notes 7 and 8).

\$ 9,970,568

In the statement of activities, expenses related to compensated absences are measured by the amounts earned during the year. In the governmental funds, expenditures are measured by the amount of financial resources used (Note 5).

(39,887)

Change in net position of governmental activities

\$ 54,847,949

See accompanying notes to financial statements.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
TRUST FUND
June 30, 2022

	Scholarship Fund
ASSETS	
Cash and investments (Note 2):	
Cash in County Treasury	\$ 526,130
Receivables	<u>428</u>
Total assets	<u>526,558</u>
NET POSITION	
Net position - restricted	<u><u>\$ 526,558</u></u>

See accompanying notes to financial statements.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
STATEMENT OF CHANGE IN FIDUCIARY NET POSITION
TRUST FUND
For the Year Ended June 30, 2022

	Scholarship <u>Fund</u>
Additions:	
Other local sources	\$ 111,072
Deductions:	
Contract services and operating expenditures	<u>182,019</u>
Change in net position	(70,947)
Net position, July 1, 2021	<u>597,505</u>
Net position, June 30, 2022	<u><u>\$ 526,558</u></u>

See accompanying notes to financial statements.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Roseville Joint Union High School District (the "District") accounts for its financial transactions in accordance with the policies and procedures of the California Department of Education's *California School Accounting Manual*. The accounting policies of the District conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the more significant policies:

Reporting Entity: The Board of Trustees is the level of government which has governance responsibilities over all activities related to public school education in the District. The Board is not included in any other governmental "reporting entity" as defined by the Governmental Accounting Standards Board since Board members have decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. The District receives funding from local, state and federal governmental sources and must comply with all the requirements of these funding source entities.

The District has reviewed criteria to determine whether other entities with activities that benefit the District should be included within its financial reporting entity. The criteria include, but are not limited to, whether the entity exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), the scope of public service, and a special financing relationship.

The District and the Roseville Joint Union High School District Financing Corporation (the "Corporation") have a financial and operational relationship that meets the reporting entity definition criteria for inclusion of the Corporation as a component unit of the District. Accordingly, the financial activities of the Corporation have been included in the basic financial statements of the District.

The following are those aspects of the relationship between the District and the Corporation which satisfy the inclusion criteria:

Accountability

1. The Corporation's Board of Directors were appointed by the District's Board of Trustees.
2. The District is able to impose its will upon the Corporation, based on the following:
 - All major financing arrangements, contracts, and other transactions of the Corporation must have the consent of the District.
 - The District exercises significant influence over operations of the Corporation, as the District is the sole lessee of all facilities owned by the Corporation. Likewise, the District's lease payments are the sole revenue source of the Corporation.
3. The Corporation provides specific financial benefits or imposes specific financial burdens on the District based upon the following:
 - Any deficits incurred by the Corporation will be reflected in the lease payments of the District.
 - Any surpluses of the Corporation revert to the District at the end of the lease period.
 - The District has assumed a "moral obligation", and potentially a legal obligation, for any debt incurred by the Corporation.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Scope of Public Service - The Corporation is a nonprofit public benefit corporation incorporated under the laws of the State of California and recorded by the Secretary of State in June 1991. The Corporation was formed for the sole purpose of providing financing assistance to the District for construction and acquisition of Woodcreek High School. The District occupies all Corporation facilities under lease-purchase agreements. At the end of the lease term, title to all Corporation property will pass to the District for no additional consideration.

Financial Presentation - For financial presentation purposes, the Corporation's financial activity has been blended with the financial data of the District. The basic financial statements present the Corporation's financial activity within the General Fund.

Basis of Presentation - Financial Statements: The basic financial statements include a Management's Discussion and Analysis section providing an analysis of the District's overall financial position and results of operations, financial statements prepared using full accrual accounting for all of the District's activities, including infrastructure, and a focus on the major funds.

Basis of Presentation - Government-Wide Financial Statements: The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. Custodial funds are not included in the government-wide financial statements. Custodial funds are reported only in the Statement of Fiduciary Assets and Liabilities.

The Statement of Net Position and the Statement of Activities are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of Governmental Accounting Standards Board Codification Section (GASB Cod. Sec.) N50.118-.121.

Program Revenues - Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues.

Allocation of Indirect Expenses - The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term liabilities is considered an indirect expense and is reported separately on the Statement of Activities.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

A - Major Funds:

General Fund: The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund. For financial reporting purposes, the current year activity and year-end balances of the Special Reserve for Other than Capital Outlay Fund is combined with the General Fund. The Special Reserve for Other than Capital Outlay Fund is used to account for the District's participation in the PARS Public Agencies Pension Trust for the purpose of pre-funding pension obligations.

Capital Facilities Fund: The Capital Facilities Fund is used primarily to account separately for moneys received from fees levied on developers or other agencies as a condition of approving a development. The authority for these levies may be county/city ordinances or private agreements between the District and the developer. Interest earned in the Capital Facilities Fund is restricted to that fund.

County School Facilities Fund: The County School Facilities Fund is used to account for resources used for the acquisition or construction of major capital facilities and equipment.

Bond Interest and Redemption Fund: The Bond Interest and Redemption Fund is a debt service fund used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

B - Other Funds:

Special Revenue Funds: The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. This classification includes the Student Activity, Adult Education, Cafeteria, Deferred Maintenance and Pupil Transportation Equipment Funds.

Capital Projects Funds: The Capital Projects Funds are capital projects funds, used to account for resources used for the acquisition and construction of capital facilities by the District. This classification includes the Building Fund and Special Reserve for Capital Outlay Projects Fund.

Scholarship Fund: The Scholarship Fund is a trust fund used to account for assets held by the District as Trustee, to provide financial assistance to students of the District.

Basis of Accounting: Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrual: Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual: The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible in the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term liabilities, if any, is recognized when due.

Budgets and Budgetary Accounting: By state law, the Board of Trustees must adopt a final budget by July 1. A public hearing is conducted to receive comments prior to adoption. The Board of Trustees complied with these requirements.

Receivables: Receivables are generally made up of amounts due from the State of California and Categorical programs. The District has determined that no allowance for doubtful accounts was needed as of June 30, 2022.

Stores Inventory: Stores inventory in the Cafeteria Fund is valued at latest invoice cost and consists primarily of consumable supplies. No inventory records are maintained throughout the year. A physical inventory is performed on June 30 and the inventory and expense account balances are adjusted to reflect the physical count at year end.

Capital Assets: Capital assets purchased or acquired, with an original cost of \$5,000 or more, are recorded at historical cost or estimated historical cost, except for intangible right-to-use lease assets, the measurement of which is discussed in the "Leases" note below. Contributed assets are reported at acquisition value for the contributed asset. Additions, improvements and other capital outlay that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method over 5 - 50 years depending on asset types.

Leases: The District is a lessee for leases of property and equipment. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The District recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term liabilities on the statement of net position.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Activity: Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

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. Also, the District has recognized a deferred outflow of resources relate to recognition of the net pension liability reported in the Statement of Net Position.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and 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 net pension 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 the benefit terms. Certain investments are reported at fair value. The following is a summary of pension amounts in aggregate.

	<u>STRP</u>	<u>PERF B</u>	<u>Total</u>
Deferred outflows of resources	\$ 19,044,954	\$ 7,859,818	\$ 26,904,772
Deferred inflows of resources	\$ 45,384,000	\$ 9,617,000	\$ 55,001,000
Net pension liability	\$ 42,213,000	\$ 24,907,000	\$ 67,120,000
Pension expense	\$ 6,002,237	\$ 3,833,439	\$ 9,835,676

Compensated Absences: Compensated absences totaling \$526,170 are recorded as a liability of the District. The liability is for the earned but unused benefits.

Accumulated Sick Leave: Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expenditure in the period taken since such benefits do not vest nor is payment probable; however, sick leave benefits are accumulated for each employee and unused sick leave is added to the creditable service period for calculation of retirement benefits for certain STRP and PERF B employees when the employee retires.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unearned Revenues: Revenues from federal, state and local special projects and programs are recognized when qualified expenditures have been incurred. Funds received but not earned are recorded as unearned revenue until earned.

Net Position: Net position is displayed in three components:

1. Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent bond proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted Net Position - Restrictions of the ending net position indicate the portions of net position not appropriable for expenditure or amounts legally segregated for a specific future use. The restriction for legally restricted programs represents the portion of net position restricted to specific program expenditures. The restriction for capital projects represents the portion of net position restricted for capital projects. The restriction for debt service represents the portion of net position available for the retirement of debt. The restriction for scholarships represents the portion of net position available for the payment of scholarships. It is the District's policy to use restricted net position first when allowable expenditures are incurred.
3. Unrestricted Net Position – All other net position that do not meet the definitions of "restricted" or "net investment in capital assets".

Fund Balance Classifications: Governmental Accounting Standards Board Codification Sections 1300 and 1800, Fund Balance Reporting and Governmental Fund Type Definitions (GASB Cod. Sec. 1300 and 1800) implements a five-tier fund balance classification hierarchy that depicts the extent to which a government is bound by spending constraints imposed on the use of its resources. The five classifications, discussed in more detail below, are nonspendable, restricted, committed, assigned and unassigned.

A - Nonspendable Fund Balance: The nonspendable fund balance classification reflects amounts that are not in spendable form, such as revolving fund cash, prepaid expenditures and stores inventory.

B - Restricted Fund Balance: The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation. These are the same restrictions used to determine restricted net position as reported in the government-wide and fiduciary trust fund statements.

C - Committed Fund Balance: The committed fund balance classification reflects amounts subject to internal constraints self-imposed by formal action of the Board of Trustees. The constraints giving rise to committed fund balance must be imposed no later than the end of the reporting period. The actual amounts may be determined subsequent to that date but prior to the issuance of the financial statements. Formal action by the Board of Trustees is required to remove any commitment from any fund balance.

D - Assigned Fund Balance: The assigned fund balance classification reflects amounts that the District's Board of Trustees has approved to be used for specific purposes, based on the District's intent related to those specific purposes. The Board of Trustees can designate personnel with the authority to assign fund balances. However, as of June 30, 2022 no such designation has occurred.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E - Unassigned Fund Balance: In the General Fund only, the unassigned fund balance classification reflects the residual balance that has not been assigned to other funds and that is not restricted, committed, or assigned to specific purposes.

In any fund other than the General Fund, a positive unassigned fund balance is never reported because amounts in any other fund are assumed to have been assigned, at least, to the purpose of that fund. However, deficits in any fund, including the General Fund that cannot be eliminated by reducing or eliminating amounts assigned to other purposes are reported as negative unassigned fund balance.

Fund Balance Policy: The District has an expenditure policy relating to fund balances. For purposes of fund balance classifications, expenditures are to be spent from restricted fund balances first, followed in order by committed fund balances (if any), assigned fund balances and lastly unassigned fund balances.

While GASB Cod. Sec. 1300 and 1800 do not require districts to establish a minimum fund balance policy or a stabilization arrangement, GASB Cod. Sec. 1300 and 1800 do require the disclosure of a minimum fund balance policy and stabilization arrangements if they have been adopted by the Board of Trustees. At June 30, 2022, the District has not established a minimum fund balance policy nor has it established a stabilization arrangement.

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.

Property Taxes: Secured property taxes are attached as an enforceable lien on property as of January 1. Taxes are due in two installments on or before November 15 and March 15. Unsecured property taxes are due in one installment on or before August 31. The Counties of Sacramento and Placer bill and collect taxes for the District. Tax revenues are recognized by the District when received.

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

Eliminations and Reclassifications: In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Accounting Pronouncements: In June 2017, the GASB issued GASB Statement No. 87, *Leases*. GASB Statement No. 87 requires the recognition of certain assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this statement a lease is required to be recognized as a lease liability and an intangible right to use lease asset and the lessor is required to recognize a lease receivable and deferred inflow of resources. This statement was originally effective for fiscal years beginning after December 15, 2019, but due to the adoption of GASB Statement No. 95, the implementation date was extended to reporting periods beginning after June 15, 2021. Based on the implementation of GASB Statement No. 87, the District's governmental activities July 1, 2021 net position was restated by a decrease of \$75,921. Additionally, the District's governmental activities July 1, 2021 Capital Assets, Net was restated by an increase of \$184,707 and July 1, 2021 Long-term Liabilities was restated by \$260,628.

NOTE 2 - CASH AND INVESTMENTS

Cash and investments at June 30, 2022 consisted of the following:

	<u>Governmental Activities</u>	<u>Fiduciary Activities</u>
Pooled Funds:		
Cash in County Treasury	\$ 100,061,310	\$ 526,130
Deposits		
Cash on hand and in banks	1,482,455	-
Cash with fiscal agent	2,243,536	-
Revolving cash fund	<u>10,100</u>	<u>-</u>
Total	<u>\$ 103,797,401</u>	<u>\$ 526,130</u>

Pooled Funds: In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the interest-bearing Placer County Treasurer's Pooled 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 credit risk classifications is required.

In accordance with applicable state laws, the Placer County Treasurer may invest in derivative securities with the State of California. However, at June 30, 2022, the Placer County Treasurer has represented that the Pooled Investment Fund contained no derivatives or other investments with similar risk profiles.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 2 - CASH AND INVESTMENTS (Continued)

Deposits: Custodial Credit Risk: 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, 2022, the carrying amount of the District's accounts was \$1,492,555, and the bank balance was \$1,553,821, of which \$250,000 was fully covered by the FDIC insurance and \$1,303,821 was uninsured.

Cash with Fiscal Agent: Cash with Fiscal Agent represents cash balances held by Bank of NY Mellon for the proceeds of the issued Certificates of Participation. The cash balances are fully collateralized at June 30, 2022. Cash with Fiscal Agent in the General Fund totaling \$875,430 represents cash held by third party custodians related to the PARS Pension stabilization trust, and is fully collateralized.

Interest Rate Risk: The District does not have a formal investment policy that limits cash and investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2022, the District had no significant interest rate risk related to cash and investments held.

Credit Risk: The District does not have a formal investment policy that limits its investment choices other than the limitations of state law.

Concentration of Credit Risk: The District does not place limits on the amount it may invest in any one issuer. At June 30, 2022, the District had no concentration of credit risk.

NOTE 3 - INTERFUND TRANSACTIONS

Interfund Activity: Transactions between funds of the District are recorded as interfund transfers. The unpaid balances at year end, as a result of such transactions, are shown as due to and due from other funds.

Interfund Receivables/Payables: Individual fund interfund receivable and payable balances at June 30, 2022 were as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Funds:		
General	\$ 187,235	\$ -
Capital Facilities	3	6,180
Non-Major Funds:		
Adult Education	-	62,991
Cafeteria	-	120,332
Building	2,268	3
Totals	<u>\$ 189,506</u>	<u>\$ 189,506</u>

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 3 - INTERFUND TRANSACTIONS (Continued)

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

Transfers for the 2021-2022 fiscal year were as follows:

Transfer from the General Fund to the Pupil Transportation Fund for payment of leases and other operating costs.	\$ 550,000
Transfer from the General Fund to the Capital Facilities Fund for the transfer of redevelopment revenues.	120,000
Transfer from the General Fund to the Special Reserve for Capital Outlay Projects Fund for repair/maintenance/replacement of tracks and fields.	3,750,000
Transfer from the General Fund to the Special Reserve for Capital Outlay Projects Fund for replacement and modernization of large co-curricular equipment.	500,000
Transfer from the Cafeteria Fund to the General Fund for pandemic EBT funds.	3,063
Transfer from the General Fund to the Adult Education Fund for one-time stipends.	20,358
Transfer from the County School Facilities Fund to the Capital Facilities Fund for Proposition 51 matching funds.	30,651,126
Transfer from the Adult Education Fund to the General Fund for indirect costs.	62,991
Transfer from the Cafeteria Fund to the General Fund for indirect costs.	<u>120,332</u>
Totals	<u>\$ 35,777,870</u>

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 4 - CAPITAL ASSETS

A schedule of changes in capital assets for the year ended June 30, 2022 is shown below:

	Balance July 1, <u>2021</u>	Restatement Due To GASB 87 Implementation	Balance July 1, 2021, <u>As Restated</u>	Additions and <u>Transfers</u>	Deletions and <u>Transfers</u>	Balance June 30, <u>2022</u>
Non-depreciable:						
Land	\$ 24,422,982	\$ -	\$ 24,422,982	\$ -	\$ -	24,422,982
Work-in-process	188,755,204	-	188,755,204	45,950,325	17,169,410	217,536,119
Depreciable:						
Improvement of sites	36,707,641	-	36,707,641	191,270	-	36,898,911
Buildings	271,136,102	-	271,136,102	17,349,990	-	288,486,092
Equipment	18,115,437	(1,643,569)	16,471,868	342,769	49,293	16,765,344
Totals, at cost	<u>539,137,366</u>	<u>(1,643,569)</u>	<u>537,493,797</u>	<u>63,834,354</u>	<u>17,218,703</u>	<u>584,109,448</u>
Less accumulated depreciation:						
Improvement of sites	(5,216,148)	-	(5,216,148)	(955,439)	-	(6,171,587)
Buildings	(97,295,787)	-	(97,295,787)	(6,005,405)	-	(103,301,192)
Equipment	(13,903,683)	382,992	(13,520,691)	(1,075,851)	(49,293)	(14,547,249)
Total accumulated depreciation	<u>(116,415,618)</u>	<u>382,992</u>	<u>(116,032,626)</u>	<u>(8,036,695)</u>	<u>(49,293)</u>	<u>(124,020,028)</u>
Lease assets:						
Buildings	-	17,600	17,600	-	-	17,600
Furniture and equipment	-	1,427,684	1,427,684	105,909	-	1,533,593
Totals, at cost	<u>-</u>	<u>1,445,284</u>	<u>1,445,284</u>	<u>105,909</u>	<u>-</u>	<u>1,551,193</u>
Accumulated lease amortization for buildings	-	-	-	(8,800)	-	(8,800)
Accumulated lease amortization for furniture and equipment	-	-	-	(355,182)	-	(355,182)
Total accumulated lease amortization	<u>-</u>	<u>-</u>	<u>-</u>	<u>(363,982)</u>	<u>-</u>	<u>(363,982)</u>
Total lease assets, net	<u>-</u>	<u>1,445,284</u>	<u>1,445,284</u>	<u>(258,073)</u>	<u>-</u>	<u>1,187,211</u>
Governmental activities						
Capital assets, net	<u>\$ 422,721,748</u>	<u>\$ 184,707</u>	<u>\$ 422,906,455</u>	<u>\$ 55,539,586</u>	<u>\$ 17,169,410</u>	<u>\$ 461,276,631</u>

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 4 - CAPITAL ASSETS (Continued)

Depreciation and amortization expense was charged to governmental activities as follows:

Instruction	\$ 4,632,987
Supervision of instruction	184,647
Instructional library, media and technology	149,762
School site administration	598,948
Home-to-school transportation	184,847
Food services	269,389
All other pupil services	901,213
Ancillary services	190,798
Community services	9,919
Enterprise activities	7,922
All other general administration	370,372
Centralized data processing	133,839
Plant services	<u>766,034</u>
Total depreciation and amortization expense	<u>\$ 8,400,677</u>

NOTE 5 - LONG-TERM LIABILITIES

Bonded Debt: The outstanding debt of the District as of and during June 30, 2022 was as follows:

<u>Date of Issuance</u>	<u>Interest Rate Percent</u>	<u>Maturity Date</u>	<u>Amount of Original Issuance</u>	<u>Outstanding July 1, 2021</u>	<u>Issued Current Year</u>	<u>Redeemed Current Year</u>	<u>Outstanding June 30, 2022</u>
<u>Current Interest Bonds:</u>							
2011	4.0 - 5.0	2022	\$ 8,020,000	\$ 585,000	\$ -	\$ 585,000	\$ -
2013	2.0 - 5.0	2025	54,185,000	24,325,000	-	6,950,000	17,375,000
2016AR	2.0 - 4.0	2027	3,800,000	3,625,000	-	40,000	3,585,000
2016BR	2.0 - 3.0	2038	4,430,000	4,205,000	-	55,000	4,150,000
2016A	4.0 - 5.0	2046	50,000,000	42,140,000	-	-	42,140,000
2017	3.0 - 5.0	2047	10,000,000	9,660,000	-	-	9,660,000
2019B	5.0	2041	35,000,000	34,820,000	-	2,705,000	32,115,000
2019C	3.0 - 3.5	2047	15,965,000	15,965,000	-	40,000	15,925,000
2016C	3.0 - 4.0	2041	11,000,000	11,000,000	-	-	11,000,000
2007D	2.24 - 4.25	2047	5,290,000	5,290,000	-	105,000	5,185,000
<u>Capital Appreciation Bonds:</u>							
1998C	4.5 - 5.3	2024	4,995,895	432,415	-	148,451	283,964
1999D	4.6 - 5.65	2025	3,000,841	335,315	-	87,813	247,502
2004C	4.59 - 4.66	2032	10,622,959	10,622,959	-	-	10,622,959
2007D	2.24 - 2.96	2044	5,608,249	5,608,249	-	-	5,608,249
2011A	7.86 - 12.00	2040	1,080,624	105,444	-	45,361	60,083
2016BR	3.0 - 3.22	2035	1,442,856	1,442,856	-	-	1,442,856
2019C	3.5 - 4.4	2044	22,263,182	22,263,182	-	-	22,263,182
			<u>\$ 265,734,890</u>	<u>\$ 192,425,420</u>	<u>\$ -</u>	<u>\$ 10,761,625</u>	<u>\$ 181,663,795</u>

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 5 - LONG-TERM LIABILITIES (Continued)

The annual requirements to amortize the general obligation bonds and capital appreciation bonds payable outstanding as of June 30, 2022, are as follows:

Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 9,944,736	\$ 7,520,950	\$ 17,465,686
2024	10,931,936	6,866,975	17,798,911
2025	5,095,046	6,658,200	11,753,246
2026	4,481,847	6,367,950	10,849,797
2027	4,626,468	6,244,962	10,871,430
2028-2032	27,351,370	29,039,540	56,390,910
2033-2037	31,793,850	23,618,631	55,412,481
2038-2042	42,465,227	15,621,484	58,086,711
2043-2047	<u>44,973,315</u>	<u>7,663,588</u>	<u>52,636,903</u>
	<u>\$ 181,663,795</u>	<u>\$ 109,602,280</u>	<u>\$ 291,266,075</u>

Certificates of Participation: In July 2020, the District issued 2020 Certificates of Participation, in the amount of \$61,150,000. Proceeds were used for financing capital improvements to District sites and facilities. The Certificates of Participation interest and yield vary, ranging from 1.000% to 2.625% and are scheduled to mature through 2050.

The annual requirements to amortize the certificates of participation outstanding as of June 30, 2022, are as follows:

Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ -	\$ 1,325,844	\$ 1,325,844
2024	1,775,000	1,325,844	3,100,844
2025	1,795,000	1,308,094	3,103,094
2026	1,810,000	1,290,144	3,100,144
2027	1,830,000	1,272,044	3,102,044
2028-2032	9,525,000	5,989,425	15,514,425
2033-2037	10,495,000	5,014,156	15,509,156
2038-2042	11,780,000	3,737,331	15,517,331
2043-2047	13,305,000	2,205,063	15,510,063
2048-2050	<u>8,835,000</u>	<u>467,775</u>	<u>9,302,775</u>
	<u>\$ 61,150,000</u>	<u>\$ 23,935,720</u>	<u>\$ 85,085,720</u>

Leases: The District holds various lease agreements for equipment including copiers, relocatable classrooms, buses and vehicles. The leases interest and yield vary, ranging from 2.94% to 8.68% and are scheduled to mature through 2030.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 5 - LONG-TERM LIABILITIES (Continued)

The annual requirements to amortize the leases outstanding as of June 30, 2022, are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 268,305	\$ 43,127	\$ 311,432
2024	224,749	37,385	262,134
2025	162,525	23,123	185,648
2026	134,216	16,878	151,094
2027	128,452	15,680	144,132
2028-2030	<u>268,964</u>	<u>6,056</u>	<u>275,020</u>
	<u>\$ 1,187,211</u>	<u>\$ 142,249</u>	<u>\$ 1,329,460</u>

Schedule of Changes in Long-Term Liabilities: A schedule of changes in long-term liabilities for the fiscal year ended June 30, 2022 is shown below:

	Balance July 1, 2021	Restatement Due To GASB 87 Implementation	Balance July 1, 2021, As Restated	Additions	Deletions	Balance June 30, 2022	Amounts Due Within One Year
General Obligation Bonds:							
General Obligation Bonds	\$ 192,425,420	\$ -	\$ 192,425,420	\$ -	\$ 10,761,625	181,663,795	\$ 9,944,736
Accreted interest	13,437,977	-	13,437,977	2,249,855	613,376	15,074,456	-
Unamortized premiums	14,404,157	-	14,404,157	-	1,544,965	12,859,192	1,616,352
Certificates of Participation	61,150,000	-	61,150,000	-	-	61,150,000	-
Other Long-term Liabilities:							
Capital lease liabilities	1,184,656	(1,184,656)	-	-	-	-	-
Lease liabilities	-	1,445,284	1,445,284	105,909	363,982	1,187,211	268,305
Net pension liability (Notes 7 and 8)	130,851,000	-	130,851,000	-	63,731,000	67,120,000	-
Compensated absences	<u>486,283</u>	<u>-</u>	<u>486,283</u>	<u>39,887</u>	<u>-</u>	<u>526,170</u>	<u>526,170</u>
	<u>\$ 413,939,493</u>	<u>\$ 260,628</u>	<u>\$ 414,200,121</u>	<u>\$ 2,395,651</u>	<u>\$ 77,014,948</u>	<u>\$ 339,580,824</u>	<u>\$ 12,355,563</u>

Payments on the General Obligation Bonds are made from the Bond Interest and Redemption Fund. Payments on the lease liabilities are made from the General Fund and the Pupil Transportation Fund. Payments on compensated absences are made from the Fund for which the related employee worked.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 6 - FUND BALANCES

Fund balances, by category, at June 30, 2022 consisted of the following:

	General Fund	Capital Facilities Fund	County School Facilities Fund	Bond Interest and Redemption Fund	All Non-Major Funds	Total
Nonspendable:						
Revolving cash fund	\$ 10,000	\$ -	\$ -	\$ -	\$ 100	\$ 10,100
Prepaid expenditures	226,316	-	-	-	7,984	234,300
Stores inventory	-	-	-	-	27,453	27,453
Subtotal nonspendable	<u>236,316</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,537</u>	<u>271,853</u>
Restricted:						
Legally restricted programs:						
Grants	4,643,135	-	-	-	-	4,643,135
Student body activities	-	-	-	-	1,380,618	1,380,618
Cafeteria	-	-	-	-	8,044,107	8,044,107
Deferred Maintenance	-	-	-	-	5,943,792	5,943,792
Other	-	-	-	-	714,046	714,046
Capital projects	-	35,732,536	-	-	6,077,085	41,809,621
Debt service	-	-	-	19,492,805	-	19,492,805
Subtotal restricted	<u>4,643,135</u>	<u>35,732,536</u>	<u>-</u>	<u>19,492,805</u>	<u>22,159,648</u>	<u>82,028,124</u>
Committed:						
Pension Trust	<u>875,430</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>875,430</u>
Assigned:						
West Park High School Phase 2 start up	950,154	-	-	-	-	950,154
Categorical and site-base carryover	550,112	-	-	-	-	550,112
LCAP carryover	284,010	-	-	-	-	284,010
Roseville Pathway startup carryover	<u>225,274</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>225,274</u>
Subtotal assigned	<u>2,009,550</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,009,550</u>
Unassigned:						
Designated for economic uncertainty	8,989,440	-	-	-	-	8,989,440
Undesignated	<u>7,155,980</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,155,980</u>
Subtotal unassigned	<u>16,145,420</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,145,420</u>
Total fund balances	<u>\$ 23,909,851</u>	<u>\$ 35,732,536</u>	<u>\$ -</u>	<u>\$ 19,492,805</u>	<u>\$ 22,195,185</u>	<u>\$ 101,330,377</u>

(Continued)

NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN

General Information about the State Teachers' Retirement Plan

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/comprehensive-annual-financial-report>.

Benefits Provided: The STRP Defined Benefit Program has two benefit formulas:

- CalSTRS 2% at 60: Members first hired on or before December 31, 2012, to perform service that could be creditable to CalSTRS.
- CalSTRS 2% at 62: Members first hired on or after January 1, 2013, to perform service that could be creditable to CalSTRS.

The Defined Benefit (DB) Program provides retirement benefits based on members' final compensation, age and years of service credit. In addition, the retirement program provides benefits to members upon disability and to survivors/beneficiaries upon the death of eligible members. There are several differences between the two benefit formulas which are noted below.

CalSTRS 2% at 60 - CalSTRS 2% at 60 members are eligible for normal retirement at age 60, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service. Early retirement options are available at age 55 with five years of credited service or as early as age 50 with 30 years of credited service. The age factor for retirements after age 60 increases with each quarter year of age to 2.4 percent at age 63 or older. Members who have 30 years or more of credited service receive an additional increase of up to 0.2 percent to the age factor, known as the career factor. The maximum benefit with the career factor is up to the 2.4 percent maximum.

CalSTRS calculates retirement benefits based on a one-year final compensation for members who retired on or after January 1, 2001, with 25 or more years of credited service, or for classroom teachers with less than 25 years of credited service if the employer elected to pay the additional benefit cost prior to January 1, 2014. One-year final compensation means a member's highest average annual compensation earnable for 12 consecutive months calculated by taking the creditable compensation that a member could earn in a school year while employed on a fulltime basis, for a position in which the person worked. For members with less than 25 years of credited service, final compensation is the highest average annual compensation earnable for any 36 consecutive months of credited service.

CalSTRS 2% at 62 - CalSTRS 2% at 62 members are eligible for normal retirement at age 62, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service. An early retirement option is available at age 55. The age factor for retirement after age 62 increases with each quarter year of age to 2.4 percent at age 65 or older.

All CalSTRS 2% at 62 members have their final compensation based on their highest average annual compensation earnable for any 36 consecutive months of credited service.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

Contributions: Required member, employer and state contribution rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. Current contribution rates were established by California Assembly Bill 1469 (CalSTRS Funding Plan), which was passed into law in June 2014, and various subsequent legislation.

The CalSTRS Funding Plan established a schedule of contribution rate increases shared among members, employers, and the State of California to bring CalSTRS toward full funding by fiscal year 2046. California Senate Bill 90 and California Assembly Bill 84 (collectively the "Special Legislation"), were signed into law in June 2019 and June 2020, respectively, and provided supplemental contributions to the DB Program along with supplemental contribution rate relief to employers through fiscal year 2021-22.

A summary of statutory contribution rates and other sources of contributions to the DB Program pursuant to the CalSTRS Funding Plan, and the Special Legislation, are as follows:

Members - Under CalSTRS 2% at 60, the member contribution rate was 10.250 percent of applicable member earnings for fiscal year 2021-22. Under CalSTRS 2% at 62, members contribute 50 percent of the normal cost of their retirement plan, which resulted in a contribution rate of 10.205 percent of applicable member earnings for fiscal year 2021-22.

According to current law, the contribution rate for CalSTRS 2% at 62 members is adjusted if the normal cost increases or decreases by more than 1 percent since the last time the member contribution rate was set. Based on the June 30, 2020, valuation adopted by the board in June 2021, the increase in normal cost was less than 1 percent. Therefore, the contribution rate for CalSTRS 2% at 62 members did not change effective July 1, 2021.

Employers – 16.920 percent of applicable member earnings. This rate reflects the original employer contribution rate of 19.10 percent resulting from the CalSTRS Funding Plan, and subsequently reduced for the 2.18 percent to be paid on behalf of employers pursuant to Special Legislation.

Beginning in fiscal year 2021–22, the CalSTRS Funding Plan authorizes the board to adjust the employer supplemental contribution rate up or down by a maximum of 1% for a total rate of no higher than 20.25% and no lower than 8.25%. In June 2021, the CalSTRS board voted to keep the employer supplemental contribution rate the same for fiscal year 2021–22; it remained at 10.85% effective July 1, 2021.

Through the Special Legislation approved in June 2019 and June 2020, the State made supplemental contributions of approximately \$2.2 billion to CalSTRS on behalf of employers to supplant the amounts submitted by employers for fiscal years 2019–20 through 2021–22. Specifically, employers will remit 1.03%, 2.95% and 2.18% less than is required by the CalSTRS Funding Plan for fiscal years 2019–20, 2020–21 and 2021–22, respectively.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

The CalSTRS employer contribution rates effective for fiscal year 2021-22 through fiscal year 2046-47 are summarized in the table below:

<u>Effective Date</u>	<u>Base Rate</u>	<u>Supplemental Rate Per CalSTRS Funding Plan</u>	<u>Rate Adjustment Per Special Legislation</u>	<u>Total</u>
July 1, 2021	8.250%	10.850%	(2.180%)	16.920%
July 1, 2022 to June 30, 2046	8.250%	(1)	N/A	(1)
July 1, 2046	8.250%	Increase from AB 1469 rate ends in 2046-47		

(1) The CalSTRS Funding Plan authorizes the board to adjust the employer contribution rate up or down by up to 1% each year, but no higher than 20.250% total and no lower than 8.250%.

The District contributed \$10,807,954 to the plan for the fiscal year ended June 30, 2022.

State – 10.828 percent of the members' calculated based on creditable compensation from two fiscal years prior.

The state is required to contribute a base contribution rate set in statute at 2.017%. Pursuant to the CalSTRS Funding Plan, the state also has a supplemental contribution rate, which the board can increase by up to 0.5% each fiscal year to help eliminate the state's share of the CalSTRS unfunded actuarial obligation by 2046. In June 2021, the board approved an increase of 0.5% for fiscal year 2021-22, which will increase the state supplemental contribution rate to 6.311% effective July 1, 2021.

Special legislation appropriated supplemental state contributions to reduce the state's portion of the unfunded actuarial obligation of the DB Program in fiscal years 2019-20 through 2022-23. These contributions are funded from future excess General Fund revenues, pursuant to the requirements of California Proposition 2, Rainy-Day Budget Stabilization Fund Act, which passed in 2014. Accordingly, the contribution amounts are subject to change each year based on the availability of funding. For fiscal year 2020–21, CalSTRS received \$297.0 million in supplemental state contributions from Proposition 2 funds. Of this total, approximately \$170.0 million is designated to cover forgone contributions due to the suspension of the 0.5% increase to the state supplemental contribution rate in fiscal year 2020–21. The remaining \$127.0 million is designated to reduce the state's share of CalSTRS' unfunded actuarial obligation.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

The CalSTRS state contribution rates effective for fiscal year 2021-22 and beyond are summarized in the table below.

<u>Effective Date</u>	<u>Base Rate</u>	<u>Supplemental Rate Per CalSTRS Funding Plan</u>	<u>SBMA Funding⁽¹⁾</u>	<u>Total</u>
July 01, 2021	2.017%	6.311%	2.50%	10.828%
July 01, 2022 to June 30, 2046	2.017%	(2)	2.50%	(2)
July 01, 2046	2.017%	(3)	2.50%	(3)

- (1) The SBMA contribution rate excludes the \$72 million that is reduced from the required contribution in accordance with Education Code section 22954.
- (2) The board has limited authority to adjust the state contribution rate annually through June 2046 in order to eliminate the remaining unfunded actuarial obligation. The board cannot increase the supplemental rate by more than 0.5% in a fiscal year, and if there is no unfunded actuarial obligation, the supplemental contribution rate imposed would be reduced to 0%.
- (3) From July 1, 2046, and thereafter, the rates in effect prior to July 1, 2014, are reinstated, if necessary, to address any remaining unfunded actuarial obligation.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2022, 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	\$ 42,213,000
State's proportionate share of the net pension liability associated with the District	<u>25,116,000</u>
Total	<u>\$ 67,329,000</u>

The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating school districts and the State. At June 30, 2021, the District's proportion was 0.093 percent, which was a decrease of 0.005 percent from its proportion measured as of June 30, 2020.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

For the year ended June 30, 2022, the District recognized pension expense of \$6,002,237 and revenue of \$7,055,474 for support provided by the State. At June 30, 2022, 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 expected and actual experience	\$ 106,000	\$ 4,492,000
Changes of assumptions	5,981,000	-
Net differences between projected and actual earnings on investments	-	33,391,000
Changes in proportion and differences between District contributions and proportionate share of contributions	2,150,000	7,501,000
Contributions made subsequent to measurement date	<u>10,807,954</u>	<u>-</u>
Total	<u>\$ 19,044,954</u>	<u>\$ 45,384,000</u>

\$10,807,954 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2023	\$ (7,794,700)
2024	\$ (6,583,700)
2025	\$ (9,226,200)
2026	\$ (10,762,200)
2027	\$ (1,630,700)
2028	\$ (1,149,500)

Differences between expected and actual experience and changes in assumptions are amortized over a closed period equal to the average remaining service life of plan members, which is 7 years as of the June 30, 2021 measurement date. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed 5-year period.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

Actuarial Methods and Assumptions: The total pension liability for the STRP was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2020, and rolling forward the total pension liability to June 30, 2021. The financial reporting actuarial valuation as of June 30, 2020, used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2020
Experience Study	July 1, 2015 through June 30, 2018
Actuarial Cost Method	Entry age normal
Investment Rate of Return	7.10%
Consumer Price Inflation	2.75%
Wage Growth	3.50%
Post-retirement Benefit Increases	2.00% simple for DB, maintain 85% Purchasing power level for DB, not applicable for DBS/CBB

Discount Rate: The discount rate used to measure the total pension liability was 7.10 percent, which was unchanged from the prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates in accordance with the rate increase per AB 1469. 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 occur midyear. Based on those 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 the total pension liability.

Mortality: CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among its members. The projection scale was set equal to 110 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table, issued by the Society of Actuaries.

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 investment staff and investment consultants as inputs to the process.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

The actuarial investment rate of return assumption was adopted by the CalSTRS board in January 2020 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS consulting actuary reviews the return assumption for reasonableness based on the most current capital market assumptions. 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:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Long-Term* Expected Real Rate of Return</u>
Public Equity	42%	4.8%
Real Estate Assets	15	3.6
Private Equity	13	6.3
Fixed Income	12	1.3
Risk Mitigating Strategies	10	1.8
Inflation Sensitive	6	3.3
Cash / Liquidity	2	(0.4)

* 20-year geometric average

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.10 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10 percent) or 1-percentage-point higher (8.10 percent) than the current rate:

	<u>1% Decrease (6.10%)</u>	<u>Current Discount Rate (7.10%)</u>	<u>1% Increase (8.10%)</u>
District's proportionate share of the net pension liability	<u>\$ 85,930,000</u>	<u>\$ 42,213,000</u>	<u>\$ 5,928,000</u>

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

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 – NET PENSION LIABILITY – PUBLIC EMPLOYER’S RETIREMENT FUND B

General Information about the Public Employer’s Retirement Fund B

Plan Description: The schools’ cost-sharing multiple-employer defined benefit pension plan Public Employer’s Retirement Fund B (PERF B) is administered by the California Public Employees’ Retirement System (CalPERS). Plan membership consists of non-teaching and non-certified employees of public schools (K-12), community college districts, offices of education, charter, and private schools (elective) in the State of California.

The Plan was established to provide retirement, death and disability benefits to non-teaching and noncertified employees in schools. The benefit provisions for Plan employees are established by statute. CalPERS issues a publicly available financial report that can be obtained at:

<https://www.calpers.ca.gov/docs/forms-publications/acfr-2021.pdf>.

Benefits Provided: The benefits for the defined benefit plans are based on members’ years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Members become fully vested in their retirement benefits earned to date after five years (10 years for State Second Tier members) of credited service.

Contributions: The benefits for the defined benefit pension plans are funded by contributions from members and employers, and earnings from investments. Member and employer contributions are a percentage of applicable member compensation. Member contribution rates are defined by law and depend on the respective employer’s benefit formulas. Employer contribution rates are determined by periodic actuarial valuations or by state statute. Actuarial valuations are based on the benefit formulas and employee groups of each employer. Employer contributions, including lump sum contributions made when districts first join PERF B, are credited with a market value adjustment in determining contribution rates.

The required contribution rates of most active plan members are based on a percentage of salary in excess of a base compensation amount ranging from zero dollars to \$863 monthly.

Required contribution rates for active plan members and employers as a percentage of payroll for the year ended June 30, 2022 were as follows:

Members - The member contribution rate was 7.0 percent of applicable member earnings for fiscal year 2021-2022.

Employers - The employer contribution rate was 22.91 percent of applicable member earnings.

The District contributed \$4,405,818 to the plan for the fiscal year ended June 30, 2022.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflow of Resources Related to Pensions - At June 30, 2021, the District reported a liability of \$24,907,000 or its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. The District’s proportion of the net pension liability was based on the District’s share of contributions to the pension plan relative to the contributions of all participating school districts. At June 30, 2021 the District’s proportion was 0.122 percent, which was an increase of 0.006 percent from its proportion measured as of June 30, 2020.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 – NET PENSION LIABILITY – PUBLIC EMPLOYER’S RETIREMENT FUND B (Continued)

For the year ended June 30, 2022, the District recognized pension expense of \$3,833,439. At June 30, 2022, 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 expected and actual experience	\$ 744,000	\$ 59,000
Changes of assumptions	-	-
Net differences between projected and actual earnings on investments	-	9,558,000
Changes in proportion and differences between District contributions and proportionate share of contributions	2,710,000	-
Contributions made subsequent to measurement date	<u>4,405,818</u>	<u>-</u>
Total	<u>\$ 7,859,818</u>	<u>\$ 9,617,000</u>

\$4,405,818 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending <u>June 30,</u>	
2023	\$ (661,500)
2024	\$ (1,002,500)
2025	\$ (1,840,500)
2026	\$ (2,658,500)

Differences between expected and actual experience and changes in assumptions are amortized over a closed period equal to the average remaining service life of plan members, which is 4 years as of the June 30, 2021 measurement date. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed 5-year period.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 – NET PENSION LIABILITY – PUBLIC EMPLOYER’S RETIREMENT FUND B (Continued)

Actuarial Methods and Assumptions: The total pension liability for the Plan was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2020, and rolling forward the total pension liability to June 30, 2021. The financial reporting actuarial valuation as of June 30, 2020, used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2020
Experience Study	June 30, 1997 through June 30, 2015
Actuarial Cost Method	Entry age normal
Investment Rate of Return	7.15%
Consumer Price Inflation	2.50%
Wage Growth	Varies by entry age and service
Post-retirement Benefit Increases	Contract COLA up to 2.00% until Purchasing Power Protection Allowance Floor on Purchasing Power applies 2.50% thereafter

The mortality table used was developed based on CalPERS specific data. The table includes 15 years of mortality improvements using Society of Actuaries 90% of scale MP 2016. For more details on this table, please refer to the 2017 experience study report.

All other actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. Further details of the Experience Study can be found at CalPERS’ website.

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

<u>Asset Class</u>	<u>Long-Term* Assumed Asset Allocation</u>	<u>Expected Real Rate of Return Years (1-10)⁽¹⁾</u>	<u>Expected Real Rate of Return Years 11+⁽²⁾</u>
Global Equity	50%	4.80%	5.98%
Fixed Income	28	1.00	2.62
Inflation Assets	-	0.77	1.81
Private Equity	8	6.30	7.23
Real Assets	13	3.75	4.93
Liquidity	1	-	(0.92)

* 10-year geometric average

(1) An expected inflation rate of 2.00% used for this period.

(2) An expected inflation rate of 2.92% used for this period.

Discount Rate: The discount rate used to measure the total pension liability was 7.15 percent. A projection of the expected benefit payments and contributions was performed to determine if assets would run out. The test revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Plan. The results of the crossover testing for the Plan are presented in a detailed report that can be obtained at CalPERS’ website.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 – NET PENSION LIABILITY – PUBLIC EMPLOYER’S RETIREMENT FUND B (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.

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 and forecasted information for all the funds’ asset classes, expected compound (geometric) returns were calculated over the short term (first 10 years) and the long term (11+ 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 rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long- term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.15 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.15 percent) or 1-percentage-point higher (8.15 percent) than the current rate:

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
District’s proportionate share of the net pension liability	\$ 41,996,000	\$ 24,907,000	\$ 10,719,000

Pension Plan Fiduciary Net Position: Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS financial report.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 9 - JOINT POWERS AGREEMENTS

Schools Insurance Group: The District is a member of a Joint Powers Authority, Schools Insurance Group (SIG), for the operation of a common risk management and insurance program. The Authority is governed by a Governing Board consisting of representatives of member districts. The Governing Board controls the operations of SIG, including selections of management and approval of operating budgets. The JPA provide first dollar coverage and insure risk up to statutory limits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal year. There have been no significant reductions in insurance coverage from coverage in the prior year.

Condensed financial information for SIG for the year ended June 30, 2021 (most recent information available):

Total assets	\$ 115,062,160
Deferred outflows of resources	\$ 274,347
Total liabilities	\$ 37,079,788
Deferred inflows of resources	\$ 77,117
Total net position	\$ 78,179,602
Total revenues	\$ 96,442,660
Total expenditures	\$ 88,802,310
Change in net position	\$ 7,640,350

NOTE 10 - CONTINGENCIES

The District is subject to legal proceedings and claims which arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to these actions will not materially affect the financial position or results of operations of the District.

Also, 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 generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements will not be material.

Construction Commitments: As of June 30, 2022, the District has \$21,586,000 in outstanding commitments on construction contracts.

REQUIRED SUPPLEMENTARY INFORMATION

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2022

	Budget			Variance
	Original	Final	Actual	Favorable (Unfavorable)
Revenues:				
Local Control Funding Formula:				
State apportionment	\$ 45,867,671	\$ 39,054,690	\$ 39,054,690	\$ -
Local sources	64,237,350	66,286,936	66,287,751	815
Total LCFF	110,105,021	105,341,626	105,342,441	815
Federal sources	10,645,851	15,047,049	8,059,746	(6,987,303)
Other state sources	14,290,629	15,691,840	16,038,378	346,538
Other local sources	9,609,924	12,185,657	10,546,157	(1,639,500)
Total revenues	144,651,425	148,266,172	139,986,722	(8,279,450)
Expenditures:				
Current:				
Certificated salaries	62,279,736	66,353,513	66,612,670	(259,157)
Classified salaries	20,775,557	21,397,253	20,182,042	1,215,211
Employee benefits	34,682,549	35,224,552	35,652,075	(427,523)
Books and supplies	7,800,947	12,526,342	7,290,790	5,235,552
Contract services and operating expenditures	17,356,774	23,476,524	13,146,927	10,329,597
Other outgo	962,183	833,630	652,045	181,585
Capital outlay	134,950	933,863	324,996	608,867
Debt service:				
Principal retirement	61,051	220,622	201,122	19,500
Interest	10,170	10,170	4,778	5,392
Total expenditures	144,063,917	160,976,469	144,067,445	16,909,024
Excess/(deficiency) of revenues over/(under) expenditures	587,508	(12,710,297)	(4,080,723)	8,629,574
Other financing sources (uses):				
Transfers in	329,067	287,143	186,386	(100,757)
Transfers out	(1,120,000)	(5,890,360)	(4,940,358)	950,002
Issuance of Leases	-	-	51,615	51,615
Total other financing sources (uses)	(790,933)	(5,603,217)	(4,702,357)	900,860
Net change in fund balance	(203,425)	(18,313,514)	(8,783,080)	9,530,434
Fund balance, July 1, 2021	32,692,931	32,692,931	32,692,931	-
Fund balance, June 30, 2022	\$ 32,489,506	\$ 14,379,417	\$ 23,909,851	\$ 9,530,434

See accompanying note to required supplementary information.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
For the Year Ended June 30, 2022

	State Teachers' Retirement Plan Last 10 Fiscal Years							
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
District's proportion of the net pension liability	0.099%	0.103%	0.100%	0.097%	0.100%	0.102%	0.098%	0.093%
District's proportionate share of the net pension liability	\$ 57,942,000	\$ 69,179,000	\$ 81,100,000	\$ 89,826,000	\$ 91,626,000	\$ 92,503,000	\$ 95,330,000	\$ 42,213,000
State's proportionate share of the net pension liability associated with the District	<u>34,988,000</u>	<u>36,588,000</u>	<u>46,173,000</u>	<u>53,140,000</u>	<u>52,460,000</u>	<u>50,467,000</u>	<u>52,097,000</u>	<u>25,116,000</u>
Total net pension liability	<u>\$ 92,930,000</u>	<u>\$ 105,767,000</u>	<u>\$ 127,273,000</u>	<u>\$ 142,966,000</u>	<u>\$ 144,086,000</u>	<u>\$ 142,970,000</u>	<u>\$ 147,427,000</u>	<u>\$ 67,329,000</u>
District's covered payroll	\$ 44,163,000	\$ 47,694,000	\$ 49,972,000	\$ 51,275,000	\$ 53,323,000	\$ 55,034,000	\$ 56,602,000	\$ 58,940,000
District's proportionate share of the net pension liability as a percentage of its covered payroll	131.20%	145.05%	162.29%	175.18%	171.83%	168.08%	168.42%	71.62%
Plan fiduciary net position as a percentage of the total pension liability	76.52%	74.02%	70.04%	69.46%	70.99%	72.56%	71.82%	87.21%

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

All years prior to 2015 are not available.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
For the Year Ended June 30, 2022

	Public Employer's Retirement Fund B Last 10 Fiscal Years							
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
District's proportion of the net pension liability	0.099%	0.105%	0.104%	0.104%	0.105%	0.106%	0.116%	0.122%
District's proportionate share of the net pension liability	\$ 11,230,000	\$ 15,447,000	\$ 20,563,000	\$ 24,715,000	\$ 28,031,000	\$ 31,032,000	\$ 35,521,000	\$ 24,907,000
District's covered payroll	\$ 10,384,000	\$ 11,602,000	\$ 12,491,000	\$ 13,200,000	\$ 13,875,000	\$ 14,755,000	\$ 16,693,000	\$ 17,505,000
District's proportionate share of the net pension liability as a percentage of its covered payroll	108.15%	133.14%	164.62%	187.23%	202.03%	210.32%	212.79%	142.29%
Plan fiduciary net position as a percentage of the total pension liability	83.38%	79.43%	73.89%	71.87%	70.85%	70.05%	70.00%	80.97%

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

All years prior to 2015 are not available.

See accompanying note to required supplementary information.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
For the Year Ended June 30, 2022

	State Teachers' Retirement Plan Last 10 Fiscal Years							
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Contractually required contribution	\$ 4,235,196	\$ 5,362,036	\$ 6,507,001	\$ 7,694,523	\$ 8,959,470	\$ 9,678,887	\$ 9,518,764	\$ 10,807,954
Contributions in relation to the contractually required contribution	<u>(4,235,196)</u>	<u>(5,362,036)</u>	<u>(6,507,001)</u>	<u>(7,694,523)</u>	<u>(8,959,470)</u>	<u>(9,678,887)</u>	<u>(9,518,764)</u>	<u>(10,807,954)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 47,694,000	\$ 49,972,000	\$ 51,275,000	\$ 53,323,000	\$ 55,034,000	\$ 56,602,000	\$ 58,940,000	\$ 63,877,000
Contributions as a percentage of covered payroll	8.88%	10.73%	12.69%	14.43%	16.28%	17.10%*	16.15%**	16.92%***

All years prior to 2015 are not available.

* This rate reflects the original employer contribution rate of 18.13 percent under AB1469, reduced for the 1.03 percentage points to be paid on behalf of employers pursuant to SB 90.

** This rate reflects the original employer contribution rate of 19.10 percent under AB1469, reduced for the 2.95 percentage points to be paid on behalf of employers pursuant to SB 90.

*** This rate reflects the original employer contribution rate of 19.10 percent under AB1469, reduced for the 2.18 percentage points to be paid on behalf of employers pursuant to SB 90.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
For the Year Ended June 30, 2022

Public Employer's Retirement Fund B Last 10 Fiscal Years								
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Contractually required contribution	\$ 1,365,626	\$ 1,479,773	\$ 1,833,247	\$ 2,154,937	\$ 2,665,105	\$ 3,291,961	\$ 3,623,440	\$ 4,405,818
Contributions in relation to the contractually required contribution	<u>(1,365,626)</u>	<u>(1,479,773)</u>	<u>(1,833,247)</u>	<u>(2,154,937)</u>	<u>(2,665,105)</u>	<u>(3,291,961)</u>	<u>(3,623,440)</u>	<u>(4,405,818)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 11,602,000	\$ 12,491,000	\$ 13,200,000	\$ 13,875,000	\$ 14,755,000	\$ 16,693,000	\$ 17,505,000	\$ 19,231,000
Contributions as a percentage of covered payroll	11.77%	11.85%	13.89%	15.54%	18.06%	19.72%	20.70%	22.91%

All years prior to 2015 are not available.

See accompanying note to required supplementary information.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2022

NOTE 1 - PURPOSE OF SCHEDULES

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

Schedule of the District's 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 the District's Contributions: The Schedule of District 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: The discount rates used for the Public Employer's Retirement Fund B (PERF B) was 7.50, 7.65, 7.65, 7.15, 7.15, 7.15, 7.15 and 7.15 percent in the June 30, 2013, 2014, 2015, 2016, 2017, 2018, 2019 and 2020 actuarial reports, respectively.

The following are the assumptions for State Teachers' Retirement Plan:

<u>Assumption</u>	<u>Measurement Period</u>						
	<u>As of June 30,</u>						
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Consumer price inflation	2.75%	2.75%	2.75%	2.75%	2.75%	3.00%	3.00%
Investment rate of return	7.10%	7.10%	7.10%	7.10%	7.10%	7.60%	7.60%
Wage growth	3.50%	3.50%	3.50%	3.50%	3.50%	3.75%	3.75%

SUPPLEMENTARY INFORMATION

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NON-MAJOR FUNDS
June 30, 2022

	Student Activity Special Revenue Fund	Adult Education Fund	Cafeteria Fund	Deferred Maintenance Fund	Pupil Transportation Equipment Fund	Building Fund	Special Reserve for Capital Outlay Projects Fund	Total
ASSETS								
Cash in County Treasury	\$ -	\$ 314,216	\$ 6,944,137	\$ 6,215,930	\$ 609,149	\$ (2,264)	\$ 6,075,533	\$ 20,156,701
Cash on hand and in banks	1,390,721	12,761	13,361	-	-	-	-	1,416,843
Cash in revolving fund	-	100	-	-	-	-	-	100
Receivables	-	106,308	1,218,050	2,872	276	-	2,739	1,330,245
Due from other fund	-	-	-	-	-	2,268	-	2,268
Stores inventory	-	-	27,453	-	-	-	-	27,453
Prepaid expenditures	-	-	7,984	-	-	-	-	7,984
Total assets	<u>\$ 1,390,721</u>	<u>\$ 433,385</u>	<u>\$ 8,210,985</u>	<u>\$ 6,218,802</u>	<u>\$ 609,425</u>	<u>\$ 4</u>	<u>\$ 6,078,272</u>	<u>\$ 22,941,594</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 10,103	\$ 265,673	\$ 11,109	\$ 275,010	\$ -	\$ 1	\$ 1,187	\$ 563,083
Due to other funds	-	62,991	120,332	-	-	3	-	183,326
Total liabilities	<u>10,103</u>	<u>328,664</u>	<u>131,441</u>	<u>275,010</u>	<u>-</u>	<u>4</u>	<u>1,187</u>	<u>746,409</u>
Fund balances:								
Nonspendable	-	100	35,437	-	-	-	-	35,537
Restricted	<u>1,380,618</u>	<u>104,621</u>	<u>8,044,107</u>	<u>5,943,792</u>	<u>609,425</u>	<u>-</u>	<u>6,077,085</u>	<u>22,159,648</u>
Total fund balance	<u>1,380,618</u>	<u>104,721</u>	<u>8,079,544</u>	<u>5,943,792</u>	<u>609,425</u>	<u>-</u>	<u>6,077,085</u>	<u>22,195,185</u>
Total liabilities and fund balances	<u>\$ 1,390,721</u>	<u>\$ 433,385</u>	<u>\$ 8,210,985</u>	<u>\$ 6,218,802</u>	<u>\$ 609,425</u>	<u>\$ 4</u>	<u>\$ 6,078,272</u>	<u>\$ 22,941,594</u>

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES
ALL NON-MAJOR FUNDS
For the Year Ended June 30, 2022

	Student Activity Special Revenue Fund	Adult Education Fund	Cafeteria Fund	Deferred Maintenance Fund	Pupil Transportation Equipment Fund	Building Fund	Special Reserve for Capital Outlay Projects Fund	Total
Revenues:								
Local Control Funding Formula:								
State apportionment	\$ -	\$ 8,275	\$ -	\$ 3,500,000	\$ -	\$ -	\$ -	\$ 3,508,275
Federal sources	-	254,013	9,575,147	-	-	-	-	9,829,160
Other state sources	-	3,713,371	681,986	-	-	-	-	4,395,357
Other local sources	2,365,758	194,457	(101,730)	(159,184)	(15,666)	(2,261)	(156,582)	2,124,792
Total revenues	2,365,758	4,170,116	10,155,403	3,340,816	(15,666)	(2,261)	(156,582)	19,857,584
Expenditures:								
Current:								
Certificated salaries	18,179	1,016,489	-	-	-	-	-	1,034,668
Classified salaries	3,050	191,163	1,424,618	-	-	-	-	1,618,831
Employee benefits	-	471,879	462,996	-	-	-	-	934,875
Books and supplies	589,653	42,078	2,701,831	-	-	-	-	3,333,562
Contract services and operating expenditures	1,488,453	44,996	81,076	61,079	29,147	1	-	1,704,752
Other outgo	-	2,375,669	-	-	-	(2,262)	-	2,373,407
Capital outlay	-	5,926	-	726,755	39,462	-	-	772,143
Debt services:								
Principal retirement	-	-	-	-	162,860	-	-	162,860
Interest	-	-	-	-	35,554	-	-	35,554
Total expenditures	2,099,335	4,148,200	4,670,521	787,834	267,023	(2,261)	-	11,970,652
Excess/(deficiency) of revenues over/(under) expenditures	266,423	21,916	5,484,882	2,552,982	(282,689)	-	(156,582)	7,886,932
Other financing sources (uses):								
Transfers in	-	20,358	-	-	550,000	-	4,250,000	4,820,358
Transfers out	-	(62,991)	(123,395)	-	-	-	-	(186,386)
Issuance of Leases	-	-	-	-	54,294	-	-	54,294
Total other financing sources (uses)	-	(42,633)	(123,395)	-	604,294	-	4,250,000	4,688,266
Net change in fund balances	266,423	(20,717)	5,361,487	2,552,982	321,605	-	4,093,418	12,575,198
Fund balances, July 1, 2021	1,114,195	125,438	2,718,057	3,390,810	287,820	-	1,983,667	9,619,987
Fund balances, June 30, 2022	\$ 1,380,618	\$ 104,721	\$ 8,079,544	\$ 5,943,792	\$ 609,425	\$ -	\$ 6,077,085	\$ 22,195,185

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
ORGANIZATION
June 30, 2022

Roseville Joint Union High School District was established in 1912 and is comprised of an area of approximately 108 square miles in Placer and Sacramento Counties. There were no changes in the boundaries of the District during the current year. The District is a political subdivision of the State of California. The District is currently operating six high schools, one continuation education school, one adult education school, and an independent study program.

GOVERNING BOARD

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Scott E. Huber	President	November 2022
Julie K. Hirota	Vice President	November 2024
Pete Constant	Clerk	November 2024
Marla Franz	Member	November 2022
Heidi Hall	Member	November 2024

ADMINISTRATION

John Becker
Superintendent

Joe Landon
Assistant Superintendent, Business Services

Brad Basham
Assistant Superintendent, Personnel Services

April Moore
Assistant Superintendent, Education Services

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE
June 30, 2022

	Audited Second Period Report	Annual Report
Certificate #	76494CC2	721EBE14
Secondary:		
Regular Classes	9,751	9,667
Special Education	<u>17</u>	<u>17</u>
ADA totals	<u>9,768</u>	<u>9,684</u>

See accompanying notes to supplementary information.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME
For the Year Ended June 30, 2022

<u>Grade Level</u>	<u>1986-87 Minutes Requirements</u>	<u>2021-2022 Actual Minutes</u>	<u>Number of Days Traditional Calendar</u>	<u>Status</u>
Grade 9	64,800	65,098	180	In Compliance
Grade 10	64,800	65,098	180	In Compliance
Grade 11	64,800	65,098	180	In Compliance
Grade 12	64,800	65,075	180	In Compliance

See accompanying notes to supplementary information.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
For the Year Ended June 30, 2022

<u>Assistance Listing Number</u>	<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Education - Passed through California Department of Education</u>			
	Adult Education Programs:		
84.002A	Adult Basic Education: English Literacy & Civics Education - Local Grant	14109	\$ 31,472
84.002	Adult Secondary Education (Section 231)	13978	91,365
84.002A	Adult Education: Adult Basic Education & ESL (Section 231)	14508	<u>131,176</u>
	Subtotal Adult Education Programs		<u>254,013</u>
	Special Education Cluster:		
84.027	IDEA Basic Local Assistance Entitlement, Part B, Section 611	13379	1,941,731
84.027A	IDEA Mental Health Services, Part B, Sec 611	14468	<u>137,726</u>
	Subtotal Special Education Cluster		<u>2,079,457</u>
	Title I Programs:		
84.010	ESEA: Title I, Part A, Basic Grants Low-Income and Neglected	14329	1,394,583
84.010	ESEA: ESSA School Improvement (CSI) Funding for LEAs	15438	<u>602,421</u>
	Subtotal Title I Programs		<u>1,997,004</u>
84.367	ESEA: Title II, Part A, Improving Teacher Quality Local Grants	14341	156,523
	Title III Programs:		
84.365A	ESEA: Title III: Limited English Proficiency (LEP)	14346	39,980
84.365	ESEA (ESSA): Title III: Immigrant Student Program	15146	<u>17,395</u>
	Subtotal Title III Programs		<u>57,375</u>
84.424	ESEA: Title IV, Part A, Student Support and Academic Enrichment Grants	15396	48,878
84.196	ESEA: Education for Homeless Children and Youth, Subtitle VII-B McKinney-Vento Act	14332	58,129
84.048	Carl D. Perkins Career and Technical Education: Secondary, Section 131 (Vocational Education)	14894	162,705
84.126A	We Can Work	N/A	60,176

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
For the Year Ended June 30, 2022

Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Federal Expenditures
<u>U.S. Department of Education - Passed through California Department of Education</u>			
	COVID-19: Education Stabilization Fund (ESF) Programs:		
84.425	COVID-19: Elementary and Secondary School Emergency Relief (ESSER) Fund	15536	\$ 46
84.425	COVID-19: Elementary and Secondary School Emergency Relief II (ESSER II) Fund	15547	(3,595)
84.425U	COVID-19: Elementary and Secondary School Emergency Relief III (ESSER III) Fund: Learning Loss	10155	376,058
84.425	COVID-19: Expanded Learning Opportunities (ELO) Grant: ESSER II State Reserve	15618	732,210
84.425	COVID-19: Expanded Learning Opportunities (ELO) Grant: GEER II	15619	195,445
84.425	COVID-19: Governor's Emergency Education Relief (GEER) Fund: Learning Loss Mitigation - COVID-19	15517	1,000,000
84.425	Child Nutrition: COVID-19 CARES Act Supplemental Meal Reimbursement	15535	<u>1,139,335</u>
	Subtotal COVID-19: ESF Programs		<u>3,439,499</u>
	Total U.S. Department of Education		<u>8,313,759</u>
<u>U.S. Department of Agriculture - Passed through California Department of Education</u>			
	Child Nutrition Cluster		
10.553	Child Nutrition: School Programs - Child Nutrition Cluster	13390	9,563,777
10.555	SNP COVID-19 Emergency Operational Costs Reimbursement (ECR)	15637	<u>8,307</u>
	Subtotal Child Nutrition Cluster		<u>9,572,084</u>
10.649	Pandemic EBT Local Administrative Grant	15644	<u>3,063</u>
	Total U.S Department of Agriculture		<u>9,575,147</u>
	Total Federal Programs		<u>\$ 17,888,906</u>

See accompanying notes to supplementary information.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
RECONCILIATION OF UNAUDITED ACTUAL FINANCIAL REPORT
WITH AUDITED FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

There were no adjustments to any funds of the District.

See accompanying notes to supplementary information.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
For the Year Ended June 30, 2022
(UNAUDITED)

	(Budgeted) <u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<u>General Fund</u>				
Revenues and other financing sources	\$ 173,080,080	\$ 140,224,723	\$ 142,407,514	\$ 124,925,925
Expenditures	175,657,167	144,067,445	133,050,215	125,602,940
Other uses and transfers out	<u>120,000</u>	<u>4,940,358</u>	<u>580,000</u>	<u>1,046,830</u>
Total outgo	<u>175,777,167</u>	<u>149,007,803</u>	<u>133,630,215</u>	<u>126,649,770</u>
Change in fund balance	<u>\$ (2,697,087)</u>	<u>\$ (8,783,080)</u>	<u>\$ 8,777,299</u>	<u>\$ (1,723,845)</u>
Ending fund balance	<u>\$ 21,212,764</u>	<u>\$ 23,909,851</u>	<u>\$ 32,692,931</u>	<u>\$ 23,915,632</u>
Available reserves	<u>\$ 18,385,080</u>	<u>\$ 16,145,420</u>	<u>\$ 26,457,501</u>	<u>\$ 16,741,866</u>
Designated for economic uncertainties	<u>\$ 10,546,630</u>	<u>\$ 8,989,440</u>	<u>\$ 8,004,948</u>	<u>\$ 7,588,429</u>
Undesignated fund balance	<u>\$ 7,838,450</u>	<u>\$ 7,155,980</u>	<u>\$ 18,452,553</u>	<u>\$ 9,153,437</u>
Available reserves as percentages of total outgo	<u>10.46%</u>	<u>10.84%</u>	<u>19.80%</u>	<u>13.22%</u>
Total long-term liabilities	<u>\$ 327,225,261</u>	<u>\$ 339,580,824</u>	<u>\$ 413,939,493</u>	<u>\$ 355,143,968</u>
Average daily attendance at P-2, excluding classes for adults	<u>10,071</u>	<u>9,768</u>	<u>9,971</u>	<u>9,971</u>

The General Fund fund balance has decreased by \$1,729,626 over the past three years. The District projects a deficit of \$2,697,087 for the fiscal year ending June 30, 2023. For a district this size, the State of California recommends available reserves of at least three percent of total General Fund expenditures, transfers out and other uses. The District maintains reserves in excess of recommended levels.

The District has incurred an operating deficit in two of the past three years, and anticipates incurring an operating deficit during the 2022-2023 fiscal year.

Total long-term liabilities have decreased by \$15,570,520 over the past two years.

Average daily attendance has decreased by 203 over the past two years and is anticipated to increase by 303 from June 30, 2022 to the year ending June 30, 2023.

See accompanying notes to supplementary information.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOLS
For the Year Ended June 30, 2022

<u>Charter Schools Chartered by District</u>	<u>Charter #</u>	<u>Included in District Financial Statements, or Separate Report</u>
John Adams Academy, Roseville	2061	Separate Report
New Pacific School, Roseville	2128	Separate Report

See accompanying notes to supplementary information.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOLS
For the Year Ended June 30, 2022

NOTE 1 - PURPOSE OF SCHEDULES

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

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

Schedule of Expenditure of Federal Awards: The Schedule of Expenditure of Federal Awards includes the federal award activity of Roseville Joint Union High School District, 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)*. Expenditures are recognized following, the cost principles 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 allowed under the Uniform Guidance.

Reconciliation of Unaudited Actual Financial Report with Audited Financial Statements: This schedule provides the information necessary to reconcile the Unaudited Actual Financial Report to the audited financial statements.

Schedule of Financial Trends and Analysis – Unaudited: This schedule provides trend information on fund balances, revenues, expenditures, and average daily attendance, as required by the State Controller's Office.

Schedule of Charter Schools: This schedule provides information for the California Department of Education to monitor financial reporting by Charter Schools.

NOTE 2 - EARLY RETIREMENT INCENTIVE PROGRAM

Education Code Section 14502 requires certain disclosures in the financial statements of districts which adopt Early Retirement Incentive Programs pursuant to Education Code Sections 22714 and 44929. For the fiscal year ended June 30, 2022, the District did not adopt such a program.

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

Board of Trustees
Roseville Joint Union High School District
Roseville, California

Report on Compliance with State Laws and Regulations

Opinion on Compliance with State Laws and Regulations

We have audited Roseville Joint Union High School District's (District) compliance with the types of compliance requirements described in the *2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* (Audit Guide) applicable to the state laws and regulations listed below for the year ended June 30, 2022.

<u>Description</u>	<u>Procedures Performed</u>
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	No, see below
Independent Study	Yes
Continuation Education	Yes
Instructional Time	Yes
Instructional Materials	Yes
Ratio of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	No, see below
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	No, see below
Middle or Early College High Schools	No, see below
K-3 Grade Span Adjustment	No, see below
Transportation Maintenance of Effort	Yes
Apprenticeship: Related and Supplemental Instruction	No, see below
Comprehensive School Safety Plan	Yes
District of Choice	No, see below
California Clean Energy Jobs Act	No, see below
After/Before School Education and Safety Program	No, see below
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study – Course-Based	No, see below
Immunizations	No, see below
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant	Yes
In Person Instruction Grant	Yes
Attendance, for charter schools	No, see below

(Continued)

Mode of Instruction, for charter schools	No, see below
Nonclassroom-Based Instruction/Independent Study, for charter schools	No, see below
Determination of Funding for Nonclassroom-Based Instruction, for charter schools	No, see below
Annual Instructional Minutes-Classroom Based, for charter schools	No, see below
Charter School Facility Grant Program	No, see below

We did not perform any procedures related to Kindergarten Continuance because the District is a high school district and does not have any grades K-8.

We did not perform any procedures related to Early Retirement Incentive Program because the District did not offer this program.

The District does not offer a Juvenile Court School Program; therefore, we did not perform any testing of this program.

The District does not offer a Middle or Early College High Schools Program; therefore, we did not perform any testing of this program.

We did not perform any procedures related to K-3 Grade Span Adjustment because the District is a high school district and does not have any grades K-3.

The District does not operate an Apprenticeship Program; therefore, we did not perform any testing of this program.

The District does not elect to be a District of Choice; therefore, we did not perform any testing of this program.

The District did not receive or expend California Clean Energy Jobs Act Funds; therefore, we did not perform any testing of this program.

The District did not operate an After/Before School Education and Safety Program, therefore, we did not perform any testing of this program.

The District did not operate an Independent Study-Course Based, therefore, we did not perform any testing of this program.

The District does not TK, Kindergarten, or 7th grade, therefore, we did not perform any procedures over Immunizations.

We did not perform any procedures related to Attendance for charter schools, Mode of Instruction for charter schools, Nonclassroom-Based Instruction/Independent Study for charter schools, Determination of Funding for Nonclassroom-Based Instruction for charter schools, Annual Instructional Minutes-Classroom Based, and Charter School Facility Grant Program because the District does not offer these programs.

In our opinion, except for the noncompliance described in the Basis of Qualified Opinion paragraph, Roseville Joint Union High School District complied, in all material respects, with the compliance requirements referred to above that are applicable to the state laws and regulations referred to above for the year ended June 30, 2022.

Basis for Qualified Opinion on Compliance with State Laws and Regulations

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of the *2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* (Audit Guide). Our responsibilities under those standards and the Audit Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

As described in Finding 2022-001 in the accompanying Schedule of Audit Findings and Questioned Costs, Roseville Joint Union High School District did not comply with the requirements regarding Independent Study. Compliance with such requirements is necessary, in our opinion, for Roseville Joint Union High School District to comply with the requirements applicable to the state laws and regulations referred to above.

Other Matter

Roseville Joint Union High School District's response to the noncompliance finding identified in our audit is included in the accompanying Schedule of Audit Findings and Questioned Costs. Roseville Joint Union High School District's response was not subjected to the auditing procedures applied in the audit of State Compliance and, accordingly, we express no opinion on it.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's government programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Audit Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the government program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Audit Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Purpose of this Report

The purpose of this report on compliance is solely to describe the scope of our testing of compliance and the results of that testing based on the requirements of the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.


Crowe LLP

Sacramento, California
November 18, 2022

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

Board of Trustees
Roseville Joint Union High School District
Roseville, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Roseville Joint Union High School District as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Roseville Joint Union School District's basic financial statements, and have issued our report thereon dated November 18, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Roseville Joint Union High School District's internal control over financial reporting (internal control) as a basis for designing 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 Roseville Joint Union High School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Roseville Joint Union High School District's internal control.

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

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

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Roseville Joint Union High School 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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


Crowe LLP

Sacramento, California
November 18, 2022

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Board of Trustees
Roseville Joint Union High School District
Roseville, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Roseville Joint Union High School District's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of Roseville Joint Union High School District's major federal programs for the year ended June 30, 2022. Roseville Joint Union High School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Roseville Joint Union High School District complied, in all material respects, with the 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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Roseville Joint Union High School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Roseville Joint Union High School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Roseville Joint Union High School District's federal programs.

(Continued)

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Roseville Joint Union High School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Roseville Joint Union High School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Roseville Joint Union High School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Roseville Joint Union High School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Roseville Joint Union High School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.


Crowe LLP

Sacramento, California
November 18, 2022

FINDINGS AND RECOMMENDATIONS

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified not considered to be material weakness(es)? _____ Yes X None reported

Noncompliance material to financial statements noted? _____ Yes X No

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified not considered to be material weakness(es)? _____ Yes X None reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ Yes X No

Identification of major programs:

AL Number(s)

Name of Federal Program or Cluster

84.425, 84.425U

COVID-19: Education Stabilization Fund (ESF) Programs

84.027, 84.027A

Speical Education Cluster

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

 X Yes _____ No

STATE AWARDS

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

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022

SECTION IV - STATE AWARD FINDINGS AND QUESTIONED COSTS

2022-001 DEFICIENCY – STATE COMPLIANCE – INDEPENDENT STUDY (40000)

Criteria: Independent Study state compliance requires each independent study student to have a written agreement with signatures, affixed no later than 30 days after the first day of independent study instruction or October 15, whichever date comes later by the pupil; the pupil's parent, legal guardian, or caregiver is the pupil is less than 18 years old; the certificated employee who has been designated as having responsibility for the general supervision of independent study; and all other persons, if any who had direct responsibility for providing assistance to the pupil.

Condition: 1 of the 18 students sampled in the Independent Study compliance procedures was claimed for five days of attendance for short term independent study, however, the student did not sign the short term independent study written agreement as required by the state compliance. The five days of attendance was disallowed ADA.

Context: We performed the audit procedures enumerated in the State of California 2021-22 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting and identified the finding described above.

Effect: The District is out of compliance with state requirements.

Cause: The District did not review the Independent Study Written Agreement to ensure the required signatures were obtained timely.

Fiscal Impact: The error results in an overstatement of revenue by \$293.

Recommendation: We recommend for the District to ensure all required signatures are obtained on the Independent Study written agreements prior to claiming ADA.

Views of Responsible Officials and Planned Corrective Action: Attendance Clerks will ensure all components of the Independent Study contract are completed and requirements have been fulfilled before claiming ADA in the attendance system.

**STATUS OF PRIOR YEAR
FINDINGS AND RECOMMENDATIONS**

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS
Year Ended June 30, 2022

2021-001 DEFICIENCY – STATE COMPLIANCE – ATTENDANCE AND DISTANCE LEARNING (10000)

Condition: 48 of the 125 days sampled in the Attendance and Distance Learning compliance procedures were missing weekly engagement records for one or more of the periods sampled.

Recommendation: We recommend for the District obtain and maintain appropriate attendance records to be in compliance with the state requirements for each pupil attending.

Current Status: Implemented.

District Explanation if Not Implemented: N/A

2021-002 DEFICIENCY – STATE COMPLIANCE – UNDUPLICATED LOCAL CONTROL FUNDING FORMULA PUPIL COUNTS (40000)

Condition: At the District, it was noted that 702 students were improperly included in the Free and Reduced Meal Program.

Unduplicated pupil count based on:	<u>Enrollment</u>	<u>FRPM</u>	<u>ELAS</u>	<u>Both</u>	<u>TOTAL</u>
As certified on CALPADS	10,627	2,741	96	254	3,091
Audit Adjustments		<u>(708)</u>	<u>76</u>	<u>(70)</u>	<u>(702)</u>
Adjusted Counts		<u>2,033</u>	<u>172</u>	<u>184</u>	<u>2,389</u>

Recommendation: The District should ensure the systems required to generate the unduplicated pupil count reporting are updated with the most current information prior to the reporting date to ensure all student counts are properly stated.

Current Status: Implemented.

District Explanation if Not Implemented: N/A