

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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

Wage Growth	Varies by entry age and service
Post-retirement Benefit Increases	Contract COLA up to 2.00% until Purchasing Power Protection Allowance Floor on Purchasing Power applies 2.75% thereafter

The mortality table used was developed based on CalPERS specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. Further details of the Experience Study can be found at CalPERS' website.

During the 2016-17 measurement period, the financial reporting discount rate for the Plan was lowered from 7.65 percent to 7.15 percent.

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 of 1 - 10 (1)</u>	<u>Expected Real Rate of Return Years of 11+ (2)</u>
Global Equity	47%	4.90%	5.38%
Fixed Income	19	0.80	2.27
Inflation of Assets	6	0.60	1.39
Private Equity	12	6.60	6.63
Real Estate	11	2.80	5.21
Infrastructure & Forestland	3	3.90	5.36
Liquidity	2	(0.40)	(0.90)

* 10-year geometric average

(1) An expected inflation rate of 2.50% used for this period

(2) An expected inflation rate of 3.00% 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.

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.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2018

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

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 cash flows of the Plan. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the Plan’s asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated. 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 equivalent 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	<u>\$ 36,364,000</u>	<u>\$ 24,715,000</u>	<u>\$ 15,052,000</u>

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

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, 2017 (most recent information available):

Total assets	\$ 96,388,316
Deferred outflows of resources	\$ 265,300
Total liabilities	\$ 33,613,907
Deferred inflows of resources	\$ 41,239
Total net position	\$ 62,998,470
Total revenues	\$ 91,193,928
Total expenditures	\$ 85,707,759
Change in net position	\$ 5,486,169

(Continued)

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, 2018, the District has \$128,608,949 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, 2018

	Budget		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Revenues:				
Local Control Funding Formula:				
State apportionment	\$ 34,730,846	\$ 30,844,005	\$ 30,844,005	\$ -
Local sources	<u>56,646,626</u>	<u>60,139,725</u>	<u>60,231,885</u>	<u>92,160</u>
Total LCFF	<u>91,377,472</u>	<u>90,983,730</u>	<u>91,075,890</u>	<u>92,160</u>
Federal sources	2,401,612	2,973,840	2,656,689	(317,151)
Other state sources	7,855,992	10,047,363	10,005,863	(41,500)
Other local sources	<u>7,452,941</u>	<u>10,955,661</u>	<u>8,826,074</u>	<u>(2,129,587)</u>
Total revenues	<u>109,088,017</u>	<u>114,960,594</u>	<u>112,564,516</u>	<u>(2,396,078)</u>
Expenditures:				
Current:				
Certificated salaries	51,676,729	53,654,716	54,186,965	(532,249)
Classified salaries	14,372,458	15,035,213	15,130,567	(95,354)
Employee benefits	24,707,232	25,147,878	24,841,952	305,926
Books and supplies	6,958,977	8,192,240	6,734,419	1,457,821
Contract services and operating expenditures	14,834,569	11,846,260	9,309,193	2,537,067
Other outgo	1,123,823	2,053,810	1,859,689	194,121
Capital outlay	115,357	1,694,418	899,716	794,702
Debt service:				
Principal retirement	560,000	560,000	588,177	(28,177)
Interest	<u>17,920</u>	<u>17,920</u>	<u>18,516</u>	<u>(596)</u>
Total expenditures	<u>114,367,065</u>	<u>118,202,455</u>	<u>113,569,194</u>	<u>4,633,261</u>
Deficiency of revenues under expenditures	<u>(5,279,048)</u>	<u>(3,241,861)</u>	<u>(1,004,678)</u>	<u>2,237,183</u>
Other financing sources (uses):				
Transfers in	577,920	577,920	805,726	227,806
Transfers out	<u>(878,000)</u>	<u>(878,000)</u>	<u>(883,016)</u>	<u>(5,016)</u>
Total other financing sources (uses)	<u>(300,080)</u>	<u>(300,080)</u>	<u>(77,290)</u>	<u>222,790</u>
Net change in fund balance	(5,579,128)	(3,541,941)	(1,081,968)	2,459,973
Fund balance, July 1, 2017	<u>24,123,257</u>	<u>24,123,257</u>	<u>24,123,257</u>	<u>-</u>
Fund balance, June 30, 2018	<u>\$ 18,544,129</u>	<u>\$ 20,581,316</u>	<u>\$ 23,041,289</u>	<u>\$ 2,459,973</u>

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, 2018

State Teachers' Retirement Plan
 Last 10 Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
District's proportion of the net pension liability	0.099%	0.103%	0.100%	0.097%
District's proportionate share of the net pension liability	\$ 57,942,000	\$ 69,179,000	\$ 81,100,000	\$ 89,826,000
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>
Total net pension liability	<u>\$ 92,930,000</u>	<u>\$105,767,000</u>	<u>\$127,273,000</u>	<u>\$142,966,000</u>
District's covered payroll	\$ 44,163,000	\$ 47,694,000	\$ 49,972,000	\$ 51,275,000
District's proportionate share of the net pension liability as a percentage of its covered payroll	131.20%	145.05%	162.29%	175.18%
Plan fiduciary net position as a percentage of the total pension liability	76.52%	74.02%	70.04%	69.46%

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, 2018

Public Employer's Retirement Fund B
 Last 10 Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
District's proportion of the net pension liability	0.099%	0.105%	0.104%	0.104%
District's proportionate share of the net pension liability	\$ 11,230,000	\$ 15,447,000	\$ 20,563,000	\$ 24,715,000
District's covered payroll	\$ 10,384,000	\$ 11,602,000	\$ 12,491,000	\$ 13,200,000
District's proportionate share of the net pension liability as a percentage of its covered payroll	108.15%	133.14%	164.62%	187.23%
Plan fiduciary net position as a percentage of the total pension liability	83.38%	79.43%	73.89%	71.87%

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.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
 For the Year Ended June 30, 2018

State Teachers' Retirement Plan
 Last 10 Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Contractually required contribution	\$ 4,235,196	\$ 5,362,036	\$ 6,507,001	\$ 7,694,523
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>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 47,694,000	\$ 49,972,000	\$ 51,275,000	\$ 53,323,000
Contributions as a percentage of covered payroll	8.88%	10.73%	12.69%	14.43%

All years prior to 2015 are not available.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
 For the Year Ended June 30, 2018

Public Employer's Retirement Fund B
 Last 10 Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Contractually required contribution	\$ 1,365,626	\$ 1,479,773	\$ 1,833,247	\$ 2,154,937
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>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 11,602,000	\$ 12,491,000	\$ 13,200,000	\$ 13,875,000
Contributions as a percentage of covered payroll	11.77%	11.85%	13.89%	15.53%

All years prior to 2015 are not available.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
 NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
 June 30, 2018

NOTE 1 - PURPOSE OF SCHEDULES

A - Budgetary Comparison Schedule

The District employs budget control by object codes and by individual appropriation accounts. Budgets are prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. The budgets are revised during the year by the Board of 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.

B - 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.

C - 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.

D - Changes of Benefit Terms

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

E - Changes of Assumptions

The discount rate for Public Employer's Retirement Fund B was 7.50, 7.65, 7.65 and 7.15 percent in the June 30, 2013, 2014, 2015, and 2016 actuarial reports, respectively.

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

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

SUPPLEMENTARY INFORMATION

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 ALL NON-MAJOR FUNDS
 June 30, 2018

	Adult Education Fund	Cafeteria Fund	Deferred Main- tenance Fund	Pupil Transpor- tation Equipment Fund	Special Reserve for Capital Outlay Projects Fund	Total
ASSETS						
Cash in County Treasury	\$ 577,089	\$ 480,785	\$ 2,312,048	\$ 726,233	\$ 407,259	\$ 4,503,414
Cash on hand and in banks	9,041	33,087	-	-	-	42,128
Cash in revolving fund	100	-	-	-	-	100
Receivables	66,402	361,926	3,562	1,119	627	433,636
Stores inventory	-	48,224	-	-	-	48,224
Prepaid expenditures	<u>50</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50</u>
Total assets	<u>\$ 652,682</u>	<u>\$ 924,022</u>	<u>\$ 2,315,610</u>	<u>\$ 727,352</u>	<u>\$ 407,886</u>	<u>\$ 5,027,552</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 249,394	\$ 3,005	\$ -	\$ -	\$ 1,285	\$ 253,684
Due to other funds	<u>62,004</u>	<u>164,137</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>226,141</u>
Total liabilities	<u>311,398</u>	<u>167,142</u>	<u>-</u>	<u>-</u>	<u>1,285</u>	<u>479,825</u>
Fund balances:						
Nonspendable	150	48,224	-	-	-	48,374
Restricted	<u>341,134</u>	<u>708,656</u>	<u>2,315,610</u>	<u>727,352</u>	<u>406,601</u>	<u>4,499,353</u>
Total fund balances	<u>341,284</u>	<u>756,880</u>	<u>2,315,610</u>	<u>727,352</u>	<u>406,601</u>	<u>4,547,727</u>
Total liabilities and fund balances	<u>\$ 652,682</u>	<u>\$ 924,022</u>	<u>\$ 2,315,610</u>	<u>\$ 727,352</u>	<u>\$ 407,886</u>	<u>\$ 5,027,552</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, 2018

	Adult Education Fund	Cafeteria Fund	Deferred Main- tenance Fund	Pupil Transpor- tation Equipment Fund	Special Reserve for Capital Outlay Projects Fund	Total
Revenues:						
Local Control Funding Formula:						
State apportionment	\$ 8,275	\$ -	\$ 550,000	\$ -	\$ -	\$ 558,275
Federal sources	235,101	1,265,106	-	-	-	1,500,207
Other state sources	3,275,816	90,586	-	-	-	3,366,402
Other local sources	<u>83,948</u>	<u>1,885,231</u>	<u>14,055</u>	<u>8,948</u>	<u>10,820</u>	<u>2,003,002</u>
Total revenues	<u>3,603,140</u>	<u>3,240,923</u>	<u>564,055</u>	<u>8,948</u>	<u>10,820</u>	<u>7,427,886</u>
Expenditures:						
Current:						
Certificated salaries	763,850	-	-	-	-	763,850
Classified salaries	193,541	1,328,757	-	-	-	1,522,298
Employee benefits	343,240	343,275	-	-	-	686,515
Books and supplies	78,681	1,409,233	-	-	-	1,487,914
Contract services and operating expenditures	204,288	61,644	30,990	2,234	1,211,420	1,510,576
Other outgo	2,135,533	-	-	-	-	2,135,533
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>170,041</u>	<u>-</u>	<u>170,041</u>
Total expenditures	<u>3,719,133</u>	<u>3,142,909</u>	<u>30,990</u>	<u>172,275</u>	<u>1,211,420</u>	<u>8,276,727</u>
(Deficiency) excess of revenues (under) over expenditures	<u>(115,993)</u>	<u>98,014</u>	<u>533,065</u>	<u>(163,327)</u>	<u>(1,200,600)</u>	<u>(848,841)</u>
Other financing sources (uses):						
Transfers in	-	13,016	-	150,000	600,000	763,016
Transfers out	<u>(62,803)</u>	<u>(165,003)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(227,806)</u>
Total other financing sources (uses)	<u>(62,803)</u>	<u>(151,987)</u>	<u>-</u>	<u>150,000</u>	<u>600,000</u>	<u>535,210</u>
Net change in fund balances	(178,796)	(53,973)	533,065	(13,327)	(600,600)	(313,631)
Fund balances, July 1, 2017	<u>520,080</u>	<u>810,853</u>	<u>1,782,545</u>	<u>740,679</u>	<u>1,007,201</u>	<u>4,861,358</u>
Fund balances, June 30, 2018	<u>\$ 341,284</u>	<u>\$ 756,880</u>	<u>\$ 2,315,610</u>	<u>\$ 727,352</u>	<u>\$ 406,601</u>	<u>\$ 4,547,727</u>

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 For the Year Ended June 30, 2018

	Balance July 1, <u>2017</u>	<u>Additions</u>	<u>Deductions</u>	Balance June 30, <u>2018</u>
WARRANT PASS-THROUGH				
Assets:				
Cash in County Treasury	\$ 1,655,395	\$ 178,335	\$ -	\$ 1,833,730
Receivables	<u>111</u>	<u>2,179</u>	<u>110</u>	<u>2,180</u>
Total assets	<u>\$ 1,655,506</u>	<u>\$ 180,514</u>	<u>\$ 110</u>	<u>\$ 1,835,910</u>
Liabilities:				
Due to other agencies	<u>\$ 1,655,506</u>	<u>\$ 180,404</u>	<u>\$ -</u>	<u>\$ 1,835,910</u>
STUDENT BODY ACCOUNTS				
<u>Woodcreek High</u>				
Assets:				
Cash on hand and in banks	<u>\$ 122,981</u>	<u>\$ 741,452</u>	<u>\$ 712,468</u>	<u>\$ 151,965</u>
Liabilities:				
Due to student groups	<u>\$ 122,981</u>	<u>\$ 741,452</u>	<u>\$ 712,468</u>	<u>\$ 151,965</u>
<u>Antelope High</u>				
Assets:				
Cash on hand and in banks	<u>\$ 172,054</u>	<u>\$ 480,494</u>	<u>\$ 466,897</u>	<u>\$ 185,651</u>
Liabilities:				
Due to student groups	<u>\$ 172,054</u>	<u>\$ 480,494</u>	<u>\$ 466,897</u>	<u>\$ 185,651</u>

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 For the Year Ended June 30, 2018

	<u>Balance July 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2018</u>
<u>Oakmont High</u>				
Assets:				
Cash on hand and in banks	\$ <u>198,319</u>	\$ <u>640,784</u>	\$ <u>637,661</u>	\$ <u>201,442</u>
Liabilities:				
Due to student groups	\$ <u>198,319</u>	\$ <u>640,784</u>	\$ <u>637,661</u>	\$ <u>201,442</u>
<u>Granite Bay High</u>				
Assets:				
Cash on hand and in banks	\$ <u>355,473</u>	\$ <u>1,205,307</u>	\$ <u>1,205,038</u>	\$ <u>355,742</u>
Liabilities:				
Due to student groups	\$ <u>355,473</u>	\$ <u>1,205,307</u>	\$ <u>1,205,038</u>	\$ <u>355,742</u>
<u>Roseville High</u>				
Assets:				
Cash on hand and in banks	\$ <u>307,599</u>	\$ <u>437,904</u>	\$ <u>414,122</u>	\$ <u>331,381</u>
Liabilities:				
Due to student groups	\$ <u>307,599</u>	\$ <u>437,904</u>	\$ <u>414,122</u>	\$ <u>331,381</u>
<u>Adelante High</u>				
Assets:				
Cash on hand and in banks	\$ <u>1,836</u>	\$ <u>2,988</u>	\$ <u>2,543</u>	\$ <u>2,281</u>
Liabilities:				
Due to student groups	\$ <u>1,836</u>	\$ <u>2,988</u>	\$ <u>2,543</u>	\$ <u>2,281</u>
<u>Total Student Body Accounts</u>				
Assets:				
Cash on hand and in banks	\$ <u>1,158,262</u>	\$ <u>3,508,929</u>	\$ <u>3,438,729</u>	\$ <u>1,228,462</u>
Liabilities:				
Due to student groups	\$ <u>1,158,262</u>	\$ <u>3,508,929</u>	\$ <u>3,438,729</u>	\$ <u>1,228,462</u>

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
ORGANIZATION
June 30, 2018

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 five 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>
Paige K. Stauss	President	November 2020
Julie Hirota	Vice President	November 2020
Andrew Tagg	Clerk	November 2018
Gary T. Johnson	Member	November 2020
Scott E. Huber	Member	November 2018

ADMINISTRATION

Ron Severson*
Superintendent

Joe Landon
Assistant Superintendent, Business Services

Steve Williams
Assistant Superintendent, Personnel Services

Jess Borjon
Assistant Superintendent, Curriculum and Instruction

*Effective July 1, 2017 Dr. Denise Herrmann became the District's Superintendent.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE
For the Year Ended June 30, 2018

	<u>Second Period Report</u>	<u>Annual Report</u>
Certificate #	2686FD24	BAFC11B5
Secondary:		
Regular Classes	9,789	9,736
Special Education	<u>20</u>	<u>20</u>
ADA totals	<u><u>9,809</u></u>	<u><u>9,756</u></u>

See accompanying notes to supplementary information.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME
For the Year Ended June 30, 2018

<u>Grade Level</u>	1986-87 Minutes Require- ment	2017-18 Actual Minutes	Number of Days Traditional Calendar	<u>Status</u>
Grade 9	64,800	65,010	180	In compliance
Grade 10	64,800	65,014	180	In compliance
Grade 11	64,800	65,017	180	In compliance
Grade 12	64,800	65,017	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, 2018

Federal Catalog Number	Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass- Through Entity Identifying Number	Federal Expend- itures
<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	\$ 82,854
84.002	Adult Secondary Education (Section 231)	13978	72,858
84.002A	Adult Education: Adult Basic Education & ESL (Section 231)	14508	<u>79,389</u>
Subtotal Adult Education Programs			<u>235,101</u>
Special Education Cluster:			
84.027	IDEA Basic Local Assistance Entitlement, Part B, Section 611	13379	1,336,874
84.027A	IDEA Mental Health Services, Part B, Sec 611	14468	<u>143,005</u>
Subtotal Special Education Cluster			<u>1,479,879</u>
Title III Programs:			
84.365	ESEA: Title III: Limited English Proficiency (LEP) Student Program	14346	14,518
84.365	ESEA: Title III: Immigrant Education Student Program	15146	<u>1,118</u>
Subtotal Title III Programs			<u>15,636</u>
84.010	ESE: Title I, Part A, Basic Grants Low-Income and Neglected	14329	541,329
84.048	Carl D. Perkins Career and Technical Education: Secondary, Section 131 (Vocational Education)	14894	138,095
84.367	ESEA: Title II, Part A, Improving Teacher Quality Local Grants	14341	147,756
84.UNKNOWN	We Can Work	N/A	<u>32,986</u>
Total U.S. Department of Education			<u>2,590,782</u>
<u>U.S. Department of Health and Human Services - Passed through California Department of Education</u>			
93.778	Medi-Cal Admin Activities (MAA) -Medicaid Cluster	10060	300,508
U.S. Department of Agriculture - Passed through California Department of Education			
10.553	Child Nutrition: School Programs - Child Nutrition Cluster	13390	<u>1,265,106</u>
Total Federal Programs			<u>\$ 4,156,396</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, 2018

There were no audit adjustments proposed 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, 2018
(UNAUDITED)

<u>General Fund</u>	(Budgeted) <u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Revenues and other financing sources	\$ <u>119,452,738</u>	\$ <u>113,370,242</u>	\$ <u>108,843,594</u>	\$ <u>104,958,879</u>
Expenditures	121,186,087	113,569,194	103,928,930	98,938,155
Other uses and transfers out	<u>870,000</u>	<u>883,016</u>	<u>859,493</u>	<u>3,095,000</u>
Total outgo	<u>122,056,087</u>	<u>114,452,210</u>	<u>104,788,423</u>	<u>102,033,155</u>
Change in fund balance	\$ <u>(2,603,349)</u>	\$ <u>(1,081,968)</u>	\$ <u>4,055,171</u>	\$ <u>2,925,724</u>
Ending fund balance	\$ <u>20,437,940</u>	\$ <u>23,041,289</u>	\$ <u>24,123,257</u>	\$ <u>20,068,086</u>
Available reserves	\$ <u>17,757,675</u>	\$ <u>14,796,416</u>	\$ <u>14,910,915</u>	\$ <u>12,072,603</u>
Designated for economic uncertainties	\$ <u>7,323,365</u>	\$ <u>6,853,464</u>	\$ <u>6,240,820</u>	\$ <u>9,435,988</u>
Undesignated fund balance	\$ <u>10,434,310</u>	\$ <u>7,942,952</u>	\$ <u>8,670,095</u>	\$ <u>2,636,615</u>
Available reserves as a percentage of total outgo	<u>14.55%</u>	<u>12.93%</u>	<u>14.23%</u>	<u>11.83%</u>
Total long-term liabilities	\$ <u>250,718,122</u>	\$ <u>265,894,169</u>	\$ <u>265,609,087</u>	\$ <u>194,765,573</u>
Average daily attendance at P-2, excluding classes for adults	<u>9,869</u>	<u>9,809</u>	<u>9,829</u>	<u>9,786</u>

The General Fund fund balance has increased by \$5,898,927 over the past three years. The District projects a deficit of \$2,603,349 for the fiscal year ending June 30, 2019. 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 surplus in two of the past three years, and anticipates incurring an operating deficit during the 2018-2019 fiscal year.

Total long-term liabilities have increased by \$71,128,596 over the past two years.

Average daily attendance has increased by 23 over the past two years and is anticipated to increase by 60 from June 30, 2018 to the year ending June 30, 2019.

See accompanying notes to supplementary information.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOLS
For the Year Ended June 30, 2018

Charter Schools Chartered by District

Included in District
Financial Statements, or
Separate Report

There are no charter schools operating in the District.

N/A

See accompanying notes to supplementary information.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
 NOTES TO SUPPLEMENTARY INFORMATION
 June 30, 2018

NOTE 1 - PURPOSE OF SCHEDULES

A - Schedule of Average Daily Attendance

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

B - Schedule of Instructional Time

The District has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day. The District neither met nor exceeded its target funding. 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.

C - 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 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.

The following schedule provides a reconciliation between revenues reported on the Statement of Revenues, Expenditures and Change in Fund Balances and the related expenditures reported on the Schedule of Expenditure of Federal Awards. The reconciling amounts represent Federal funds that have been recorded as revenues that have not been expended by June 30, 2018.

<u>Description</u>	<u>CFDA Number</u>	<u>Amount</u>
Total Federal revenues, Statement of Revenues, Expenditures and Change in Fund Balances		\$ 4,156,896
Less: Youth Risk Behavior Surver Participation	93.079	<u>(500)</u>
Total Schedule of Expenditure of Federal Awards		<u>\$ 4,156,396</u>

D - 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.

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
NOTES TO SUPPLEMENTARY INFORMATION
June 30, 2018

NOTE 1 - PURPOSE OF SCHEDULES (Continued)

E - 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.

F - 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, 2018, 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

We have audited Roseville Joint Union High School District's compliance with the types of compliance requirements described in the State of California's *2017-18 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* (the "Audit Guide") to the state laws and regulations listed below for the year ended June 30, 2018.

<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
Educator Effectiveness	Yes
California Clean Energy Jobs Act	Yes
After/Before School Education and Safety Program:	
General requirements	No, see below
After school	No, see below
Before school	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
Attendance, for charter schools	No, see below
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

(Continued)

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 operate a Juvenile Court Schools Program; therefore, we did not perform any testing of this program.

We did not perform any procedures related to Middle or Early College High School because the District does not have any Middle or Early College High Schools.

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.

We did not perform any procedures related to After School Education and Safety Program because the District did not receive any After School Education and Safety Program funding in the current year.

We did not perform any procedures related to Independent Study-Course Based because the District does not offer this program.

We did not perform any procedures related to charter schools because the District does not sponsor any charter schools.

Management's Responsibility

Management is responsible for compliance with the requirements of state laws and regulations, as listed above.

Auditor's Responsibility

Our responsibility is to express an opinion on Roseville Joint Union High School District's compliance with state laws and regulations as listed above based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2017-18 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* (Audit Guide). Those standards and the Audit Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on Roseville Joint Union High School District's compliance with the state laws and regulations listed above occurred. An audit includes examining, on a test basis, evidence about Roseville Joint Union High School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance with state laws and regulations. However, our audit does not provide a legal determination of Roseville Joint Union High School District's compliance.

(Continued)

Opinion on Compliance with State Laws and Regulations

In our opinion, 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, 2018.

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 *2017-18 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
Crowe LLP

Sacramento, California
November 13, 2018

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, 2018, and the related notes to the financial statements, which collectively comprise Roseville Joint Union High School District's basic financial statements, and have issued our report thereon dated November 13, 2018.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 may exist that have not been identified.

(Continued)

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting 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
Crowe LLP

Sacramento, California
November 13, 2018



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

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

Report on Compliance for Each Major Federal Program

We have audited Roseville Joint Union High School District's compliance with the types of compliance requirements described 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, 2018. 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.

Management's Responsibility

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

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Roseville Joint Union High School District's compliance.

Opinion on Each Major Federal Program

In our opinion, Roseville Joint Union High School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

(Continued)

Report on Internal Control Over Compliance

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

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

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

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

Crowe LLP
Crowe LLP

Sacramento, California
November 13, 2018

FINDINGS AND RECOMMENDATIONS

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
 SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
 Year Ended June 30, 2018

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:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.553	Child Nutrition: School Programs - Child Nutrition 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: Unmodified

(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2018

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, 2018

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, 2018

SECTION IV - STATE AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

**STATUS OF PRIOR YEAR
FINDINGS AND RECOMMENDATIONS**

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS
Year Ended June 30, 2018

<u>Finding/Recommendation</u>	<u>Current Status</u>	<u>District Explanation If Not Implemented</u>
No matters were reported.		