Financial Statements
June 30, 2022

San Ramon Valley Unified School District

EideBailly®

Independent Auditor's Report

To the Governing Board
San Ramon Valley Unified School District
Danville, 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 San Ramon Valley Unified School District as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the 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 San Ramon Valley Unified School District, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof 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*, issued by the Comptroller General of the United States *(Government Auditing Standards)*. 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 San Ramon Valley Unified 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.

Correction of Errors

As discussed in Note 16 to the financial statements, certain errors resulting in an understatement of amounts previously reported for deferred outflows of resources and understatement of OPEB liabilities as of June 30, 2021, were discovered during the current year. Accordingly, a restatement has been made to the governmental activities net position as of July 1, 2021, to correct the errors. Our opinions are not modified with respect to this matter.

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 San Ramon Valley Unified 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.

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 San Ramon Valley Unified 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 San Ramon Valley Unified 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, budgetary comparison information, schedule of changes in the District's net OPEB liability and related ratios, schedule of the District's proportionate share of net OPEB liability-MPP Program, schedule of the District's proportionate share of the net pension liability, and the schedule of District contributions, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the San Ramon Valley Unified School District's basic financial statements. The supplementary information such as local education agency organization structure, schedule of average daily attendance, schedule of instructional time, reconciliation of annual financial and budget report with audited financial statements, schedule of financial trends and analysis, combining non-major governmental fund financial statements, and the 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*, as 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 was derived from and relates directly to the underlying accounting and other records used to prepare the basic 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, the local education agency organization structure, schedule of average daily attendance, schedule of instructional time, reconciliation of annual financial and budget report with audited financial statements, schedule of financial trends and analysis, combining non-major governmental fund financial statements, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2023 on our consideration of San Ramon Valley Unified 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 San Ramon Valley Unified 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 San Ramon Valley Unified School District's internal control over financial reporting and compliance.

Eide Bailly LLP

San Ramon, California
January 23, 2023

This section of San Ramon Valley Unified School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2022, with comparative information for the year ended June 30, 2021. Please read it in conjunction with the District's financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Financial Statements

The financial statements presented herein include all of the activities of the District and its component units using the integrated approach as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34.

The Government-Wide Financial Statements present the financial picture of the District from the economic resources measurement focus using the accrual basis of accounting. These statements include all assets of the District (including capital assets), deferred outflows of resources, as well as all liabilities (including long-term liabilities) and deferred inflows of resources. Additionally, certain eliminations have occurred as prescribed by the statement in regards to interfund activity, payables, and receivables.

The *Fund Financial Statements* include statements for each of the three categories of activities: governmental, proprietary, and fiduciary.

- The *Governmental Funds* are prepared using the current financial resources measurement focus and modified accrual basis of accounting.

- The *Proprietary Funds* are prepared using the economic resources measurement focus and the accrual basis of accounting.

- The *Fiduciary Funds* are prepared using the economic resources measurement focus and the accrual basis of accounting.

Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach.

The Primary unit of the government is the San Ramon Valley Unified School District. The District also has three blended component units, the San Ramon Valley Unified School District Financing Corporation, the San Ramon Valley Unified School District Educational Facilities Corporation and the San Ramon Valley Unified School District Joint Powers Financing Authority. Both the Financing Corporation and the Educational Facilities Corporation are inactive and have no assets or liabilities and no activity in the current financial statements.

REPORTING THE DISTRICT AS A WHOLE

The Statement of Net Position and the Statement of Activities

The *Statement of Net Position* and the *Statement of Activities* report information about the District as a whole and about its activities. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the District using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes in them. Net position is the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources, which is one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position will serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Other factors to consider are changes in the District's property tax base and the condition of the District's facilities.

The relationship between revenues and expenses is the District's operating results. Since the governing board's responsibility is to provide services to our students and not to generate profit as commercial entities do, one must consider other factors when evaluating the overall health of the District. The quality of the education and the safety of our schools will likely be an important component in this evaluation.

In the *Statement of Net Position* and the *Statement of Activities*, we separate the District activities as follows:

Governmental Activities - All of the District's services are reported in this category. This includes the education of kindergarten through grade twelve students, adult education students, and the on-going effort to improve and maintain buildings and sites. Property taxes, State income taxes, user fees, interest income, Federal, State, and local grants, as well as general obligation bonds, finance these activities.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds and not the District as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money that it receives from the U.S. Department of Education.

Governmental Funds - Most of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation following each governmental fund financial statement.

Proprietary Funds - When the District charges users for the services it provides, whether to outside customers or to other departments within the District, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Fund Net Position. We use internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for the District's other programs and activities, such as the District's Self-Insurance Fund. The internal service funds are reported with governmental activities in the government-wide financial statements.

THE DISTRICT AS A TRUSTEE

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for funds held on behalf of others, such as warrant pass-through funds. The District's fiduciary activities are reported in the *Statements of Fiduciary Net Position*. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in this fund is used for its intended purposes.

FINANCIAL HIGHLIGHTS

THE DISTRICT AS A WHOLE

Net Position

The District's net position was $414,151,889 for the fiscal year ended June 30, 2022. Of this amount, $(279,605,858) was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use the net position for day-to-day operations. Our analysis below focuses on the net position (Table 1) and change in net position (Table 2) of the District's governmental activities.

Table 1

	Governmental Activities	
	2022	2021*
Assets		
Current and other assets	$ 220,492,520	$ 216,750,100
Capital assets	1,005,099,556	1,018,202,465
Total assets	1,225,592,076	1,234,952,565
Deferred outflows of resources	119,025,358	93,298,797
Liabilities		
Current liabilities	24,637,773	21,231,202
Long-term liabilities	454,573,050	463,406,275
Aggregate net pension liability	201,864,113	374,557,750
Other post employment benefits plan	60,274,605	56,204,323
Total liabilities	741,349,541	915,399,550
Deferred inflows of resources	189,116,004	47,443,174
Net Position		
Net investment in capital assets	605,967,892	622,665,643
Restricted	87,789,855	73,759,616
Unrestricted	(279,605,858)	(331,016,621)
Total net position	$ 414,151,889	$ 365,408,638

* Prior year amounts were restated to reflect the corrections for the OPEB related liabilities and Deferred Outflows of Resources related to bonds.

The $(279,605,858) for unrestricted net position of governmental activities represents the accumulated results of all past years' operations. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraint established by debt covenants, enabling legislations, or other legal requirements increased from $(331,016,621) to $(279,605,858).

Changes in Net Position

The results of this year's operations for the District as a whole are reported in the Statement of Activities on page 17. Table 2 takes the information from the Statement and rearranges them slightly so you can see our total revenues for the year.

Table 2

	Governmental Activities	
	2022	2021
Revenues		
Program revenues		
Charges for services	$ 3,011,663	$ 3,585,021
Operating grants and contributions	87,204,467	62,433,793
Capital grants and contributions	10,048,252	13,983,046
General revenues		
Federal and State aid not restricted	89,825,955	94,499,725
Property taxes	258,503,649	239,530,547
Other general revenues	8,594,134	48,819,411
Total revenues	457,188,120	462,851,543
Expenses		
Instruction-related	281,432,312	338,167,332
Pupil services	45,787,748	41,437,371
Administration	22,531,606	20,039,260
Maintenance and operations	42,911,615	43,646,069
All other services	15,781,588	40,976,026
Total expenses	408,444,869	484,266,058
Change in net position	$ 48,743,251	$ (21,414,515)

Governmental Activities

As reported in the Statement of Activities on page 17, the cost of all of our governmental activities this year was $408,444,869. The cost was paid by those who benefited from the programs was $3,011,663. Grants and contributions subsidized certain programs in the amount of $97,252,719. We paid for the remaining "public benefit" portion of our governmental activities with $258,503,649 in taxes, unrestricted Federal and State aid of $89,825,955 and other revenues of $8,594,134 for the fiscal year ended June 30, 2022.

In Table 3, we have presented the cost and net cost of each of the District's largest functions: instruction including, special instruction programs and other instructional program, pupil services, administration, plan services, and all other services. As discussed above, net cost shows the financial burden that was placed on the District's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Table 3

	Total Cost of Services		Net Cost of Services	
	2022	2021	2022	2021
Instruction-related	$ 281,432,312	$ 338,167,332	$ 222,287,841	$ 258,183,042
Pupil services	45,787,748	41,438,371	24,935,481	24,629,872
Administration	22,531,606	20,039,260	21,427,126	19,598,283
Maintenance and operations	42,911,615	43,646,069	40,482,998	43,657,076
All other services	15,781,588	40,796,026	(952,959)	9,563,235
Total	$ 408,444,869	$ 484,087,058	$ 308,180,487	$ 355,631,508

THE DISTRICT'S FUNDS

As the District completed this year, our governmental funds reported a combined fund balance of $195,016,691, which is a decrease of $4,268,463 from last year (Table 4).

Table 4

	Balances and Activity			
Governmental Fund	June 30, 2021	Revenues and Other Financing Sources	Expenditures and Other Financing Uses	June 30, 2022
General	$ 67,569,059	$ 395,217,915	$ 399,323,652	$ 63,463,322
Student Activity Fund	2,267,752	6,674,675	6,227,336	2,715,091
Cafeteria	225,873	11,635,452	9,118,890	2,742,435
Building	65,070,449	11,451,457	24,168,769	52,353,137
Capital Facilities	7,654,566	1,517,559	876,739	8,295,386
County School Facilities	-	10,048,252	10,048,252	-
Special Reserve Fund for Capital Outlay Projects	11,822,340	3,171,708	4,320,892	10,673,156
Bond Interest and Redemption	44,675,115	300,841,535	290,742,486	54,774,164
Total	$ 199,285,154	$ 740,558,553	$ 744,827,016	$ 195,016,691

The primary changes are:

- The fund balance in the General Fund decreased $4.1 million. This was primarily due to spending down the multi-year "Bridge" plan and other assigned balances in the unrestricted General Fund, partially offset by an increase in the restricted fund balance.
- The Building Fund decreased $12.7 million. This was primarily due spending down the bond funds on the related projects.
- The Bond Interest and Redemption Fund increased $10.1 million primarily due the difference related to bond proceeds and bond payments related to refunding bond issued during the year.
- Our other funds remained relatively stable.

General Fund Budgetary Highlights

Over the course of the year, the District revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. The final amendment to the budget was adopted on June 14, 2022.

A schedule showing the District's original and final budget amounts compared with amounts actually paid and received is provided in our annual report on page 76.

The District originally projected a decrease in general fund balance of $4.2 million. This was later revised to a decrease of $23.5 million, which was the results of dramatically higher restricted revenues and associated expenditures, as well as the addition of expenditures of carryover from the prior year (primarily local donations and COVID-19 relief funds). In comparing the revised budget to the original adopted budget, revenue was $$32.7 million higher, and expenditures were $52.8 million higher than originally budgeted.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2022, the District had $1,005,099,556 in a broad range of capital assets (net of depreciation), including land, buildings, furniture, and equipment. This amount represents a net decrease (including additions, deductions, and depreciation) of $13,102,909, or 1.29%, from last year (Table 5).

Table 5

	Governmental Activities	
	2022	2021
Land and construction in progress	$ 491,500,156	$ 480,787,586
Buildings and improvements	510,088,093	533,662,531
Equipment	3,511,307	3,752,348
Total	$ 1,005,099,556	$ 1,018,202,465

This year's additions included completed modernization, pool, and maintenance upgrades at several sites. The capital projects that are planned to continue in the 2022-23 year include kitchen, classroom, and childcare building modernization projects, play structure, track, and field replacements, and pool renovations at several schools. We present more detailed information about our capital assets in Note 5 to the financial statements.

Long-Term Liabilities

At the end of this year, the District had $716,711,768 in long-term liabilities outstanding versus $894,168,342 last year, a decrease of 19.8%. Those long-term liabilities consisted of:

Table 6

	Governmental Activities	
	2022	2021 as restated
Long-Term Liabilities		
General obligation bonds	$ 409,637,500	$ 412,755,000
Lease revenue bonds	8,450,000	10,085,000
Bond premiums unamortized	23,733,767	27,341,588
Compensated absences	3,088,249	2,799,004
Other long-term liability	9,663,534	10,425,677
Total OPEB liability	60,274,605	56,204,323
Aggregate net pension liability	201,864,113	374,557,750
Total	$ 716,711,768	$ 894,168,342

The District's bond rating from Standard & Poor's is "AA+." The State limits the amount of general obligation debt that Districts can issue to 2.5% of the assessed value of all taxable property within the District's boundaries. The District's outstanding general obligation debt of $409,637,500 is below this statutorily - imposed limit.

At year-end, the District has a net pension liability of $201,864,113 versus $374,557,750 last year, a decrease of $172,693,637, or 46.1%.

Other obligations include compensated absences payable, other post-employment benefits, and other long-term liabilities. We present more detailed information regarding our long-term liabilities in Notes 9, 10 and 13 of the financial statements.

SIGNIFICANT ACCOMPLISHMENTS OF FISCAL YEAR 2021-22 ARE NOTED BELOW:

This was the twelfth year the District used revenues from the parcel tax, originally passed in April 2009 and extended in May 2015 through the 2024-25 fiscal year, to fund teacher salaries and benefits. The tax is $144 per parcel and generates approximately $6.8 million in revenue for the 2021-22 school year and directly funds teacher salaries and benefits.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The COVID-19 pandemic continued to impact the District, and SRVUSD offered the option for either in-person instruction or virtual learning from the onset of the school year. The unprecedented support from both Federal and State resources to assist with the challenges of the pandemic and its effects on student learning were incorporated into the District's budget as lawmakers refined and implemented that support.

In addition to the challenges brought on by COVID-19, such as virtual learning, new independent study rules, learning loss, and ADA loss due to quarantine, the District continues to experience declining enrollment. While the distribution of Federal and State one-time dollars helped the District navigate its pandemic response, the District will continue to make decisions about which programs will continue and how they will be funded.

The 2022-23 school year began with unprecedented revenues, with an ongoing increase to the LCFF base, as well as large one-time block grants to address learning loss, instructional materials, and operational costs such as pensions and healthcare. However, the good news of the current year is mixed as economic data points toward an uncertain future, with inflation still high and actions from the Federal Reserve geared towards slowing the overall economy. The upcoming Governor's Budget will help the District understand if lower than expected revenues will threaten school districts budgets in the near- and long-term. The District will continue to carefully analyze and take into account all of these considerations when contemplating new ongoing or one-time spending commitments.

In considering the District Budget for the 2022-23 year, the District Board and management used the following criteria:

The key assumptions in our revenue projections were:

- LCFF full funding, with a statutory COLA of 6.56%
- 9.42% unduplicated pupil count
- $5,514,519 in LCFF Supplemental funding
- Enrollment is estimated to decline by 821 students compared to 2021-22 levels
- Funded ADA average of the three prior year's ADA, calculated to be 30,235
- Special Education funding assumes an increase in the base rate to $820
- Mandated Cost Block Grant funding (K-8, $35, 9-12, $67)
- Lottery revenue of $163/ADA (unrestricted), $65/ADA (restricted)
- The parcel tax provides the District with $6.80 million in revenue
- Federal Categorical funding remained primarily flat from prior year amounts

Certificated staffing expenditures are based on the following ratios which exclude SDC classes, Del Amigo Continuation School and Venture Independent Study.

Staffing Ratio
Grades transition kindergarten through third 24:1 (average)
Grades four and five 30:1
Grades six through eight 28:1

The key assumptions in our expenditure forecast are:

- Health & Welfare insurance rates would increase 10% over the prior year
- STRS employer rate of 19.10 (+2.18%)
- PERS employer rate of 25.37% (+2.46%)
- Maintaining Routine Restricted Maintenance to 3.0% of expenditures
- The 3% Reserve for Economic Uncertainties is maintained
- Local Control and Accountability Plan (LCAP) action plans are funded in accordance with the 2022-23 updated LCAP.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the Chief Business Officer at San Ramon Valley Unified School District, 699 Old Orchard Drive, Danville, California, 94526, or email emiller@srvusd.net.

	Governmental Activities
Assets	
Deposits and investments	$ 195,344,279
Receivables	23,163,990
Prepaid expense	1,850,939
Stores inventories	133,312
Capital assets not depreciated	491,500,156
Capital assets, net of accumulated depreciation	513,599,400
Total assets	1,225,592,076
Deferred Outflows of Resources	
Deferred charge on refunding	28,576,000
Deferred outflows of resources related to OPEB	17,350,444
Deferred outflows of resources related to pensions	73,098,914
Total deferred outflows of resources	119,025,358
Liabilities	
Accounts payable	13,320,817
Interest payable	2,999,273
Unearned revenue	8,317,683
Long-term liabilities	
Long-term liabilities other than OPEB and pensions due within one year	52,707,100
Long-term liabilities other than OPEB and pensions due in more than one year	401,865,950
Total other postemployment benefit liability	60,274,605
Aggregate net pension liabilities	201,864,113
Total liabilities	741,349,541
Deferred Inflows of Resources	
Deferred inflows of resources related to OPEB	20,596,338
Deferred inflows of resources related to pensions	168,519,666
Total deferred inflows of resources	189,116,004
Net Position	
Net investment in capital assets	605,967,892
Restricted for	
Debt service	47,331,839
Capital projects	8,295,386
Educational programs	25,669,892
Other restrictions	6,492,738
Unrestricted	(279,605,858)
Total net position	$ 414,151,889

Functions/Programs	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities
Governmental Activities					
Instruction	$ 235,972,608	$ 1,725,883	$ 38,030,444	$ 10,048,252	$ (186,168,029)
Instruction-related activities					
Supervision of instruction	11,546,324	9,656	8,033,028	-	(3,503,640)
Instructional library, media, and technology	7,404,070	18,029	202,021	-	(7,184,020)
School site administration	26,509,310	19,167	1,057,991	-	(25,432,152)
Pupil services					
Home-to-school transportation	7,941,334	14,173	3,123,681	-	(4,803,480)
Food services	9,894,326	-	11,762,977	-	1,868,651
All other pupil services	27,952,088	48,362	5,903,074	-	(22,000,652)
Administration					
Data processing	4,571,593	3,710	55,030	-	(4,512,853)
All other administration	17,960,013	829	1,044,911	-	(16,914,273)
Plant services	42,911,615	103,916	2,324,701	-	(40,482,998)
Ancillary services	10,725,013	50,346	7,097,098	-	(3,577,569)
Community services	878,293	-	3	-	(878,290)
Interest on long-term liabilities	3,370,756	-	-	-	(3,370,756)
Other outgo	807,526	1,017,592	8,569,508	-	8,779,574
Total governmental activities	$ 408,444,869	$ 3,011,663	$ 87,204,467	$ 10,048,252	(308,180,487)
General Revenues and Subventions					
Property taxes, levied for general purposes					204,911,002
Property taxes, levied for debt service					44,968,093
Taxes levied for other specific purposes					8,624,554
Federal and State aid not restricted to specific purposes					89,825,955
Interest and investment earnings					402,570
Interagency revenues					127,776
Miscellaneous					8,063,788
Subtotal, general revenues and revenues					356,923,738
Change in Net Position					48,743,251
Net Position, Beginning as restated					365,408,638
Net Position, End of Year					$ 414,151,889

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
Assets					
Deposits and investments	$ 58,045,365	$ 54,934,418	$ 54,751,596	$ 23,626,759	$ 191,358,138
Receivables	21,818,545	-	22,568	1,322,877	23,163,990
Due from other funds	53,080	367,194	-	254,279	674,553
Prepaid expenditures	1,850,939	-	-	-	1,850,939
Stores inventories	46,286	-	-	87,026	133,312
Total assets	$ 81,814,215	$ 55,301,612	$ 54,774,164	$ 25,290,941	$ 217,180,932
Liabilities and Fund Balances					
Liabilities					
Accounts payable	$ 9,404,641	$ 2,946,147	$ -	$ 814,121	$ 13,164,909
Due to other funds	628,569	2,328	-	50,752	681,649
Unearned revenue	8,317,683	-	-	-	8,317,683
Total liabilities	18,350,893	2,948,475	-	864,873	22,164,241
Fund Balances					
Nonspendable	2,050,925	-	-	87,026	2,137,951
Restricted	25,669,892	52,353,137	54,774,164	19,164,732	151,961,925
Assigned	23,762,794	-	-	5,174,310	28,937,104
Unassigned	11,979,711	-	-	-	11,979,711
Total fund balances	63,463,322	52,353,137	54,774,164	24,426,068	195,016,691
Total liabilities and fund balances	$ 81,814,215	$ 55,301,612	$ 54,774,164	$ 25,290,941	$ 217,180,932

Total Fund Balance - Governmental Funds		$ 195,016,691
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		
The cost of capital assets is	$ 1,570,462,880	
Accumulated depreciation is	(565,363,324)	
Net capital assets		1,005,099,556
In governmental funds, unmatured interest on long-term liabilities is recognized in the period when it is due. On the government-wide financial statements, unmatured interest on long-term liabilities is recognized when it is incurred.		(2,999,273)
An internal service fund is used by management to charge the costs of the workers' compensation insurance program to the individual funds. The assets and liabilities of the internal service fund are included with governmental activities in the statement of net position.		3,837,329
Deferred outflows of resources represent a consumption of net position in a future period and is not reported in the governmental funds. Deferred outflows of resources amounted to and related to		
Debt refundings (deferrered charge on refunding)	28,576,000	
Other postemployment benefits (OPEB)	17,350,444	
Net pension liability	73,098,914	
		119,025,358
Deferred inflows of resources represent an acquisition of net position that applies to a future period and is not reported in the governmental funds. Deferred inflows of resources amount to and related to		
Other postemployment benefits (OPEB)	(20,596,338)	
Net pension liability	(168,519,666)	(189,116,004)

Net pension liability is not due and payable in the current period, and is not reported as a liability in the funds.		(201,864,113)
The District's OPEB liability is not due and payable in the current period, and is not reported as a liability in the funds.		(60,274,605)
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 year-end consist of		
General obligation bonds	$ (409,637,500)	
Other long-term liabilities	(9,663,534)	
Lease revenue bonds	(8,450,000)	
Compensated absences (vacations)	(3,088,249)	
Bond premiums/Discounts, net of amortization	(23,733,767)	
Total long-term liabilities		(454,573,050)
Total net position - governmental activities		$ 414,151,889

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues					
Local Control Funding Formula	$ 288,232,349	$ -	$ -	$ -	$ 288,232,349
Federal sources	12,805,083	-	-	11,001,715	23,806,798
Other state sources	66,351,864	-	157,941	10,691,660	77,201,465
Other local sources	26,924,226	1,403,205	44,353,594	8,927,146	81,608,171
Total revenues	394,313,522	1,403,205	44,511,535	30,620,521	470,848,783
Expenditures					
Current					
Instruction	248,022,086	-	-	-	248,022,086
Instruction-related activities					
Supervision of instruction	12,254,026	-	-	-	12,254,026
Instructional library, media, and technology	7,451,329	-	-	-	7,451,329
School site administration	27,350,676	-	-	-	27,350,676
Pupil services					
Home-to-school transportation	7,720,479	-	-	-	7,720,479
Food services	247,954	-	-	9,118,890	9,366,844
All other pupil services	29,063,157	-	-	-	29,063,157
Administration					
Data processing	4,443,023	-	-	-	4,443,023
All other administration	16,322,186	-	-	-	16,322,186
Plant services	38,150,606	3,377,445	-	405,582	41,933,633
Ancillary services	3,872,531	-	-	6,227,336	10,099,867
Community services	844,730	-	-	-	844,730
Other outgo	807,526	-	-	-	807,526
Facility acquisition and construction	346,218	20,211,050	-	1,023,552	21,580,820
Debt service					
Principal	-	-	27,757,500	2,397,143	30,154,643
Interest and other	-	-	31,294,986	1,047,235	32,342,221
Total expenditures	396,896,527	23,588,495	59,052,486	20,219,738	499,757,246
Excess (Deficiency) of Revenues Over Expenditures	(2,583,005)	(22,185,290)	(14,540,951)	10,400,783	(28,908,463)
Other Financing Sources (Uses)					
Transfers in	904,393	10,048,252	-	2,427,125	13,379,770
Other sources - bond issuance	-	-	256,330,000	-	256,330,000
Transfers out	(2,427,125)	(580,274)	-	(10,372,371)	(13,379,770)
Other uses - bond payments	-	-	(231,690,000)	-	(231,690,000)
Total other financing sources (uses)	(1,522,732)	9,467,978	24,640,000	(7,945,246)	24,640,000
Net Change in Fund Balances	(4,105,737)	(12,717,312)	10,099,049	2,455,537	(4,268,463)
Fund Balance, Beginning of Year	67,569,059	65,070,449	44,675,115	21,970,531	199,285,154
Fund Balance, End of Year	$ 63,463,322	$ 52,353,137	$ 54,774,164	$ 24,426,068	$ 195,016,691

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because		
Total Net Change in Fund Balances - Governmental Funds		$ (4,268,463)
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures; however, for governmental activites, those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation and amortization expenses in the Statement of Activities.		
This is the amount by which depreciation and amortization expenses exceeds capital outlays in the period.		
Depreciation and amortization expenses	$ (35,308,306)	
Capital outlays	22,245,218	
Net expense adjustment		(13,063,088)
Gain (Loss) on disposal of capital assets is reported in the government-wide Statement of Net Position, but is not recorded in the governmental funds.		(39,821)
In the Statement of Activities, certain operating expenses, such as compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This amount is the difference between vacation earned and used.		(289,245)
In the governmental funds, pension costs are based on employer contributions made to pension plans during the year. However, in the Statement of Activities, pension expense is the net effect of all changes in the deferred outflows, deferred inflows and net pension liability during the year.		30,122,290
In the governmental funds, OPEB costs are based on employer contributions made to OPEB plans during the year. However, in the Statement of Activities, OPEB expense is the net effect of all changes in the deferred outflows, deferred inflows, and net OPEB liability during the year.		1,658,802
Proceeds received from General obligation bonds or certificates of participation is a revenue in the governmental funds, but it increases long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.		(256,330,000)

Governmental funds report the effect of premiums, discounts, and the deferred charge on refunding when the debt is first issued, whereas the amounts are deferred and amortized in the Statement of Activities.	
Premium amortization	3,607,821
Payment of principal on long-term liabilities is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the statement of activities.	
General obligation bonds	259,447,500
Deferred outflows of resources	20,896,000
Lease revenue bonds	1,635,000
Other long-term liability	762,143
Interest on long-term liabilities is recorded as an expenditure in the funds when it is due; however, in the Statement of Activities, interest expense is recognized as the interest accretes or accrues, regardless of when it is due.	4,467,638
An internal service fund is used by management to charge the costs of the self insurance program to the individual funds. The net revenue of the Internal Service Fund is reported with governmental activities.	136,674
Change in net position of governmental activities	$ 48,743,251

	Governmental Activities - Internal Service Fund
Assets	
Current assets	
Deposits and investments	$ 3,986,141
Due from other funds	7,096
Total current assets	3,993,237
Liabilities	
Current liabilities	
Accounts payable	155,908
Net Position	
Unrestricted	3,837,329
Total net position	$ 3,837,329

	Governmental Activities - Internal Service Fund
Operating Revenues	
Charges for services	$ 4,201,501
Total operating revenues	4,201,501
Operating Expenses	
Payroll costs	3,738,792
Other operating cost	300,989
Total operating expenses	4,039,781
Operating Gain (loss)	161,720
Nonoperating Revenues	
Fair market value adjustments	(44,142)
Interest income	19,096
Total nonoperating revenues (expenses)	(25,046)
Income (loss) before capital contributions and transfers	136,674
Change in Net Position	136,674
Total Net Position - Beginning	3,700,655
Total Net Position - Ending	$ 3,837,329

	Governmental Activities - Internal Service Fund
Operating Activities	
Cash receipts from interdistrict amounts	$ 4,198,163
Cash payments to other suppliers of goods or services	(262,672)
Cash payments to employees for services	(3,738,792)
Net Cash from Operating Activities	196,699
Investing Activities	
Investment loss	(25,046)
Net Change in Cash and Cash Equivalents	171,653
Cash and Cash Equivalents, Beginning	3,814,488
Cash and Cash Equivalents, Ending	$ 3,986,141
Reconciliation of Operating Gain (Loss) to Net Cash From Operating Activities	
Operating gain (loss)	$ 161,720
Changes in assets and liabilities	
Due from other fund	(3,338)
Accounts payable	38,317
Net Cash From Operating Activities	$ 196,699

	Custodial Fund
Assets	
Deposits and investments	$ 17,178,964
Total assets	17,178,964
Liabilities	
Due to others	17,178,964
Total liabilities	$ 17,178,964
Net Position	
Total net position	$ -

	Custodial Fund
Additions	
Employer contributions	$ 1,067,888,917
Total additions	$ 1,067,888,917
Deductions	
Benefit payments	$ 1,067,888,917
Change in Net Position	$ -

Note 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

The San Ramon Valley Unified School District (the District) was organized on July 1, 1965 under the laws of the State of California. The District operates under a locally elected five member Board form of government and provides educational services to grades K-12 as mandated by the State and/or Federal agencies. The District operates twenty one elementary, eight middle, four high schools, a continuation school, and an independent study school.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments, boards, and agencies that are not legally separate from the District. For San Ramon Valley Unified School District, this includes general operations, food service, and student related activities of the District.

Component Units

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District, in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete. The District has three component units: the San Ramon Valley Unified School District Educational Facilities Corporation, the San Ramon Valley Unified School District Financing Corporation, and the San Ramon Valley Unified District Joint Powers Financing Authority. The first two component units are not presented in the financial statements as there are no activities and they are inactive. The last one is included in the Special Reserve Fund for Capital Outlays.

Basis of Presentation - Fund Accounting

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The District’s funds are grouped into three broad fund categories: governmental, proprietary, and fiduciary.

Governmental Funds Governmental Funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District’s major and non-major governmental funds:

Major Governmental Funds

The *General Fund* is the chief operating fund for all districts. It is used to account for the ordinary operations of the District. All transactions except those accounted for in another fund are accounted for in this fund.

One fund currently defined as special revenue funds in the California State Accounting Manual (CSAM) does not meet the GASB Statement No. 54 special revenue fund definition. Specifically, Fund 17, Special Reserve Fund for Other Than Capital Outlay Projects, is not substantially composed of restricted or committed revenue sources. While this fund is authorized by statute and will remain open for internal reporting purposes, this fund functions effectively as extensions of the General Fund, and accordingly has been combined with the General Fund for presentation in these audited financial statements. As a result, the General Fund reflects an increase in fund balance of $16,404,128.

The *Building Fund* exists primarily to account separately for proceeds from the sale of bonds (*Education Code* Section 15146) and may not be used for any purposes other than those for which the bonds were issued.

The *Bond Interest and Redemption Fund* is used for the repayment of bonds issued for a District (*Education Code* sections 15125-15262).

Non-Major Governmental Funds

Special Revenue Funds The Special Revenue funds are used to account for the proceeds from specific revenue sources (other than trusts, major capital projects, or debt service) that are restricted or committed to the financing of particular activities, that compose a substantial portion of the inflows of the fund, and that are reasonably expected to continue. Additional resources that are restricted, committed, or assigned to the purpose of the fund may also be reported in the fund.

- **Student Activity Fund** - The Student Activity Fund is used to account separately for the operating activities of the associated student body accounts that are not fiduciary in nature, including student clubs, general operations, athletics, and other student body activities.

- **Cafeteria Fund** - The Cafeteria Fund is used to account separately for Federal, State, and local resources to operate the food service program (*Education Code* Sections 38090-38093) and is used only for those expenditures authorized by the governing board as necessary for the operation of the District's food service program (*Education Code* Sections 38091 and 38100).

Capital Project Funds The Capital Project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and other capital assets (other than those financed by proprietary funds and trust funds).

- **Capital Facilities Fund** The Capital Facilities Fund is used primarily to account separately for monies received from fees levied on developers or other agencies as a condition of approval (*Education Code* sections 17620-17626 and Government Code Section 65995 et seq.). Expenditures are restricted to the purposes specified in Government Code Sections 65970-65981 or to the items specified in agreements with the developer (Government Code Section 66006).

- **Special Reserve Fund for Capital Outlay Projects** The Special Reserve Fund for Capital Outlay Projects exists primarily to provide for the accumulation of General Fund monies for capital outlay purposes (Education Code Section 42840).

- **County School Facilities Fund** The *County School Facilities Fund* is established pursuant to *Education Code* Section 17070.43 to receive apportionments from the 1998 State School Facilities Fund (Proposition 1A), the 2002 State School Facilities Fund (Proposition 47), the 2004 State School Facilities Fund (Proposition 55), the 2006 State School Facilities Fund (Proposition 1D), or the 2016 State School Facilities Fund (Proposition 51) authorized by the State Allocation Board for new school facility construction, modernization projects, and facility hardship grants, as provided in the Leroy F. Greene School Facilities Act of 1998 (*Education Code* Section 17070 et seq).

Proprietary Funds Proprietary funds are used to account for activities that are more business-like than government-like in nature. Business-type activities include those for which a fee is charged to external users or to other organizational units of the local education agency, normally on a full cost-recovery basis. Proprietary funds are generally intended to be self-supporting and are classified as enterprise or internal service. The District has the following proprietary funds:

- **Internal Service Fund** Internal Service funds may be used to account for goods or services provided to other funds of the District on a cost-reimbursement basis. The District operates a self-insurance program that is accounted for in an internal service fund.

Fiduciary Funds Fiduciary funds are used to account for resources held for the benefit of parties outside the District and are not available to support the District's own programs. Fiduciary funds are split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and custodial funds. The three types of trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics.

Trust funds are used to account for resources held by the District under a trust agreement for individuals, private organizations, or other governments. Custodial funds are used to account for resources, not in a trust, that are held by the District for other parties out the District's report entity. The District's custodial fund is the warrant clearing fund.

Basis of Accounting - Measurement Focus

Government-Wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared.

The government-wide statement of activities presents a comparison between expenses, both direct and indirect, and of the District and for each governmental function, and exclude fiduciary activity. Direct expenses are those that are specifically associated with a service, program, or department and are therefore, clearly identifiable to a particular function. The District does not allocate indirect expenses to functions in the *Statement of Activities*, except for depreciation. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the District. Eliminations have been made to minimize the double counting of internal activities.

Net position should be reported as restricted when constraints placed on net position are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other activities result from special revenue funds and the restrictions on their use.

Fund Financial Statements Fund financial statements report detailed information about the District. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major governmental funds are aggregated and presented in a single column.

- **Governmental Funds** All governmental funds are accounted for using the flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide financial statements, prepared using the economic resources measurement focus and the accrual basis of accounting, and the governmental fund financial statements, prepared using the flow of current financial resources measurement focus and the modified accrual basis of accounting.

- **Proprietary Funds** Proprietary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities associated with the operation of this fund are included in the statement of net position. The statement of changes in fund net position presents increases (revenues) and decreases (expenses) in net total assets. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary fund.

- **Fiduciary Funds** Fiduciary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are excluded from the government-wide financial statements because they do not represent resources of the District.

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter, to be used to pay liabilities of the current fiscal year. The District considers revenues to be available if they are collected within one year after year-end, except for property taxes, which is recognized when received. The following revenue sources are considered to be both measurable and available at fiscal year-end: State apportionments, interest, certain grants, and other local sources.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, certain grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year in which the taxes are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include time and purpose restrictions. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned Revenue

Unearned revenues arise when resources are received by the District before it has a legal claim to them, such as when certain grants are received prior to the occurrence of qualifying expenditures. In the subsequent periods, when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and the revenue is recognized.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred. Principal and interest on long-term liabilities, which has not matured, are recognized when paid in the governmental funds as expenditures. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds but are recognized in the entity-wide statements.

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include cash with county treasury balances for purposes of the statement of cash flows.

Investments

Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost. Fair values of investments in county and State investment pools are determined by the program sponsor.

Prepaid Expenditures (Expenses)

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Stores Inventories

Inventories consist of expendable food and supplies held for consumption. Inventories are stated at cost, on the weighted average basis. The costs of inventory items are recorded as expenditures in the governmental funds when used.

Capital Assets and Depreciation

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets of the District. The District maintains a capitalization threshold of $20,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized, but are expensed as incurred.

When purchased, such assets are recorded as expenditures in the governmental funds and capitalized in the government-wide statement of net position. The valuation basis for capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation is computed using the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 10 to 50 years; improvements/infrastructure, 11 to 36 years; equipment, 2 to 20 years.

The District records impairments of capital assets when it becomes probable that the carrying value of the assets will not be fully recovered over their estimated useful life. Impairments are recorded to reduce the carrying value of the assets to their net realizable value based on facts and circumstances in existence at the time of the determination. No impairments were recorded during the year ended June 30, 2022.

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables”. These amounts are eliminated in the governmental activities column of the statement of net position.

Compensated Absences

Compensated absences are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide statement of net position. For governmental funds, the current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year-end that have not yet been paid with expendable available financial resources. These amounts are reported in the fund from which the employees who have accumulated leave are paid.

Sick leave is accumulated without limit for each employee at the rate of one day for each month worked. Leave with pay is provided when employees are absent for health reasons; however, the employees do not gain a vested right to accumulated sick leave. Employees are never paid for any sick leave balance at termination of employment or any other time. Therefore, the value of accumulated sick leave is not recognized as a liability in the District's financial statements. However, credit for unused sick leave is applicable to all classified school members who retire after January 1, 1999. At retirement, each member will receive .004 year of service credit for each day of unused sick leave. Credit for unused sick leave is applicable to all certificated employees and is determined by dividing the number of unused sick days by the number of base service days required to complete the last school year, if employed full-time.

Accrued Liabilities and Long-Term Liabilities

All payables, accrued liabilities, and long-term liabilities are reported in the government-wide and proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full, from current financial resources are reported as liabilities of the governmental funds.

However, claims and judgments, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the governmental fund financial statements only to the extent that they are due for payment during the current year. Bonds, leases, and other long-term liabilities are recognized as liabilities in the governmental fund financial statements when due.

Debt Issuance Costs, Premiums and Discounts

In the government-wide financial statements long-term liabilities are reported as liabilities in the applicable governmental activities, or proprietary fund statement of net position. Debt premiums and discounts, as well as issuance costs related to prepaid insurance costs are amortized over the life of the bonds using the straight-line method, which approximates the effective interest method.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the period the bonds are issued. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures in the period the bonds are issued.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position also reports deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The District reports deferred outflows of resources for deferred charges on refunding of debt, for pension related items, and for OPEB related items.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The District reports deferred inflows of resources for pension related items and for OPEB related items.

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the California State Teachers Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) plan for schools (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalSTRS and CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Member contributions are recognized in the period in which they are earned. Investments are reported at fair value. The net pension liability attributable to the governmental activities will be paid by the fund in which the employee worked.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District Plan and additions to/deductions from the District Plan and the MPP's fiduciary net position have been determined on the same basis as they are reported by the District Plan. For this purpose, the District Plan and the MPP recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost. The total OPEB liability attributable to the governmental activities will be paid primarily by the General Fund.

Fund Balances - Governmental Funds

As of June 30, 2022, fund balances of the governmental funds are classified as follows:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed - amounts that can be used only for specific purposes determined by a formal action of the governing board. The governing board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions or other action as approved by the governing board. The District currently does not have any committed funds.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the District's adopted policy, only the governing board or chief business officer/assistant superintendent of business services may assign amounts for specific purposes.

Unassigned - all other spendable amounts.

Spending Order Policy

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the governing board has provided otherwise in its commitment or assignment actions.

Minimum Fund Balance Policy

The governing board adopted a minimum fund balance policy for the General Fund in order to protect the District against revenue shortfalls or unpredicted one-time expenditures. The policy requires a Reserve for Economic Uncertainties consisting of unassigned amounts equal to no less than 2% of General Fund expenditures and other financing uses.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position net of investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The government-wide financial statements report $87,789,855 of restricted net position, all of which is restricted by enabling legislation.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are In-District Premiums. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements.

Estimates

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

Property Tax

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County of Contra Costa bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

Change in Accounting Principles

Implementation of GASB Statement No. 87

As of July 1, 2021, the District adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The standard requires recognition of certain lease 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. The adoption of this standard did not have significant impact to the District's financial statements.

Implementation of GASB Statement No. 89

As of July 1, 2021, The District adopted GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The implementation of this Standard establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, there is no material effect of the implementation of this standard on the beginning net position.

Implementation of GASB Statement No. 92

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of Statement No. 87, Leases, and Implementation Guide No. 2019-3, Leases, for interim financial reporting
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, to reporting assets accumulated for postemployment benefits
- The applicability of certain requirements of Statement No. 84, Fiduciary Activities, to postemployment benefit arrangement

- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments

The requirements of this Statement are effective as follows:

- The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.
- The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2021.
- The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2021.
- The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2021.

The provisions of this Statement have been implemented as of June 30, 2022.

Note 2 - Deposits and Investments

Summary of Deposits and Investments

Deposits and investments as of June 30, 2022, are classified in the accompanying financial statements as follows:

Governmental funds	$ 191,358,138
Proprietary funds	3,986,141
Fiduciary funds	17,178,964
Total deposits and investments	$ 212,523,243

Deposits and investments as of June 30, 2022, consist of the following:

Cash on hand and in banks	$ 5,105,790
Cash in revolving	153,700
Investments	207,263,753
Total deposits and investments	$ 212,523,243

Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

Investment in County Treasury - The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (*Education Code* Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statements at amounts based upon the District's pro-rata share of the fair value provided 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.

Investment in the State Investment Pool - The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California government code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in the Pool is reported in the accompanying financial statement at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which is recorded on the amortized cost basis.

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to change in market interest rate. The District manages its exposure to interest rate risk by investing in the County Pool, LAIF and having the Pool purchase a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Weighted Average Maturity

The District monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. Information about the weighted average maturity of the District's portfolio is presented in the following schedule:

Investment Type	Reported Amount	Weighted Average Maturity Days
County Treasury Investment Pool	$ 207,005,045	266
Local Agency Investment Pool	258,708	311
Total	$ 207,263,753	

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investments in the County Investment Pool and LAIF are not required to be rated, nor have they been rated as of June 30, 2022.

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agency. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105% of the secured deposits. As of June 30, 2022, approximately $5.1 million of the District's bank balance was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the name of the District.

Note 3 - Fair Value Measurements

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

- Level 1 - Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

- Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

- Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonably available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

The District's fair value measurements are as follows at June 30, 2022:

Investment Type	Reported Amount	Uncategorized
County Treasury Investment Pool	$ 207,005,045	$ 207,005,045
State Investment Pool	258,708	258,708
Total	$ 207,263,753	$ 207,263,753

All assets have been valued using a market approach, with quoted market prices.

Note 4 - Receivables

Receivables at June 30, 2022, consisted of intergovernmental grants, entitlements, interest and other local sources. All receivables are considered collectible in full.

	General Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total
Federal Government				
Categorical aid	$ 6,936,247	$ -	$ 1,322,877	$ 8,259,124
State Government				
LCFF apportionment	7,259,365	-	-	7,259,365
Categorical aid	4,946,266	-	-	4,946,266
Lottery	1,136,876	-	-	1,136,876
Local Government				
Other local sources	1,539,791	22,568	-	1,562,359
Total	$ 21,818,545	$ 22,568	$ 1,322,877	$ 23,163,990

Note 5 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2022, was as follows:

	Balance July 1, 2021	Additions	Deductions	Balance June 30, 2022
Governmental Activities				
Capital assets not being depreciated				
Land	$ 336,607,628	$ -	$ -	$ 336,607,628
Construction in progress	144,179,958	21,507,683	(10,795,113)	154,892,528
Total capital assets not being depreciated	480,787,586	21,507,683	(10,795,113)	491,500,156
Capital assets being depreciated				
Land improvements	75,068,595	135,420	-	75,204,015
Buildings and improvements	972,187,385	10,659,692	-	982,847,077
Furniture and equipment	20,690,738	737,536	(516,642)	20,911,632
Total capital assets being depreciated	1,067,946,718	11,532,648	(516,642)	1,078,962,724
Total capital assets	1,548,734,304	33,040,331	(11,311,755)	1,570,462,880
Accumulated depreciation				
Land improvements	(53,435,285)	(2,384,407)	-	(55,819,692)
Buildings and improvements	(460,158,164)	(31,985,143)	-	(492,143,307)
Furniture and equipment	(16,938,390)	(938,756)	476,821	(17,400,325)
Total accumulated depreciation	(530,531,839)	(35,308,306)	476,821	(565,363,324)
Governmental activities capital assets, net	$ 1,018,202,465	$ (2,267,975)	$ (10,834,934)	$ 1,005,099,556

Depreciation expense was charged as a direct expense to governmental as follows:

Governmental Activities	
Instruction	$ 21,098,837
Supervision of instruction	1,042,430
Instructional library, media, and technology	633,872
School site administration	2,326,678
Home-to-school transportation	656,769
Food services	796,822
All other pupil services	2,472,356
Data processing	377,961
All other administration	1,388,502
Plant services	3,567,226
Community Services	71,860
Ancillary Services	874,993
Total depreciation expenses governmental activities	$ 35,308,306

Note 6 - Interfund Transactions

Interfund Receivables/Payables (Due To/Due From)

Interfund receivable and payable balances arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Interfund receivable and payable balances at June 30, 2022, between major and non-major governmental funds, and internal service funds are as follows:

	Due From				
Due To	General Fund	Building Fund	Non-Major Governmental Funds	Proprietary Funds	Total
General Fund	$ -	$ 367,194	$ 254,279	$ 7,096	$ 628,569
Building Fund	2,328	-	-	-	2,328
Non-Major Governmental Funds	50,752	-	-	-	50,752
Total	$ 53,080	$ 367,194	$ 254,279	$ 7,096	$ 681,649

Balances resulted from the time lag between the date that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transaction are recorded in the accounting system, and (3) payments between funds are made.

Operating Transfers

Interfund transfers for the year ended June 30, 2022, consisted of the following:

	Transfer From			
Transfer To	General Fund	Building Fund	Non-Major Governmental Funds	Total
General Fund	$ -	$ -	$ 2,427,125	$ 2,427,125
Building Fund	580,274	-	-	580,274
Non-Major Governmental Funds	324,119	10,048,252	-	10,372,371
Total	$ 904,393	$ 10,048,252	$ 2,427,125	$ 13,379,770

The County School Facilities Non-Major Governmental Fund transferred to the Building fund to make an OPSC reimbursement.	$ 10,048,252
The Building Fund transferred to the General Fund to reimburse costs.	580,274
The General Fund transferred to the Special Reserve for Capital Outlay Projects Non-Major Governmental Fund for project costs.	2,427,125
The Special Reserve for Capital Outlay Projects Non-Major Governmental Fund transferred to the General Fund to pay back excess contribution.	324,119
Total	$ 13,379,770

Interfund transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 7 - Accounts Payable

Accounts payable at June 30, 2022, consisted of the following:

	General Fund	Building Fund	Non-Major Governmental Funds	Total	Proprietary Funds
Vendor payables	$ 6,451,923	$ 2,944,955	$ 779,760	$ 10,176,638	$ 155,908
State apportionment	2,191,335	-	-	2,191,335	-
Salaries and benefits	761,383	1,192	34,361	796,936	-
Total	$ 9,404,641	$ 2,946,147	$ 814,121	$ 13,164,909	$ 155,908

Note 8 - Unearned Revenue

Unearned revenue at June 30, 2022, consisted of the following:

	General Fund
Federal financial assistance	$ 192,942
State categorical aid	8,124,742
Total	$ 8,317,683

Note 9 - Long-Term Liabilities Other than OPEB and Pensions

Summary

The changes in the District's long-term liabilities other than OPEB and pensions during the year consisted of the following:

	Balance July 1, 2021	Additions	Deductions	Balance June 30, 2022	Due in One Year
Long-Term Liabilities					
General obligation bonds	$ 412,755,000	$ 256,330,000	$ (259,447,500)	$ 409,637,500	$ 47,230,000
Lease revenue bonds	10,085,000	-	(1,635,000)	8,450,000	1,650,000
Premiums, net of amortization	27,341,588	-	(3,607,821)	23,733,767	3,031,078
Compensated absences	2,799,004	289,245	-	3,088,249	-
Other long-term liability	10,425,677	-	(762,143)	9,663,534	796,022
Total	$ 463,406,269	$ 256,619,245	$ (265,452,464)	$ 454,573,050	$ 52,707,100

Payments for general obligation bonds are made by the Bond Interest and Redemption fund. Lease revenue bonds and other long-term liability payments are Special Reserve Fund for Capital Outlays Project. Compensated absences will be paid for by the funds for which the employee worked.

General Obligation Bonds

The outstanding general obligation bonded debt is as follows:

Issuance Date	Final Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 1, 2021	Issued	Redeemed	Bonds Outstanding June 30, 2022
1/17/2013	2031	3.00-4.00%	$ 52,200,000	$ 48,775,000	$ -	$ (38,410,000)	$ 10,365,000
2/14/2013	2037	2.00-4.00%	74,995,000	71,005,000	-	(71,005,000)	-
7/17/2012	2029	1.00-5.00%	167,945,000	26,590,000	-	(15,615,000)	10,975,000
4/20/2015	2040	4.00-5.00%	125,000,000	125,000,000	-	(122,425,000)	2,575,000
12/8/2018	2027	4.00-5.00%	60,005,000	39,945,000	-	(5,230,000)	34,715,000
10/1/2020	2027	.259-1.18%	105,165,000	101,440,000	-	(3,735,000)	97,705,000
10/14/2021	2031	.202-2.014%	256,330,000	-	256,330,000	(3,027,500)	253,302,500
				$ 412,755,000	$ 256,330,000	$ (259,447,500)	$ 409,637,500

Debt Service Requirements to Maturity

The General Obligation bonds mature through 2032 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2023	$ 47,230,000	$ 6,975,989	$ 54,205,989
2024	38,160,000	6,311,442	44,471,442
2025	38,305,000	5,668,000	43,973,000
2026	41,730,000	5,017,022	46,747,022
2027	47,242,500	4,283,588	51,526,088
2028-2032	196,970,000	10,962,815	207,932,815
Total	$ 409,637,500	$ 39,218,856	$ 448,856,356

On October 14, 2021, the District issued $256,330,000 in general obligation refunding bonds to refund the District's outstanding Election of 2012, Series 2013 bonds, a portion of the outstanding Series 2013 bonds, and a portion of the outstanding Election of 2012, Series 2015 bonds. The net proceeds were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for future debt services payments. The balance in the escrow account at June 30, 2022 was $242,667,000 and the outstanding principal of the defeased debt was $231,690,000. The difference between the cash flows required to service the old debt and the new debt was $55,302,412 savings to the District. The refunding bonds resulted in an economic gain of $31,625,736.

On October 1, 2020, the District issued $105,165,000 in general obligation refunding bonds to refund a portion of the District's outstanding Series 2012 refunding bonds. The net proceeds were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for future debt services payments. The balance in the escrow account at June 30, 2022 was $98,382,875.

Other Long-term Liability

On December 1, 2015, the District and the San Ramon Valley Unified School District Joint Powers Financing Authority (the Authority) entered into an agreement with HAS OBS Op A LLC (the Purchaser) for the purpose of financing solar projects at 15 school sites. The District agrees to lease the Vista Grande Elementary School (the Property) to the Authority and the Authority shall lease the property back to the District. The Purchaser agrees to purchase from the Authority the Authority's right, title and interest in the Ground Lease and the Lease Agreement, including its right to receive the Base Rental Payment due under the Lease Agreement at a purchase price of $12,518,667. Based on the Agreement, the District is obligated for the base rental payment of $12,518,667 at an interest rate of 3.86% over a 25-year term. The District expects to receive IRS subsidy payments to offset most of the interest costs. Based on current sequestration conditions, the net effective interest rate after IRS subsidy payments is estimated at 0.85%.

The finance agreement matures through 2032 as follows:

Year Ending June 30,	Principal	Interest	Total
2023	$ 796,022	$ 357,649	$ 1,153,671
2024	830,926	326,249	1,157,175
2025	866,882	293,481	1,160,363
2026	903,920	259,305	1,163,225
2027	942,070	223,678	1,165,748
2028-2032	5,323,714	530,068	5,853,782
Total	$ 9,663,534	$ 1,990,430	$ 11,653,964

Lease Revenue Bonds

On July 20, 2010, the District issued $25,000,000 Federally Taxable Lease Revenue Bonds with interest ranging from 2.397% to 6.254%. The bonds were issued to finance construction of solar panels at several school sites. Interest with respect to the Bonds will be payable semi-annually on each November 1 and May 1, commencing November 1, 2010 and maturing on May 1, 2027. At June 30, 2022, the principal balance outstanding was $8,450,000.

Debt Service Requirements to Maturity

The lease revenue bonds mature through 2027 as follows:

Year Ending June 30,	Principal	Interest	Total
2023	$ 1,650,000	$ 555,663	$ 2,205,663
2024	1,665,000	452,472	2,117,472
2025	1,690,000	341,683	2,031,683
2026	1,710,000	229,230	1,939,230
2027	1,735,000	115,447	1,850,447
Total	$ 8,450,000	$ 1,694,495	$ 10,144,495

Compensated Absences

Compensated absences (unpaid employee vacation) for the District at June 30, 2022, amounted to $3,088,249.

Note 10 - Net Other Postemployment Benefit (OPEB) Liability

For the fiscal year ended June 30, 2022, the District reported net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense for the following plans:

OPEB Plans	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
District Plan	$ 58,528,508	$ 17,350,444	$ 20,596,338	$ 5,380,814
Medicare Premium Payment (MPP) Program	1,746,097	-	-	(284,060)
Total	$ 60,274,605	$ 17,350,444	$ 20,596,338	$ 5,096,754

The details of each plan are as follows:

District Plan

Plan Administration

The District's governing board administers the Postemployment Benefits Plan (the Plan). The Plan is an agent multi-employer plan that is used to provide postemployment benefits other than pensions (OPEB) for eligible retirees and their spouses.

Plan Membership

At June 30, 2021, the valuation date, the Plan membership consisted of 2,157 active employees and 1,187 retirees.

Benefits Provided

The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Benefits are provided through a third-party insurer, and the full cost of benefits is covered by the Plan. The District's governing board has the authority to establish and amend the benefit terms as contained within the negotiated labor agreements.

Contributions

The contribution requirements of the Plan members and the District are established and may be amended by the District, the Teacher Education Association (TEA), the local California Service Employees Association (CSEA), and unrepresented groups. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually through the agreements with the District, TEA, CSEA, and the unrepresented groups. For the measurement period of June 30, 2021, the District contributed $3,215,468 to the Plan, all of which was used for current premiums.

The benefit payment requirements of the Plan members and the District are established and may be amended by the District, the Teacher Education Association (TEA), the local California Service Employees Association (CSEA), and unrepresented groups. The benefit payment is based on projected pay-as-you-go financing requirements as determined annually through the agreements with the District, TEA, CSEA, and the unrepresented groups. For measurement period of June 30, 2021, the District paid $3,169,464 in benefits.

Net OPEB Liability of the District

The District's net OPEB liability of $58,528,508 was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021. The components of the net OPEB liability of the District at June 30, 2021, were as follows:

Total OPEB liability	$ 92,975,075
Plan fiduciary net position	(34,446,567)
Net OPEB liability	$ 58,528,508
Plan fiduciary net position as a percentage of the total OPEB liability	37.05%

Actuarial Assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75 percent
Salary increases	2.75 percent, average, including inflation
Discount rate	3.93 percent
Investment rate of return	6.80 percent, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	7 percent decreasing to 4.5 percent
Retirees' share of benefit-related costs	Based on healthcare trend rates
Mortality	
General	SOA Pub-2021 General Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2021
Teachers	SOA Pub-2021 Teachers Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2021
Surviving Sposes	SOA Pub-2021 Contingent Survivors Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2021

The discount rate was based on the Bond Buyer 20-bond General Obligation Index.

The actual assumptions used in the June 30, 2021 valuation were based on the results of an actual experience study for the period July 1, 2020 to June 30, 2021.

The long-term expected rate of return on OPEB plan investments is assumed to be 6.80%, consistent with information provided by CERBT. This was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are then combined to produce the long-term expected rate of return by weighting them based on the target asset allocation percentage and adding expected inflation. The best estimates of arithmetic real rates of return included in the OPEB Plan's target asset allocation as of June 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	L/T Expected Real Rate of Returı
Global Equity	59%	N/A
Global Debt Securities	25%	N/A
Inflation Assts	5%	N/A
Commodities	8%	N/A
REITs	3%	N/A
Total	100%	6.80%

Discount Rate

The discount rate used to measure the total OPEB liability was 3.93%. The projection of cash flows used to determine the discount rate assumed that the District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB lability.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance, June 30, 2021	$ 81,290,147	$ 27,115,981	$ 54,174,166
Service cost	3,140,792	-	3,140,792
Interest	3,712,288	-	3,712,288
Employer contributions	-	3,215,468	(3,215,468)
Net investment income	-	7,294,595	(7,294,595)
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(1,063,734)	-	(1,063,734)
Changes of assumptions and other inputs	9,065,046	-	9,065,046
Benefit payments	(3,169,464)	(3,169,464)	-
Administrative expense	-	(10,013)	10,013
Net change in total OPEB liability	11,684,928	7,330,586	4,354,342
Balance, June 30, 2022	$ 92,975,075	$ 34,446,567	$ 58,528,508

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

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

Discount Rate	Net OPEB Liability
1% decrease (2.93%)	$ 73,112,570
Current discount rate (3.93%)	58,528,508
1% increase (4.93%)	46,660,739

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percent lower or higher than the current healthcare costs trend rates:

Healthcare Cost Trend Rates	Net OPEB Liability
1% decrease (6.0%)	$ 44,519,342
Current healthcare cost trend rate (7.0%)	58,528,508
1% increase (8.0%)	76,541,564

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

For the year ended June 30, 2022, the District recognized OPEB expense of $5,380,814. At June 30, 2022, the District reported deferred outflows of resources for OPEB contributions subsequent to measurement date of $3,377,775.

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	$ 3,377,775	$ -
Differences between expected and actual experience	-	6,684,177
Changes of assumptions	13,972,669	9,991,076
Net difference between projected and actual earnings on OPEB plan investments	-	3,921,085
Total	$ 17,350,444	$ 20,596,338

The deferred outflows of resources for OPEB contributions subsequent to measurement date will be recognized as reduction of the net OPEB liability in the subsequent fiscal year. The remaining deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ (2,691,579)
2024	(2,653,807)
2025	(1,425,117)
2026	(1,515,374)
2027	(436,328)
Thereafter	2,098,536
Total	$ (6,623,669)

Medicare Premium Payment (MPP) Program

Plan Description

The Medicare Premium Payment (MPP) Program is administered by the California State Teachers' Retirement System (CalSTRS). The MPP Program is a cost-sharing multiple-employer other postemployment benefit plan (OPEB) established pursuant to Chapter 1032, Statutes 2000 (SB 1435). CalSTRS administers the MPP Program through the Teachers' Health Benefits Fund (THBF).

A full description of the MPP Program regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2020 annual actuarial valuation report, Medicare Premium Payment Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: http://www.calstrs.com/member-publications.

Benefits Provided

The MPP Program pays Medicare Part A premiums and Medicare Parts A and B late enrollment surcharges for eligible members of the State Teachers Retirement Plan (STRP) Defined Benefit (DB)Program who were retired or began receiving a disability allowance prior to July 1, 2012 and were not eligible for premium free Medicare Part A. The payments are made directly to the Centers for Medicare and Medicaid Services (CMS) on a monthly basis.

The MPP Program is closed to new entrants as members who retire after July 1, 2012, are not eligible for coverage under the MPP Program.

The MPP Program is funded on a pay-as-you go basis from a portion of monthly District benefit payments. In accordance with California *Education Code* Section 25930, contributions that would otherwise be credited to the DB Program each month are instead credited to the MPP Program to fund monthly program and administrative costs. Total redirections to the MPP Program are monitored to ensure that total incurred costs do not exceed the amount initially identified as the cost of the program.

Net OPEB Liability and OPEB Expense

At June 30, 2022, the District reported a liability of $1,746,097 for its proportionate share of the net OPEB liability for the MPP Program. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB Plan relative to the projected contributions of all participating school districts, actuarially determined. The District's proportionate share for the measurement period June 30, 2021 and June 30, 2020, respectively, was 0.4378%, and 0.4167%, resulting in a net increase in the proportionate share of 0.0211%.

For the year ended June 30, 2022, the District recognized OPEB expense of $(284,060).

Actuarial Methods and Assumptions

The June 30, 2021 total OPEB liability was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2020, and rolling forward the total OPEB liability to June 30, 2021, using the assumptions listed in the following table:

Measurement Date	June 30, 2021
Valuation Date	June 30, 2020
Experience Study	July 1, 2015 through June 30, 2018
Actuarial Cost Method	Entry age normal
Investment Rate of Return	2.16%
Medicare Part A Premium Cost Trend Rate	4.50%
Medicare Part B Premium Cost Trend Rate	5.40%

For the valuation as of June 30, 2020, 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 our members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table, issued by the Society of Actuaries.

Assumptions were made about future participation (enrollment) into the MPP Program because CalSTRS is unable to determine which members not currently participating meet all eligibility criteria for enrollment in the future. Assumed enrollment rates were derived based on past experience and are stratified by age with the probability of enrollment diminishing as the members' age increases. This estimated enrollment rate was then applied to the population of members who may meet criteria necessary for eligibility and are not currently enrolled in the MPP Program. Based on this, the estimated number of future enrollments used in the financial reporting valuation was 245 or an average of 0.16% of the potentially eligible population (152,062).

The MPP Program is funded on a pay-as-you-go basis with contributions generally being made at the same time and in the same amount as benefit payments and expenses coming due. Any funds within the MPP Program as of June 30, 2021, were to manage differences between estimated and actual amounts to be paid and were invested in the Surplus Money Investment Fund, which is a pooled investment program administered by the State Treasurer.

Discount Rate

The discount rate used to measure the total OPEB liability as of June 30, 2021, is 2.16%. As the MPP Program is funded on a pay-as-you-go basis as previously noted, the OPEB Plan's fiduciary net position was not projected to be sufficient to make projected future benefit payments. Therefore, a discount rate of 2.16%, which is the Bond Buyer 20-Bond GO Index from Bondbuyer.com as of June 30, 2021, was applied to all periods of projected benefit payments to measure the total OPEB liability. The discount rate decreased 0.05% from 2.21% as of June 30, 2020.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

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

Discount Rate	Net OPEB Liability
1% decrease (1.16%)	$ 1,924,678
Current discount rate (2.16%)	1,746,097
1% increase (3.16%)	1,593,517

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Medicare Costs Trend Rates

The following presents the District's proportionate share of the net OPEB liability calculated using the Medicare costs trend rates, as well as what the net OPEB liability would be if it were calculated using Medicare costs trend rates that are one percent lower or higher than the current rates:

Medicare Costs Trend Rate	Net OPEB Liability
1% decrease (3.5% Part A and 4.4% Part B)	$ 1,587,871
Current Medicare costs trend rate (4.5% Part A and 5.4% Part B)	1,746,097
1% increase (5.5% Part A and 6.4% Part B)	1,927,498

Note 11 - Fund Balances

Fund balances are composed of the following elements:

	General Fund	Building Funds	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total
Nonspendable					
Revolving cash	$ 153,700	$ -	$ -	$ -	$ 153,700
Stores inventories	46,286	-	-	87,026	133,312
Prepaid expenditures	1,850,939	-	-	-	1,850,939
Total nonspendable	2,050,925	-	-	87,026	2,137,951
Restricted					
Legally restricted programs	25,669,892	-	-	-	25,669,892
Food service	-	-	-	2,655,409	2,655,409
Capital projects	-	52,353,137	-	13,794,232	66,147,369
Debt services	-	-	54,774,164	-	54,774,164
Student body	-	-	-	2,715,091	2,715,091
Total restricted	25,669,892	52,353,137	54,774,164	19,164,732	151,961,925
Assigned					
Deficit spending	15,720,108	-	-	-	15,720,108
Supplemental services	2,145,907	-	-	-	2,145,907
Instructional materials	330,987	-	-	-	330,987
Site/Dept Designations	641,241	-	-	-	641,241
Lottery carryover	500,133	-	-	-	500,133
Declining enrollment	4,424,418	-	-	-	4,424,418
Facilities community use	-	-	-	909,951	909,951
Capital investment	-	-	-	2,635,241	2,635,241
Safety committee	-	-	-	1,200,079	1,200,079
DVMS fields	-	-	-	372,613	372,613
DVHS CSA	-	-	-	56,426	56,426
Total assigned	23,762,794	-	-	5,174,310	28,937,104
Unassigned					
Reserve for economic uncertainties	11,979,711	-	-	-	11,979,711
Total	$ 63,463,322	$ 52,353,137	$ 54,774,164	$ 24,426,068	$ 195,016,691

Note 12 - Risk Management

Property and Liability

The District is exposed to various risks of loss related to torts; theft, damage, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year ending June 30, 2022, the District contracted with Northern California Regional Liability Excess Fund for property and liability insurance coverage. Settled claims have not exceeded this coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

Workers' Compensation

For fiscal year 2022, the District participated in the Contra Costa County Schools Insurance Group, an insurance purchasing pool. The intent of the Contra Costa County Schools Insurance Group is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the Contra Costa County Schools Insurance Group. The workers' compensation experience of the participating districts is calculated as one experience and a common premium rate is applied to all districts in the Contra Costa County Schools Insurance Group. Each participant pays its workers' compensation premium based on its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of each participating school district. A participant will then either receive money from or be required to contribute to the "equity-pooling fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the Contra Costa County Schools Insurance Group. Participation in the Contra Costa County Schools Insurance Group is limited to districts that can meet the Contra Costa County Schools Insurance Group selection criteria.

Claims Liabilities

The District records an estimated liability for indemnity torts and other claims against the District. Claims liabilities are based on estimates of the ultimate cost of reported claims (including future claim adjustment expenses), and an estimate for claims incurred, but not reported based on historical experience. The fund establishes a liability for both reported and unreported events, which includes estimates of both future payments of losses and related claims adjustment expenses. The following represents the changes in approximate aggregate liabilities for the District from July 1, 2020 to June 30, 2022.

	Dental and Vision	Property and Liability	Total
Liability Balance, July 1, 2020	$ 110,321	$ 21,344	$ 131,665
Claims and changes in estimates	3,774,933	65,656	3,840,589
Claims payments	(3,767,663)	(87,000)	(3,854,663)
Liability Balance, June 30, 2021	117,591	-	117,591
Claims and changes in estimates	4,020,001	181,500	4,201,501
Claims payments	(3,981,684)	(181,500)	(4,163,184)
Liability Balance, June 30, 2022	$ 155,908	$ -	$ 155,908
Assets available to pay claims at June 30, 2022	$ 3,694,920	$ 298,317	$ 3,993,237

Note 13 - Employee Retirement Systems

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Academic employees are members of the California State Teachers' Retirement System (CalSTRS) and classified employees are members of the California Public Employees' Retirement System (CalPERS).

For the fiscal year ended June 30, 2022, the District reported its proportionate share of net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense for each of the above plans as follows:

Pension Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CalSTRS	$ 132,533,466	$ 58,976,217	$ 132,101,299	$ 6,338,031
CalPERS	69,330,647	14,122,697	36,418,367	3,555,871
Total	$ 201,864,113	$ 73,098,914	$ 168,519,666	$ 9,893,902

The details of each plan are as follows:

California State Teachers' Retirement System (CalSTRS)

Plan Description

The District contributes to the State Teachers Retirement Plan (STRP) administered by the California State Teachers' Retirement System (CalSTRS). STRP is a cost-sharing multiple-employer public employee retirement system defined benefit pension plan. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2020, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: http://www.calstrs.com/member-publications.

Benefits Provided

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

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program, and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the state is the sponsor of the STRP and obligor of the trust. In addition, the state is both an employer and nonemployer contributing entity to the STRP.

The District contributes exclusively to the STRP Defined Benefit Program, thus disclosures are not included for the other plans.

The STRP provisions and benefits in effect at June 30, 2022, are summarized as follows:

	STRP Defined Benefit Program	
Hire date	On or before December 31, 2012	On or after January 1, 2013
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	10.205%
Required employer contribution rate	16.92%	16.92%
Required state contribution rate	10.828%	10.828%

Contributions

Required member, District and State of California contributions rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contributions rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1% of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2022, are presented above and the District's total contributions were $27,963,194.

Pension Liabilities, Pension Expense, 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:

Proportionate share of net pension liability	$ 132,533,466
State's proportionate share of the net pension liability	66,685,700
Total	$ 199,219,166

The net pension liability was measured as of June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. The District's proportionate share for the measurement period June 30, 2021 and June 30, 2020 respectively was 0.2912% and 0.2749%, resulting in a net increase in the proportionate share of 0.0163%.

For the year ended June 30, 2022, the District recognized pension expense of $6,338,031. In addition, the District recognized pension expense and revenue of $2,281,569 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
Pension contributions subsequent to measurement date	$ 27,963,194	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	11,902,436	13,159,589
Differences between projected and actual earnings on pension plan investments	-	104,837,386
Differences between expected and actual experience in the measurement of the total pension liability	332,003	14,104,324
Changes of assumptions	18,778,584	-
Total	$ 58,976,217	$ 132,101,299

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

The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ (26,622,409)
2024	(24,350,807)
2025	(24,955,111)
2026	(28,909,059)
Total	$ (104,837,386)

The deferred outflows/(inflows) of resources related to the change in proportion and differences between contributions made and District's proportionate share of contributions, differences between expected and actual experience in the measurement of the total pension liability, and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is seven years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ 5,366,653
2024	5,041,485
2025	(1,570,239)
2026	(3,423,370)
2027	(301,996)
Thereafter	(1,363,423)
Total	$ 3,749,110

Actuarial Methods and Assumptions

Total pension liability for STRP was determined by applying update procedures to the 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 methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Experience study	July 1, 2015 through June 30, 2018
Actuarial cost method	Entry age normal
Discount rate	7.10%
Investment rate of return	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%

CalSTRS uses 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% 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 general investment consultant as an input to the process. The actuarial investment rate of return assumption was adopted by the board in January 2020 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS' independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of 20-year geometrically-linked real rates of return and the assumed asset allocation for each major asset class for the year ended June 30, 2021, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Public equity	42%	4.8%
Real estate	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%

Discount Rate

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

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

Discount Rate	Net Pension Liability
1% decrease (6.10%)	$ 269,790,702
Current discount rate (7.10%)	132,533,466
1% increase (8.10%)	18,612,582

California Public Employees Retirement System (CalPERS)

Plan Description

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

A full description of the pension plans regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2020 annual actuarial valuation report, Schools Pool Actuarial Valuation. This report and CalPERS audited financial information are publicly available reports that can be found on the CalPERS website under Forms and Publications at: https://www.calpers.ca.gov/page/forms-publications.

Benefits Provided

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

The CalPERS provisions and benefits in effect at June 30, 2022, are summarized as follows:

	School Employer Pool (CalPERS)	
	On or before	On or after
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.00%	7.00%
Required employer contribution rate	22.91%	22.91%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contributions rates are expressed as percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2022, are presented above and the total District contributions were $12,052,999.

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

As of June 30, 2022, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling $69,330,647. The net pension liability was measured as of June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. The District's proportionate share for the measurement period June 30, 2021 and June 30, 2020, respectively was 0.3410% and 0.3524%, resulting in a net decrease in the proportionate share of 0.0114%.

For the year ended June 30, 2022, the District recognized pension expense of $3,555,871. 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
Pension contributions subsequent to measurement date	$ 12,052,999	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	-	9,647,888
Differences between projected and actual earnings on pension plan investments	-	26,607,038
Differences between expected and actual experience in the measurement of the total pension liability	2,069,698	163,441
Changes of assumptions	-	-
Total	$ 14,122,697	$ 36,418,367

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

The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ (6,673,021)
2024	(6,136,441)
2025	(6,397,641)
2026	(7,399,935)
Total	$ (26,607,038)

The deferred outflows/(inflows) of resources related to the change in proportion and differences between contributions made and District's proportionate share of contributions, differences between expected and actual experience in the measurement of the total pension liability, and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 4.1 years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ (2,299,046)
2024	(2,713,699)
2025	(2,483,594)
2026	(245,292)
Total	$ (7,741,631)

Actuarial Methods and Assumptions

Total pension liability for the SEP was determined by applying update procedures to the 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 methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Experience study	July 1, 1997 through June 30, 2015
Actuarial cost method	Entry age normal
Discount rate	7.15%
Investment rate of return	7.15%
Consumer price inflation	2.50%
Wage growth	Varies by entry age and service

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.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first ten years) and the long term (11+ 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. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Global equity	50%	5.98%
Fixed income	28%	2.62%
Inflation assets	0%	1.81%
Private equity	8%	7.23%
Real assets	13%	4.93%
Liquidity	1%	-0.92%

Discount Rate

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

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

Discount Rate	Net Pension Liability
1% decrease (6.15%)	$ 116,901,206
Current discount rate (7.15%)	69,330,647
1% increase (8.15%)	29,836,876

Social Security

As established by Federal law, all public sector employees who are not members of their employer's existing retirement system (CalSTRS or CalPERS) must be covered by Social Security or an alternative plan. The District has elected to use the TDA as its alternative plan. Contributions made by the District and an employee vest immediately. The District contributes 6.2% of an employee's gross earnings. An employee is required to contribute 6.2% of his or her gross earnings to the pension plan.

On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS in the amount of $16,904,263 (10.828% of annual payroll). Contributions are no longer appropriated in the annual Budget Act for the legislatively mandated benefits to CalPERS. Therefore, there is no on behalf contribution rate for CalPERS. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements. On behalf payments have been included in the calculation of available reserves but have not been included in the budgeted amounts reported in the General Fund - Budgetary Comparison Schedule.

Note 14 - Commitments and Contingencies

Grants

The District received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2022.

Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2022.

Construction Commitments

As of June 30, 2022, the District had the following commitments with respect to the unfinished capital projects:

Capital Project	Remaining Construction Commitment	Expected Date of Completion
Non General Obligation Bond funded projects		
Montevideo High School Pool Renovation	$ 440,706	September, 2022
Venture School Remodel	52,237	September, 2022
California High School Turf Field	44,707	July, 2022
Montevideo High School Turf Field	45,487	July, 2022
San Ramon Valley High School Turf Field	261,243	Oct-22
Pine Valley Teen Center	145,289	December, 2023
California High School Track Replacement	5,980	July, 2022
Montevideo Elememtary School Track Replacement	6,080	July, 2022
San Ramon Valley High School Track Replacement	351,099	October, 2022
California High School Softball Netting	188,000	September, 2022
Diablo Valley High School Tennis Court	191,635	August, 2022
Service Center Electric Charging Station	3,300	October, 2022
Education Center	577,860	November, 2022
Montevideo Child Care Building	18,424	October, 2022
Montevideo Portables	11,098	October, 2022
Sub-total	2,343,145	
General Obligation Bond funded projects		
Alamo Elementary School - 2 Classroom Modernization	27,540	September, 2022
San Ramon Valley High School Land and Building Improvements	306,548	September, 2022
Stone Valley Middle School Upgrades	6,902,487	Unknown
Charlotte Wood Middle School Modernization	774,158	September, 2022
Sycamore Valley Elementary School - Security Gates & Fencing	111,315	August, 2022
Twin Creeks Elementary School Modernization	825,627	October, 2022
California High School Commons/Kitchen Modernization	181,402	December, 2022
Rancho Rmoero Elementary School Land Improvements	83,291	August, 2022
Vista Grande Elementary School - Land Improvements	148,926	October, 2023
Gating and Fencing Land Improvements	528,976	December, 2022
Play Structures Land Improements	683,188	September, 2022
ADA Pathways Land Improvements	183,740	September, 2022
Montevideo Modernization	37,175	October, 2022
Sub-total	10,794,373	
Total	$ 13,137,518	

Note 15 - Participation in Public Entity Risk Pools

The District is a member of the Contra Costa County School Insurance Group, Northern California Regional Excess Liability Fund, and the School Excess Liability Fund public entity risk pools. The District pays an annual premium to the applicable entity for its workers' compensation and property liability coverage. The relationship between the District and the pools are such that they are not component units of the District for financial reporting purposes.

These entities have budgeting and financial reporting requirements independent of member units and their financial statements are not presented in these financial statements; however, fund transactions between the entities and the District are included in these statements. Audited financial statements are generally available from the respective entities.

The District has appointed a board member to the governing board of Contra Costa County Schools Insurance Group and to the Northern California Regional Excess Liability Fund.

Note 16 - Restatement of Prior Year Net Position

In prior year, the District did not recognize the deferred outflows of resources related to refunding bonds. In addition, the District did not adjust the OPEB liability and related deferral as of June 30, 2021. As a result, the net position as of July 1, 2021 was restated to correct these errors.

The following table describes the effects of these corrections:

Governmental Activities	
Net Position - Beginning	$ 356,441,520
Deferred outflows of resources related to 2020 refunding bonds	7,680,000
Net OPEB liability	(8,719,360)
Deferred outflows and inflows of resources related to OPEB	10,006,478
Net Position - Beginning as Restated	$ 365,408,638

Required Supplementary Information

San Ramon Valley Unified School District

	Budgeted Amounts			Variance
	Original	Final	Actual	Final to Actual
Revenues				
Local Control Funding Formula	$ 287,991,481	$ 288,046,214	$288,232,349	$ 186,135
Federal sources	6,849,930	21,997,269	12,805,083	(9,192,186)
Other State sources	46,113,360	61,201,596	66,351,864	5,150,268
Other local sources	24,329,971	26,729,170	26,924,226	195,056
Total revenues	365,284,742	397,974,249	394,313,522	(3,660,727)
Expenditures				
Current				
Certificated salaries	158,210,577	172,067,491	169,693,833	2,373,658
Classified salaries	55,587,980	55,771,144	58,583,417	(2,812,273)
Employee benefits	109,702,077	110,644,966	112,890,633	(2,245,667)
Books and supplies	9,706,926	36,650,379	14,014,763	22,635,616
Services and operating expenditures	32,240,528	42,482,893	39,839,189	2,643,704
Other outgo	1,092,091	1,090,758	807,524	283,234
Capital outlay	521,085	1,183,520	1,067,168	116,352
Total expenditures	367,061,264	419,891,151	396,896,527	22,994,624
Excess (Deficiency) of Revenues Over Expenditures	(1,776,522)	(21,916,902)	(2,583,005)	19,333,897
Other Financing Sources (Uses)				
Transfers in	533,980	1,111,344	904,393	(206,951)
Transfers out	(2,916,282)	(2,712,545)	(2,427,125)	285,420
Net financing sources (uses)	(2,382,302)	(1,601,201)	(1,522,732)	78,469
Net Change in Fund Balances	(4,158,824)	(23,518,103)	(4,105,737)	19,412,366
Fund Balance - Beginning	67,569,059	67,569,059	67,569,059	-
Fund Balance - Ending	$ 63,410,235	$ 44,050,956	$ 63,463,322	$ 19,412,366

	2022	2021	2020	2019	2018
Measurement Date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability					
Service cost	$ 3,140,792	$ 2,489,543	$ 3,467,506	$ 4,072,668	$ 3,783,579
Interest	3,712,288	3,791,693	3,859,600	3,439,513	3,274,173
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience	(1,063,734)	(793,720)	(7,681,948)	-	-
Changes of assumptions	9,065,046	7,604,806	(11,057,393)	(7,858,440)	-
Benefit payments	(3,169,464)	(3,031,931)	(3,183,103)	(2,952,650)	(2,922,892)
Net change in total OPEB liability	11,684,928	10,060,391	(14,595,338)	(3,298,909)	4,134,860
Total OPEB Liability - Beginning	81,290,147	71,229,756	85,825,094	89,124,003	84,989,143
Total OPEB Liability - Ending (a)	$ 92,975,075	$ 81,290,147	$ 71,229,756	$ 85,825,094	$ 89,124,003
Plan Fiduciary Net Position					
Contributions - employer	$ 3,215,468	$ 3,032,837	$ 3,183,103	$ 2,751,146	$ 2,586,962
Net investment income	7,294,595	1,352,555	1,308,787	1,786,399	2,128,849
Benefit payments	(3,169,464)	(3,031,931)	(3,183,103)	(2,952,650)	(2,922,892)
Administrative expense	(10,013)	(12,429)	(20,140)	(11,955)	-
Other expense	-	-	115,763	(30,342)	(20,140)
Net change in plan fiduciary net position	7,330,586	1,341,032	1,404,410	1,542,598	1,772,779
Plan Fiduciary Net Position - Beginning	27,115,981	25,774,949	24,370,539	22,827,941	21,055,162
Plan Fiduciary Net Position - Ending (b)	$ 34,446,567	$ 27,115,981	$ 25,774,949	$ 24,370,539	$ 22,827,941
Net OPEB Liability - Ending (a) - (b)	$ 58,528,508	$ 54,174,166	$ 45,454,807	$ 61,454,555	$ 66,296,062
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	37.05%	33.36%	36.19%	28.40%	25.61%
Covered Payroll	$ 201,716,037	$ 185,806,786	$ 180,394,937	$ 165,646,000	$ 165,646,000
Net OPEB Liability as a Percentage of Covered Payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]	N/A[1]

[1] The District's OPEB Plan is administered through a trust, however, contributions are not made based on a measure of pay. Therefore, no measure of payroll is presented.

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

Year ended June 30, Measurement Date	2022 June 30, 2021	2021 June 30, 2020	2020 June 30, 2019	2019 June 30, 2018	2018 June 30, 2017
Proportion of the net OPEB liability	0.44%	0.42%	0.4698%	Not available	Not available
Proportionate share of the net OPEB liability	$ 1,746,097	$ 2,030,157	$ 1,749,503	Not available	Not available
Covered payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Proportionate share of the net OPEB liability as a percentage of it's covered payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Plan fiduciary net position as a percentage of the total OPEB liability	-0.80%	-0.71%	-0.81%	-0.40%	0.01%

[1] As of June 30, 2012, active members are no longer eligible for future enrollment in the MPP Program; therefore, the covered payroll disclosure is not applicable.

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

	2022	2021	2020	2019
Measurement Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
CalSTRS				
Proportion of the net pension liability	0.2912%	0.2749%	0.2656%	0.2866%
Proportionate share of the net pension liability	$ 132,533,466	$ 266,431,851	$ 132,533,466	$ 263,362,593
State's proportionate share of the net pension liability	66,685,700	137,345,651	130,854,979	150,787,402
Total	$ 199,219,166	$ 403,777,502	$ 263,388,445	$ 414,149,995
Covered payroll	$ 98,114,093	$ 163,527,450	$ 147,536,511	$ 143,753,881
Proportionate share of the net pension liability as a percentage of its covered payroll	135.08%	162.93%	89.83%	183.20%
Plan fiduciary net position as a percentage of the total pension liability	87%	72%	73%	71%
CalPERS				
Proportion of the net pension liability	0.3410%	0.3524%	0.3511%	0.3646%
Proportionate share of the net pension liability	$ 69,330,647	$ 108,125,899	$ 69,330,647	$ 97,205,339
Covered payroll	$ 17,082,382	$ 61,117,585	$ 49,126,786	$ 45,247,672
Proportionate share of the net pension liability as a percentage of its covered payroll	405.86%	176.91%	141.13%	214.83%
Plan fiduciary net position as a percentage of the total pension liability	81%	70%	70%	71%

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

	2018	2017	2016
Measurement Date	June 30, 2017	June 30, 2016	June 30, 2015
CalSTRS			
Proportion of the net pension liability	0.2698%	0.2869%	0.2850%
Proportionate share of the net pension liability	$ 249,500,993	$ 232,086,252	$ 192,063,676
State's proportionate share of the net pension liability	147,602,680	132,122,563	150,787,402
Total	$ 397,103,673	$ 364,208,815	$ 342,851,078
Covered payroll	$ 141,737,621	$ 141,457,364	$ 130,188,756
Proportionate share of the net pension liability as a percentage of its covered payroll	176.03%	164.07%	147.53%
Plan fiduciary net position as a percentage of the total pension liability	70%	74%	77%
CalPERS			
Proportion of the net pension liability	0.3635%	0.3641%	0.3659%
Proportionate share of the net pension liability	$ 86,784,137	$ 71,903,017	$ 53,926,804
Covered payroll	$ 45,089,730	$ 44,409,679	$ 39,866,072
Proportionate share of the net pension liability as a percentage of its covered payroll	192.47%	161.91%	135.27%
Plan fiduciary net position as a percentage of the total pension liability	72%	74%	79%

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

	2022	2021	2020	2019	2018	2017	2016
CalSTRS							
Contractually required contribution	$ 27,963,194	$ 15,845,426	$ 27,963,194	$ 24,018,944	$ 20,743,685	$ 18,411,717	$ 14,867,169
Less contributions in relation to the contractually required contribution	27,963,194	15,845,426	27,963,194	24,018,944	20,743,685	18,411,717	14,867,169
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 165,267,104	$ 98,114,093	$ 163,527,450	$ 147,536,511	$ 143,753,881	$ 141,737,621	$ 141,457,364
Contributions as a percentage of covered payroll	16.92%	16.15%	17.10%	16.28%	14.43%	12.99%	10.51%
CalPERS							
Contractually required contribution	$ 12,052,999	$ 3,536,053	$ 12,052,999	$ 8,873,280	$ 7,027,416	$ 6,357,652	$ 5,115,995
Less contributions in relation to the contractually required contribution	12,052,999	3,536,053	12,052,999	8,873,280	7,027,416	6,357,652	5,115,995
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 57,642,272	$ 17,082,382	$ 61,117,585	$ 49,126,786	$ 45,247,672	$ 45,089,730	$ 44,409,679
Contributions as a percentage of covered payroll	20.910%	20.700%	19.721%	18.0620%	15.5310%	14.1000%	11.5200%

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

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 State of America as prescribed by the Governmental Accounting Standards Board and provisions of the California *Education Code*. The governing board is required to hold a public hearing and adopt an operating budget no later than July 1 of each year. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for.

This schedule presents information for the original and final budgets and actual results of operations, as well as the variances from the final budget to actual results of operations.

Schedule of Changes in the District's Net OPEB Liability and Related Ratios

This schedule presents information on the District's changes in the net OPEB liability, including beginning and ending balances, the plan's fiduciary net position, and the net OPEB liability. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* – There were no changes in the benefit terms since the previous valuation
- *Changes of Assumptions* – The discount rate was changed from 4.48% to 3.93%.

Schedule of the District's Proportionate Share of the Net OPEB Liability - MPP Program

This schedule presents information on the District's proportionate share of the net OPEB Liability – MPP Program and the plans' fiduciary net position. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* – There were no changes in the benefit terms since the previous valuation.
- *Changes of Assumptions* – The plan rate of investment return assumption was changed from 2.21% to 2.16% since the previous valuation.

Schedule of the District's Proportionate Share of the Net Pension Liability

This schedule presents information on the District's proportionate share of the net pension liability (NPL), the plans' fiduciary net position and, when applicable, the State's proportionate share of the NPL associated with the District. In the future, as data becomes available, ten years of information will be presented.

- Changes in Benefit Terms – There were no changes in benefit terms since the previous valuations for both CalSTRS and CalPERS.
- Changes of Assumptions – There were no changes in economic assumptions for either the CalSTRS or CalPERS plans from the previous valuations.

Schedule of the District's Contributions

This schedule presents information on the District's required contribution, the amounts actually contributed, and any excess or deficiency related to the required contribution. In the future, as data becomes available, ten years of information will be presented.

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Supplementary Information
June 30, 2022

San Ramon Valley Unified School District

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Passed Through California Department of Education (CDE)			
Special Education Cluster (IDEA)			
Preschool Grants, Part B, Section 619	84.173	13430	$ 166,011
COVID-19: Special Ed: ARP IDEA Part B, Sec. 619, Preschool Grants	84.173	15639	81,193
Special Ed: IDEA Mental Health Average Daily Attendance (ADA) Allocation, Part B, Sec 611	84.027A	15197	361,724
Special Education Grants to States - Basic Local Assistance	84.027	13379	4,498,264
COVID-19: Special Ed: ARP IDEA Part B, Sec. 611, Local Assistance Entitlement	84.027	15638	952,897
Special Ed: IDEA Preschool Staff Development, Part B, Sec 619	84.173A	13431	1,000
Special Ed: Alternate Dispute Resolution, Part B, Sec 611	84.173A	13007	16,410
Total Special Education Cluster			6,077,499
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	15536	35
COVID-19 Elementary and Secondary School Emergency Relief II (ESSER II) Fund	84.425D	15547	275,332
COVID-19 Elementary and Secondary School Emergency Relief III (ESSER III) Fund	84.425U	15559	2,652,550
COVID-19 Elementary and Secondary School Emergency Relief III (ESSER III) Fund: Learning Loss	84.425U	10155	664,297
COVID-19 Expanded Learning Opportunities (ELO) Grant ESSER II State Reserve	84.425D	15618	1,094,544
Program Total			4,686,758
Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	1,010,627
Title I Grants to Local Educational Agencies - School Improvement	84.010	15438	210,644
Program Total			1,221,271
Career and Technical Education - Basic Grants to States	84.048	14897	116,668
Workforce Initiatives	84.126	[1]	56,431
Special Education-Grants for Infants and Families	84.181	23761	75,121
English Language Acquisition State Grants - LEP	84.365	14346	54,969
Teacher Quality	84.367	14341	453,294
Titli IV, Part A, Student Support & Academic Enrichment	84.424	15396	63,072
Total U.S. Department of Education			12,805,083

U.S. Department of Agriculture			
Passed Through California Department of Education			
Child Nutrition Cluster			
COVID-19: SNP COVID-19 Emergency Operational Costs Reimbursement (ECR)	10.555	15637	23,667
NSL Sec 4	10.555	13523	868,115
NSL Sec 11	10.555	13524	8,308,876
School Breakfast Basic	10.553	13525	1,322,284
National School Lunch Program - Commodity	10.553	13526	478,613
Total Child Nutrition Cluster			11,001,555
Child and Adult Care Food Program (CACFP)	10.558	13529	160
Total U.S. Department of Agriculture			11,001,715
Total Federal Financial Assistance			$ 23,806,798

[1] Pass Through number not available

ORGANIZATION

The San Ramon Valley Unified School District was established on July 1, 1965 and consists of an area comprising approximately 104 square miles. The District operates twenty one elementary schools, eight middle schools, four high schools, a continuation, and an independent study school. There were no boundary changes during the year.

GOVERNING BOARD

MEMBER	OFFICE	TERM EXPIRES
Ken Mintz	President	2022
Rachel Hurd	Vice President	2022
Laura Bratt	Clerk	2024
Shelley Clark	Member	2024
Susanna Ordway	Member	2024

ADMINISTRATION

NAME	TITLE
Dr. John Malloy	Superintendent
Daniel Hillman	Chief Business Officer
Keith Rogenski	Assistant Superintendent, Human Resources
Christine Huajardo	Deputy Superintendent, Educational Services

	Final Report		As Adjusted per Audit	
	Second Period Report	Annual Report	Second Period Report	Annual Report
Regular ADA				
Transitional kindergarten through third	7,453.85	7,452.14	7,453.85	7,452.14
Fourth through sixth	6,456.25	6,449.95	6,456.25	6,449.95
Seventh and eighth	4,592.99	4,587.92	4,592.99	4,587.92
Ninth through twelfth	10,182.98	10,128.26	10,182.98	10,128.26
Total Regular ADA	28,686.07	28,618.27	28,686.07	28,618.27
Extended Year Special Education				
Transitional kindergarten through third	6.18	6.18	6.18	6.18
Fourth through sixth	3.85	3.85	3.85	3.85
Seventh and eighth	3.05	3.05	3.05	3.05
Ninth through twelfth	9.38	9.38	9.38	9.38
Total Extended Year Special Education	22.46	22.46	22.46	22.46
Special Education, Nonpublic, Nonsectarian School				
Transitional kindergarten through third	0.55	0.81	0.55	0.81
Fourth through sixth	4.72	5.32	4.72	5.32
Seventh and eighth	6.30	7.17	6.30	7.17
Ninth through twelfth	24.31	29.95	24.31	25.95
Total Special Education, Nonpublic, Nonsectarian Schools	35.88	43.25	35.88	39.25
Extended Year Special Education, Nonpublic, Nonsectarian Schools				
Transitional kindergarten through third	0.11	0.11	0.11	0.11
Fourth through sixth	0.74	0.74	0.74	0.74
Seventh and eighth	1.21	1.21	1.21	1.21
Ninth through twelfth	3.78	3.78	3.78	3.78
Total Extended Year Special Education, Nonpublic, Nonsectarian Schools	5.84	5.84	5.84	5.84
Total ADA	28,750.25	28,689.82	28,750.25	28,685.82

Grade Level	1986-1987 Minutes Requirement	2021-2022 Actual Minutes	Number of Days Traditional Calendar	Number of Days Multitrack Calendar	Status
Kindergarten	36,000	36,960	180	180	Complied
Grades 1 - 3	50,400				
Grade 1		50,480	180	180	Complied
Grade 2		53,960	180	180	Complied
Grade 3		53,960	180	180	Complied
Grades 4 - 8	54,000				
Grade 4		55,575	180	180	Complied
Grade 5		55,575	180	180	Complied
Grade 6		55,936	180	180	Complied
Grade 7		55,936	180	180	Complied
Grade 8		55,840	180	180	Complied
Grades 9 - 12	64,800				
Grade 9		65,552	180	180	Complied
Grade 10		65,552	180	180	Complied
Grade 11		65,552	180	180	Complied
Grade 12		65,552	180	180	Complied

Thd District did not file J-13A during 2021-22.

Summarized below are the fund balance reconciliations between the Unaudited Actual Financial Report and the audited financial statements.

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Fund	Proprietary Fund
Fund Balance					
Balance, June 30, 2022, Unaudited Actuals	$ 64,142,109	$ 53,024,892	$ 55,443,683	$ 25,039,020	$ 3,881,471
Decrease in					
County cash fair market adjustment	(678,787)	(671,755)	(669,519)	(255,263)	(44,142)
Cash in bank	-	-	-	(357,689)	-
Balance, June 30, 2022					
Audited Financial Statements	$ 63,463,322	$ 52,353,137	$ 54,774,164	$ 24,426,068	$ 3,837,329

	(Budget) 2023 [1]	2022	2021 [1]	2020 [1]
General Fund				
Revenues	$ 391,382,445	$ 394,313,522	$ 373,206,061	$ 381,636,800
Other sources	-	904,393	524,898	767,763
Total Revenues and Other Sources	391,382,445	395,217,915	373,730,959	382,404,563
Expenditures	396,164,482	396,896,527	362,251,481	356,975,118
Other uses and transfers out	2,854,361	2,427,125	3,795,116	5,596,975
Total Expenditures and Other Uses	399,018,843	399,323,652	366,046,597	362,572,093
Increase/(Decrease) in Fund Balance	(7,636,398)	(4,105,737)	7,684,362	19,832,470
Ending Fund Balance	$ 55,826,924	$ 63,463,322	$ 67,569,059	$ 59,884,697
Available Reserves [2]	$ 11,970,566	$ 11,979,711	$ 11,313,412	$ 11,939,319
Available Reserves as a Percentage of Total Outgo	3.00%	3.00%	3.09%	3.09%
Long-Term Liabilities	$ 664,004,668	$ 716,711,768	$ 885,448,988	$ 872,133,608
K-12 Average Daily Attendance at P-2	28,373	28,750	30,964	30,929

The General Fund balance has increased by $3,578,625 over the past two years. The fiscal year 2022-2023 budget projects a decrease of $7,636,398 (12%). For a district this size, the State recommends available reserves of at least 2% of total General Fund expenditures, transfers out, and other uses (total outgo).

The District has incurred operating surpluses in one of the past three years and anticipates incurring an operating deficit during the 2022-2023 fiscal year. Total long-term liabilities have decreased by $155,421,840 over the past two years.

Average daily attendance has decreased by 2,179 over the past two years. Additional decline of 377 ADA is anticipated during fiscal year 2022-2023.

[1] Financial information for 2023,2021 and 2020 are included for analytical purposes only and has not been subjected to audit.
[2] Available reserves consist of all unassigned fund balances including all amounts reserved for economic uncertainties contained with the General Fund and the Special Reserve Fund for Other Than Capital Outlay Projects.

	Student Activity Fund	Cafeteria Fund	Capital Facilities Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Governmental Funds
Assets					
Deposits and investments	$ 2,715,091	$ 2,098,429	$ 8,369,235	$ 10,444,004	$ 23,626,759
Receivables	-	1,322,877	-	-	1,322,877
Due from other funds	-	1,067	18,662	234,550	254,279
Stores inventories	-	87,026	-	-	87,026
Total assets	$ 2,715,091	$ 3,509,399	$ 8,387,897	$ 10,678,554	$ 25,290,941
Liabilities and Fund Balances					
Liabilities					
Accounts payable	$ -	$ 766,964	$ 45,222	$ 1,935	$ 814,121
Due to other funds	-	-	47,289	3,463	50,752
Total liabilities	-	766,964	92,511	5,398	864,873
Fund Balances					
Nonspendable	-	87,026	-	-	87,026
Restricted	2,715,091	2,655,409	8,295,386	5,498,846	19,164,732
Assigned	-	-	-	5,174,310	5,174,310
Total fund balances	2,715,091	2,742,435	8,295,386	10,673,156	24,426,068
Total liabilities and fund balances	$ 2,715,091	$ 3,509,399	$ 8,387,897	$ 10,678,554	$ 25,290,941

	Student Activity Fund	Cafeteria Fund	Capital Facilities Fund	County School Facilities Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Governmental Funds
Revenues						
Federal sources	$ -	$ 11,001,715	$ -	$ -	$ -	$ 11,001,715
Other state sources	-	643,408	-	10,048,252	-	10,691,660
Other local sources	6,674,675	(9,671)	1,517,559	-	744,583	8,927,146
Total revenues	$ 6,674,675	11,635,452	1,517,559	10,048,252	744,583	30,620,521
Expenditures						
Current						
Pupil services						
Food services	-	9,118,890	-	-	-	9,118,890
Plant services	-	-	397,297	-	8,285	405,582
Ancillary services	6,227,336	-	-	-	-	6,227,336
Facility acquisition and contruction	-	-	479,442	-	544,110	1,023,552
Debt service						
Principal	-	-	-	-	2,397,143	2,397,143
Interest and other	-	-	-	-	1,047,235	1,047,235
Total expenditures	6,227,336	9,118,890	876,739	-	3,996,773	20,219,738
Excess (Deficiency) of Revenues Over Expenditures	447,339	2,516,562	640,820	10,048,252	(3,252,190)	10,400,783
Other Financing Sources (Uses)						
Transfers in	-	-	-	-	2,427,125	2,427,125
Transfers out	-	-	-	(10,048,252)	(324,119)	(10,372,371)
Total other financing sources (uses)	-	-	-	(10,048,252)	2,103,006	(7,945,246)
Net Change in Fund Balances	447,339	2,516,562	640,820	-	(1,149,184)	2,455,537
Fund Balance - Beginning	2,267,752	225,873	7,654,566	-	11,822,340	21,970,531
Fund Balance - Ending	$ 2,715,091	$ 2,742,435	$ 8,295,386	$ -	$ 10,673,156	$ 24,426,068

Note 1 - Purpose of Schedules

Schedule of Expenditures of Federal Awards (SEFA)

Basis of Presentation
The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2022. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the San Ramon Valley Unified School District, it is not intended to and does not present the financial position, changes in fund balance, or cash flows of the San Ramon Valley Unified School District.

Summary of Significant Accounting Policies
Expenditures reported in the schedule are reported on the modified accrual basis of accounting. When applicable, such expenditures are recognized following the cost principals contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No Federal financial assistance has been provided to a subrecipient.

Indirect Cost Rate
The District has not elected to use the ten percent de minimis cost rate.

Food Donation
Nonmonetary assistance is reported in this schedule at the fair market value of the commodities received and disbursed. At June 30, 2022, the District had food commodities totaling $87,026 in inventory.

Local Education Agency Organization Structure

This schedule provides information about the District's boundaries and schools operated, members of the governing board, and members of the administration.

Schedule of Average Daily Attendance (ADA)

Average daily attendance (ADA) 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. The District has met 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 46200 through 46207.

Districts must maintain their instructional minutes at the 1986-87 requirements, as required by *Education Code* Section 46201.

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

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

Schedule of Financial Trends and Analysis

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

Non-Major Governmental Funds - Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances

These schedules are included to provide information regarding the individual funds that have been included in the Non-Major Governmental Funds column on the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances.

Independent Auditor’s Reports
June 30, 2022

San Ramon Valley Unified School District

EideBailly

CPAs & BUSINESS ADVISORS

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*

To the Governing Board
San Ramon Valley Unified School District
Danville, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of San Ramon Valley Unified School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise San Ramon Valley Unified School District's basic financial statements and have issued our report thereon dated January 23, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered San Ramon Valley Unified 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 San Ramon Valley Unified School District's internal control. Accordingly, we do not express an opinion on the effectiveness of San Ramon Valley Unified 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item #2022-001 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether San Ramon Valley Unified 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*.

San Ramon Valley Unified School District Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on San Ramon Valley Unified School District's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. San Ramon Valley Unified School District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

Eide Bailly LLP

San Ramon, California
January 23, 2023

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance

To the Governing Board
San Ramon Valley Unified School District
Danville, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited San Ramon Valley Unified 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 San Ramon Valley Unified School District's major federal programs for the year ended June 30, 2022. San Ramon Valley Unified 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, San Ramon Valley Unified 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 San Ramon Valley Unified 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 San Ramon Valley Unified 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 San Ramon Valley Unified School District's federal 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 San Ramon Valley Unified 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 San Ramon Valley Unified 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 San Ramon Valley Unified 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 San Ramon Valley Unified 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 San Ramon Valley Unified 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.

Eide Bailly LLP

San Ramon, California
January 23, 2023

Independent Auditor's Report on State Compliance

To the Governing Board
San Ramon Valley Unified School District
Danville, California

Report on Compliance

Qualified and Unmodified Opinions on State Compliance

We have audited San Ramon Valley Unified School District's (the District) compliance with the requirements specified in the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, applicable to the District's state program requirements identified below for the year ended June 30, 2022.

Qualified Opinions on Attendance Accounting and Reporting

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the laws and regulations of the state programs noted in the table below for the year ended June 30, 2022.

Unmodified Opinion on Each of the Other Programs

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the laws and regulations of the state programs noted in the table below for the year ended June 30, 2022, except as described in the accompanying Schedule of Findings and Questioned Costs.

Basis for Qualified and Unmodified Opinions

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, and the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards 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 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 opinion. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Matter Giving Rise to Qualified Opinion on Attendance Accounting and Reporting

As described in the accompanying schedule of findings and questioned costs, the District did not comply with requirements regarding Attendance Accounting and Reporting as reported in finding 2022-002.

Compliance with such requirements is necessary, in our opinion, for the District to comply with the 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 the District's state 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 *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect a 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 state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, 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 consider 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 *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine the District's compliance with the state laws and regulations applicable to the following items:

2021-2022 K-12 Audit Guide Procedures	Procedures Performed
Local Education Agencies Other than Charter Schools	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	Yes
Continuation Education	No (see below)
Instructional Time	Yes
Instructional Materials	Yes
Ratios 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	Yes
Transportation Maintenance of Effort	Yes
Apprenticeship: Related and Supplemental Instruction	No (see below)
Comprehensive School Safety Plan	Yes
District of Choice	No (see below)
School Districts, County Offices Of Education, and Schools	
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	No (see below)
In Person Instruction Grant	Yes

2021-2022 K-12 Audit Guide Procedures	Procedures Performed
Charter Schools	
Attendance	No (see below)
Mode of Instruction	No (see below)
Nonclassroom-Based Instruction/Independent Study	No (see below)
Determination of Funding for Nonclassroom-Based Instruction	No (see below)
Annual Instructional Minutes - Classroom Based	No (see below)
Charter School Facility Grant Program	No (see below)

Continuation Education
We did not perform Continuation Education procedures because the ADA was below the audit threshold.

Early Retirement Incentive
The District did not have any employees retire under the CalSTRS Early Retirement Incentive program; therefore, testing was not required.

Juvenile Court Schools
We did not perform Juvenile Court Schools procedures because the program is not offered by the District.

Middle or Early College High Schools
We did not perform Middle or Early College High Schools procedures because the program is not offered by the District.

Apprenticeship: Related and Supplemental Instruction
We did not perform Apprenticeship: Related and Supplemental Instruction procedures because the program is not offered by the District.

District of Choice
We did not perform District of Choice procedures because the program is not offered by the District.

California Clean Energy Jobs Act
We did not perform California Clean Energy Jobs Act procedures because the related procedures were performed in a previous year.

After/Before School Education and Safety Program
We did not perform procedures for the After/Before School Education and Safety Program because the District did not offer the program.

Independent Study - Course Based
The District does not offer an Independent Study - Course Based program; therefore, we did not perform any procedures related to the Independent Study - Course Based Program.

Immunization
The District was not listed on the immunization assessment reports; therefore, we did not perform any related procedures.

Career Technical Education Incentive Grant
We did not perform Career Technical Education Incentive Grant procedures because the District did not receive funding for this grant.

Charter Schools
The District does not operate any Charter Schools; therefore, we did not perform procedures for Charter School Programs.

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 identify during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is described in the accompanying Schedule of Findings and Questioned Costs as item 2022-002.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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 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 a material noncompliance with compliance requirement 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 that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-002 to be a material weakness.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 *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.

Eide Bailly LLP

San Ramon, California
January 23, 2023

Schedule of Findings and Questioned Costs
June 30, 2022

San Ramon Valley Unified School District

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major program	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	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 Uniform Guidance 2 CFR 200.516(a)	No

Identification of major programs

Name of Federal Program or Cluster	Federal Financial Assistance Listing
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D, 84.425U
Title I Grant to Local Education Agencies	84.010
Child Nutrition Cluster	10.555, 10.553

Dollar threshold used to distinguish between type A and type B programs	$750,000
Auditee qualified as low-risk auditee?	No

State Compliance

Internal control over state compliance programs	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for program	Qualified

Unmodified for all programs except for the following program which was qualified

Name of Program
Attendance Accounting and Reporting

The following findings represent material weaknesses related to the financial statements that are required to be reported in accordance with Government Auditing Standards. The findings have been coded as follows:

Five Digit Code	AB 3627 Finding Type
30000	Internal Control

2022-001 Restatement and Material Adjustment (30000)

Criteria or Specific Requirements
Management is responsible for the design, implementation, and maintenance of internal controls to ensure the financial statements are free from material misstatement, whether due to error or fraud. Additionally, management is responsible for the preparation and fair presentation of the financial statements in accordance with generally accepted accounting principles (GAAP).

Condition
We were requested to draft the financial statements and related notes to the financial statements. The prior year financial statements contained errors that were discovered during the current year as noted below:

- Deferred outflows of resource related to 2020 refunding bonds were not recorded.
- OPEB liabilities and related deferrals as of June 30, 2021 were not adjusted for.

In addition to beginning balance restatements noted above, ASB cash was incorrectly stated as of the fiscal year end which required an audit adjustment.

Effect
Restatement of beginning balances and audit adjustment were necessary in order for the District’s financial statements to be fairly stated, in all material effect.

Cause
Errors related to restatements appear to be an oversight during the financial statement review process. The cash adjustment related to student body cash related to account balances was not reconciled timely.

Repeat Finding
No.

Recommendation
We recommend management improve internal controls over the financial statement preparation process to ensure all transactions are recorded. In addition, we recommend account balances related to student activities be reconciled monthly.

Corrective Action Plan and Views of Responsible Officials
District Management has reviewed internal controls and preparation of financial statements and has instituted additional steps to ensure that all year-end entries for assets and liabilities are properly obtained and recorded as part of the year-end closing process.

None reported.

The following findings represent an instance of noncompliance and material weakness in internal controls over compliance that are required to be reported by the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. The finding has been coded as follows:

Five Digit Code	AB 3627 Finding Type
10000	Attendance

2022-002 Attendance Accounting and Reporting (10000)

Criteria
According to the *2021-2022 Guide for Annual Audit of K-12 Local Education Agencies and State Compliance Reporting,* prescribed in the *California Code of Regulations* and published by the Education Audit Appeals Panel, attendance reports must be amended for any change in ADA. [*Education Code* Sections 41341 (a)(1) and 14503 (a)].

Condition
During our audit of the District's Annual Period Report of Attendance, we noted a discrepancy in ADA reported for Special Education, Nonpublic, Nonsectarian Schools grades ninth through twelfth as noted on page 87 of this report.

Effect
The District will need to revise the Annual Period of Attendance for the corrected ADA. There is no fiscal impact to the current year for "Regular ADA" as those programs are funded based on Second Period Report ADA, however; the questioned cost for Special Education, Nonsectarian Schools is $41,430.

Cause
The difference appears to be due to data input error when preparing the Annual Period report.

Repeat Finding
No

Recommendation
The District needs to revise the Annual Period Attendance Report to reflect the audited ADA.

Corrective Action Plan and Views of Responsible Officials
The District has instituted an additional review step to ensure that typographical errors are caught prior to data submission.

There were no audit findings reported in the prior year's Schedule of Findings and Questioned Costs.