PLEASANT VALLEY SCHOOL DISTRICT
VENTURA COUNTY

AUDITED FINANCIAL STATEMENTS

JUNE 30, 2022

HARSHWAL & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

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HARSHWAL® & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Pleasant Valley School District
Camarillo, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Pleasant Valley School District (the "District"), as of 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 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 District, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2021-22 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, issued by the California Education Audit Appeals Panel as regulations. 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 District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 generally accepted auditing standards 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 generally accepted auditing standards 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 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 District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 13, budgetary comparison schedule on page 58, schedule of changes in the District's Total OPEB liability and related ratios on page 60, schedule of the District's proportionate share of the net OPEB liability - MPP program on page 61, schedule of the District's proportionate share of the net pension liability on page 62-63 and the schedule of the District contributions on page 66-65 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 District's basic financial statements. The accompanying supplementary information such as the combining and individual nonmajor fund financial statements and Schedule of Expenditures of Federal Awards, as required by Title 2 *U.S. Code of Federal Regulations (CFR)* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the other supplementary information 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.

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated December 09, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Harshwal & Company LLP

San Diego, California
December 09, 2022

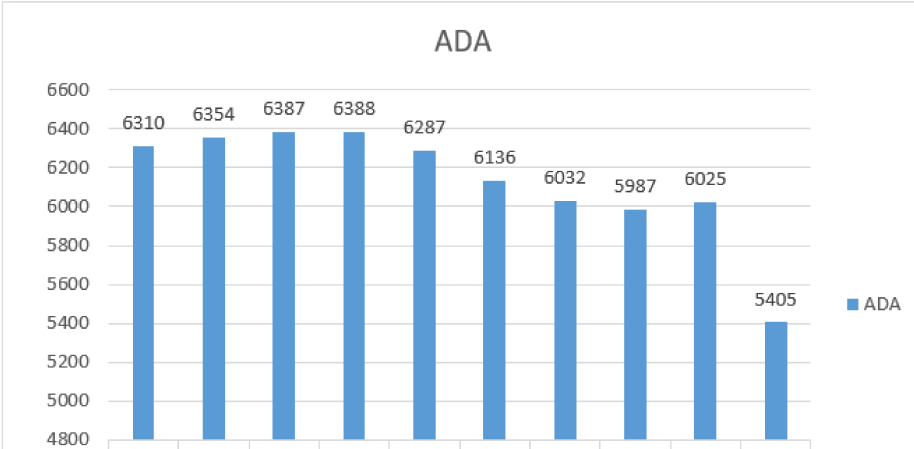
Introduction

The following discussion and analysis provides an overview of the financial position and activities of the District as of June 30, 2022. This discussion has been prepared by management and should be read in conjunction with the financial statements and notes thereto which follow this section.

Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB). Certain comparative information between the current and the prior year is required to be presented in the MD&A.

This section provides an overview of the District's financial activities.

- Total net position of the District increased by 207.70%, shifting from $(196,792) to $211,940. Although the general fund saw a $142,115 excess of revenues over expenditures, due to an influx of one-time and categorical funding, and a continued unrestricted general fund surplus, other factors increased the District's net position. Specifically, $1,238,489 in depreciation reduced the District's capital assets. Also, the District's attributed share of pension liabilities decreased by $37,926,124, issuance of new general obligation bonds of $40,000,000, proportionately increasing the District's long term liabilities. The District re-funded $21,305,000 in general obligation bonds as well. Bond fund expenditures were anticipated and increased the District's depreciable assets. It should be noted that the unrestricted general fund surplus is largely attributable to state "hold harmless" funding provisions, in that the District received LCFF funding for 6,038.08 Average Daily Attendance (ADA) yet recorded actual ADA of 5,454.94.
- During the adoption of the 2022-23 budget, the District Management Team kept priorities aligned with Board goals and the Local Control Accountability Plan within the parameters of the State Budget.
- At year-end, the government-wide revenues were $88,933,877, representing an increase of 14.01% from the prior year. The increase in revenue was largely attributable to an influx of one-time COVID relief fund; an increase in food service program revenues; and increased in miscellaneous funding.
- The District continues to maintain reserves sufficient to meet the state required minimum Reserve for Economic Uncertainties of 3% of General Fund expenditures. It is important to note that 3% reserves are a statutory minimum and represent less than two weeks of payroll expenditures. The Government Finance Officers Association recommends a minimum of 17% reserves.
- The following chart shows the District's Average Daily Attendance (ADA) for the previous nine-year period. Since 2012-13, ADA has fluctuated between a high of 6,388 to a low of 5,405. The pandemic conditions that affected the 2021-22 school year exacerbated a pre-existing trend of slightly declining enrollment. The District should include this recent enrollment decrease in any financial planning. The risks associated with declining enrollment must be factored into financial decision-making processes.



	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
ADA	6310	6354	6387	6388	6287	6136	6032	5987	6025	5405

Fund Financial Statements

More detailed information about the District's most significant funds are provided in the fund financial statements. Funds are accounting formats used to keep track of specific sources of funding and expenditures in particular programs. Some funds are required by bond covenants and by state law and other funds are established by the District to control and manage a variety of activities for particular purposes (such as childcare activities). Other funds may also address specific accounting requirements for certain revenue and expenditure classifications (such as federal grants).

The District maintains two classes of funds:

Governmental funds: Most of the District's basic services are included in governmental funds, which generally focus on how cash and other financial assets can readily be converted to cash flow (in and out) and the balances left at year-end that are available for expenditure in subsequent years. A detailed short-term view is provided by the governmental fund statements. These help determine whether there are more or fewer financial resources that can be spent in the near future for financing the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information is provided in the reconciliation provided after the governmental fund statements that explains the differences (or relationships).

Fiduciary fund: The District has several Associated Student Body Funds. For assets that belong to others, such as the student activities funds, the District acts as the trustee, or fiduciary, and is responsible for ensuring that the assets reported in these funds are only used for their intended purpose and by those to whom the assets belong. These activities were previously excluded from the government-wide financial statements, as the assets cannot be used to finance other the District operations. After implementation of GASB 84, the Associated Student Body activity no longer fit the criteria to be considered Fiduciary Activities. The Associated Student Body activity will be reported as a governmental activity under the General Fund in the basic financial statements.

Funds used by the District for the current fiscal year are outlined on page 25 of the report.

Statement of Net Position

The statement of net position presents the assets and liabilities of the District as of the end of the fiscal year and is prepared using the accrual basis of accounting, which is similar to the accounting basis used by most private-sector organizations. The statement of net position is a point of time financial statement whose purpose is to present to the readers a fiscal snapshot of the District. The statement of net position presents end-of-year data concerning assets (current and non-current), deferred outflows of resources, liabilities (current and non-current), deferred inflows of resources, and net position.

From the data presented, readers of the statement of net position are able to determine the assets available to continue the operations of the District. Readers are also able to determine the amount owed by the District to vendors and employees. Finally, the statement of net position provides a picture of the net position and the availability of those assets for expenditure.

The net between total assets and deferred outflows of resources less total liabilities and deferred inflows of resources (net position) is one indicator of the current financial condition of the District, and the change in net position is an indicator of whether the overall financial condition has improved or worsened during the year. Assets and liabilities are generally measured using current values. One notable exception is capital assets, which are stated at historical cost less an allocation for depreciation.

The District has implemented GASB standards, which requires the districts to report their proportionate share of CalSTRS and CalPERS unfunded portion of pension benefits. Note 12 to the financial statements provides additional information on employee retirement plans.

	Governmental Activities	
	June 30, 2022	June 30, 2021
Assets:		
Cash and cash equivalents	$ 108,891,550	$ 43,776,733
Accounts receivable	9,358,634	14,820,015
Prepaid expenses	108,657	96,020
Capital assets, net	82,108,346	80,588,618
Total assets	200,467,187	139,281,386
Deferred outflows of resources		
Deferred outflows - OPEB	1,391,606	868,355
Deferred outflows - pension	12,455,931	15,877,599
Total deferred outflows of resources	13,847,537	16,745,954
Liabilities:		
Other liabilities	22,289,252	12,183,604
Long-term liabilities	158,648,424	139,143,568
Total liabilities	180,937,676	151,327,172
Deferred inflows of resources		
Deferred inflows - OPEB	1,538,231	883,440
Deferred inflows - pension	31,626,877	4,013,520
Total deferred inflows of resources	33,165,108	4,896,960
Net position:		
Net investment in capital assets	(14,833,888)	23,438,913
Restricted	92,733,305	38,458,871
Unrestricted (Deficit)	(77,687,477)	(62,094,576)
Total net position	$ 211,940	$ (196,792)

- Cash with the District is also explained in the notes to the financial statements and is invested with the Ventura County Treasury to maximize interest income. The year over year increase in cash is due primarily to the sale of general obligation bonds. As general obligation bond projects are completed, cash balances will decrease.
- Accounts receivable includes amounts due from federal and state government sources for the operation of categorical programs as well as for ongoing operational costs. The year over year decrease is primarily attributable to the end of state-aid cash deferrals which spanned prior fiscal years.

Statement of Activities

Changes in total net position, as presented on the statement of net position, are based on the activity presented in the statement of activities. The purpose of this statement is to present the revenues earned, whether received or not, by the District, and the expenses incurred, whether paid or not, by the District. Thus, this statement presents the District's results of operations.

The statement of activities is summarized below:

	Governmental Activities	
	June 30, 2022	June 30, 2021
Revenues:		
Program revenues:		
Charges for services	$ 377,149	$ 995,450
Operating grants & contributions	20,975,140	15,632,540
General revenues:		
Property taxes	35,032,573	33,526,797
Federal and state aid not restricted in specific programs	27,789,012	26,285,805
Interest and investment earnings	107,509	152,242
Miscellaneous	4,997,220	1,414,886
Loss on disposal of capital assets	(344,726)	-
Total revenues	88,933,877	78,007,720
Expenses:		
Instruction	38,662,467	44,870,047
Instruction - related services	8,638,610	7,430,678
Pupil services	9,861,193	5,987,325
Ancillary services	189,675	49,849
Community services	1,565,496	1,267,918
General administration	4,730,444	4,080,707
Plant services	14,631,672	7,911,831
Other outgo and debt services	9,007,099	4,929,521
Depreciation (Unallocated)	1,238,489	4,075,737
Total expenses	88,525,145	80,603,613
Change in net position	$ 408,732	$ (2,595,893)

- Expenses increased by 9.83% from the prior year, primarily due to expenses which were unrealized or deferred due to the pandemic closures, increased services to support students in returning from school closures, and costs associated with implementation of health mandates.
- Revenues increased by 14.01% from the prior year, primarily due to the influx of one-time funds to support pandemic recovery.

Capital Assets and Debt Administration

Capital assets

As of June 30, 2022, the District had $(14,833,888) invested in capital assets, net of associated debt, primarily related to school construction and other capital improvements.

Note 8 to the financial statements provides additional information on capital assets. A summary of capital assets is presented below:

	Governmental Activities	
	June 30, 2022	June 30, 2021
Land	$ 14,908,761	$ 14,908,761
Buildings	114,414,967	113,230,141
Site improvements	9,403,661	7,994,619
Machinery, equipment and vehicles	8,109,830	5,982,267
Construction in progress	4,879,941	7,016,795
Total	151,717,160	149,132,583
Less: accumulated depreciation	(69,608,814)	(68,543,965)
Capital assets, net	$ 82,108,346	$ 80,588,618

Debt

Note 9 to the financial statements provides additional information on outstanding debt. A summary of the District's outstanding debt at year-end is presented below:

	Governmental Activities	
	June 30, 2022	June 30, 2021
General obligation bonds, including bond premium	$ 118,047,138	$ 57,149,705
OPEB liabilities	8,782,082	9,242,488
Net pension liability	36,370,705	74,296,829
Compensated absences (vacations)	348,499	479,546
Total	$ 163,548,424	$ 141,168,568

Governmental Funds

All governmental funds are summarized below:

	Fund Balance		
	June 30, 2022	June 30, 2021	Change
General	$ 21,851,441	$ 21,709,326	$ 142,115
Child development	427,913	160,822	267,091
Cafeteria	906,234	334,239	571,995
Deferred maintenance	1,492,543	1,286,628	205,915
Pupil transportation equipment fund	(35)		(35)
Building fund	46,819,341	17,909,280	28,910,061
Capital facilities	5,105,974	4,539,063	566,911
Bond interest and redemption fund	26,754,949	3,745,776	23,009,173
Total	$ 103,358,360	$ 49,685,134	$ 53,673,226

The primary reasons for these increases/decreases are:

- The increase in the General Fund of $142,115 is due primarily to receipt of categorical program funding and one-time stimulus funding, as well as the provision of state LCFF funding in excess of actual ADA.
- The increase in the Building Fund is due to the sale of Series B bonds.
- The increase in the Bond Interest and Redemption Fund of $23,009,173 is due to the refunding of Series A bonds.

General Fund Budget Information

During the fiscal year, the Board of Trustees authorized revisions to the original budget to accommodate differences from the original budget to the actual expenditures of the District. A budgetary comparison schedule for the General Fund is presented on page 58.

Variations between the original and final budget amounts were in part created by increased state funding and carryover of program funds from one year to the next. These amounts were unknown at the time the original budget was adopted.

The District's budget is prepared in accordance with California law and is based on the modified accrual basis of accounting, utilizing cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

District begins the budget process in January of each year, to be completed by June 30th. After updating changes in revenue and expenditure assumptions, the operating budget begins at the school level. The District uses staffing allocation formulas, per pupil allocations for site supplies, and a review of historical cost data to develop a preliminary budget. The Board of Trustees begins the budget process by establishing the District goals and budget priorities. The Local Control Accountability Plan (LCAP) outlines the instructional and support goals for the District and is written using the input of staff, students, parents, and community members. The budget is aligned to support the goals identified in the LCAP.

The budget cycle continues into the following fiscal year with the preparation of a 45-day budget revision (published 45 days from the date the governor signs the state budget) and two Interim reports (October 31st and January 31st) reviewed and approved by the Board. Site and department budgets are reviewed regularly to ensure management is aware of any significant variations during the year.

Economic Factors that May Affect the Future

Local Control Funding Formula - On July 01, 2013, the Local Control Funding Formula (LCFF) replaced revenue limit funding and more than 40 categorical programs with base grants per pupil, plus supplemental and concentration grants based on "Unduplicated Pupil" counts (students who are English Learners, from low-income families, or are homeless/in foster care). Initially the LCFF calculates a target for each the district and determines the gap between that target and prior year funding. In the 2018- 19 fiscal year Budget Act the LCFF gap funding was set at 100%, fulfilling the "full funding" of the LCFF. Fiscal year 2019-20 saw the beginning of the COVID-10 pandemic. Following the initial closures and cash deferrals, school districts have seen multiple layers of financial supports through a combination of ADA "hold harmless" provisions, adjustment of ADA determination methodology, and a combination of state and federal one-time stimulus and recovery funds. It is important to note that state ADA methodology supports, utilizing a three-year rolling average calculation, provide districts with additional time to adapt expenditures to enrollment/ADA-driven revenue fluctuations. The long-term effect of declining enrollment/ADA is still realized, in that a declining enrollment/ADA district's funding will decrease. The need to match expenditures to declining funding is therefore deferred, but not avoided.

Prior to the pandemic's social and economic disruptions, school districts paid significant attention to the emerging conflict between a COLA-only funding environment and rising operational costs. These issues are likely to re-emerge. Contractual step and column wage growth increases, growing expenditures to support Special Education programs, unfunded state mandates, and inflationary cost pressures on necessary goods and services remain significant issues. Ongoing high inflation adds inflationary wage growth pressure to the list. Additionally, although district pension system contribution rates were projected to flatten in the near future, fiscal year 2021-22 losses in equities markets will likely push PERS and STRS contribution rates upward again. As one-time funds expire and declining enrollment/ADA district-driven funding falls, the likely return of a COLA-only funding environment that is required to fund ever-growing operational expenses may create new budget challenges.

Projected Student Average Daily Attendance (ADA) - ADA has decreased over the last three years. The planned construction of additional housing units within the district boundaries is only partially complete. Those housing units that are complete currently yield students at a lower rate than existing neighborhoods, possibly due to purchase prices that preclude many families with children. Whereas the additional housing units should result in increases in enrollment, the unpredictability of project completion and student generation rates necessitates conservative enrollment projections. Until further data develops that shows otherwise, the district should make financial plans for flat to declining enrollment.

Year	ADA	Percent Growth %
2012-13 (Actual)	6,310	(1.0)%
2013-14 (Actual)	6,354	0.7%
2014-15 (Actual)	6,387	0.5%
2015-16 (Actual)	6,388	-%
2016-17 (Actual)	6,287	(1.6)%
2017-18 (Actual)	6,136	(2.4)%
2018-19 (Actual)	6,032	(1.7)%
2019-20 (Actual)	5,987	(0.7)%
2020-21 (Actual)	6,025	0.6%
2021-22 (Actual)	5,405	(10.3)%

Economic Factors that May Affect the Future - Cont'd

Ending Fund Balance Projection - The District's 2021-22 ending fund balance exceeds the required 3% contingency reserve requirement. Reserves beyond the 3% requirement are maintained to buffer against economic volatility, preserve the instructional program in the face of economic uncertainties, fund future curriculum adoptions, fund future initiatives, and maintain cash flow.

While reserves are not necessarily equivalent to cash on hand, the districts with higher reserves generally have more cash available than other districts. The Districts use cash to meet payroll and pay bills as they arise. The largest recurring expenditure for any school district consists of salaries for employees, which the districts pay throughout the year. The Districts, however, do not receive all of their revenue on an even schedule.

Property tax revenue, for example, arrive in two large installments (in December and April). State funding, while historically paid more evenly throughout the year has been subject to large payment deferrals since 2008-09. By having adequate reserves, the District is able to manage cash flow without borrowing funds at interest, thus operating more efficiently.

California's tax system relies heavily on income taxes paid by individuals and businesses, which are quite volatile revenue sources. Since more than 40 percent of the state's General Fund expenditures relate to K-12 education, this volatility affects school funding. The Districts can use reserves to even out fluctuations in state funding by increasing spending more slowly in strong economic times and reducing spending more slowly during downturns. In addition to revenue volatility, certain district expenditures (such as healthcare benefits or pension costs) can be difficult to predict precisely. The Districts sometimes use reserves to address these cost increases rather than immediately reduce spending in other parts of their budgets.

Whereas the districts can anticipate some measure of volatility in their revenues and expenditures, other costs can arise unexpectedly. Examples include (1) special education costs for students with highly specialized needs; (2) an emergency facility repair related to a leaking roof, malfunctioning fire system, or gas leak; (3) a natural disaster, such as a drought or wildfire, that reduces student attendance and associated state funding; and (4) a lawsuit that results in a costly settlement or judgment against the district. The Districts facing these unanticipated costs often draw down their reserves to address them.

The Districts often build up reserves in order to make large one-time purchases. This approach avoids the need to borrow money. For example, the districts commonly save for the upcoming replacement of (1) textbooks and related curricula; (2) computers and technology equipment; (3) school buses; and (4) equipment and facility components that have reached the end of their useful lives.

To finance the construction of school buildings and other capital projects, the districts usually borrow money from investors. Before borrowing, most districts obtain a rating from one of three major credit rating agencies (Moody's Investors Service, Standard & Poor's Ratings Services, and Fitch Ratings). These ratings indicate the likelihood that the districts will be able to repay their loans. The Districts with the strongest ratings tend to pay the lowest interest rates because they represent a lower risk of defaulting on their loans. All three rating agencies consider reserves a significant factor in determining a district's rating, noting that reserves provide additional flexibility in times of stress. Moody's, for example, indicates that measures of General Fund reserves (in combination with cash on hand) are responsible for about 30 percent of its overall rating.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the community, investors, and creditors with a general overview of the District's financial condition and to show the District's accountability for the funding it receives. If you have questions about this report or need any additional financial information, contact:

Chris Johnston
Assistant Superintendent, Business Services
Pleasant Valley School District
600 Temple Avenue, Camarillo, California, 93010
Phone (805) 445-8628 Fax (805) 987-5511

BASIC FINANCIAL STATEMENTS

GOVERNMENT - WIDE FINANCIAL STATEMENTS

PLEASANT VALLEY SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS	
Cash in county treasury	$ 87,781,395
Cash and cash equivalents	5,251
Cash with the fiscal agent/trustee	21,104,904
Accounts receivable	9,358,634
Prepaid expenses	108,657
Land	14,908,761
Construction in progress	4,879,941
Depreciable assets, net	62,319,644
Total assets	200,467,187
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources - pension	12,455,931
Deferred outflows of resources - OPEB	1,391,606
Total deferred outflows of resources	13,847,537
Total assets and deferred outflows of resources	214,314,724
LIABILITIES	
Accounts payable	14,248,848
Accrued interest	2,388,771
Unearned revenue	751,633
Current portion of long-term obligations	4,900,000
Noncurrent portion of long-term obligations	158,648,424
Total liabilities	180,937,676
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources - pension	31,626,877
Deferred inflows of resources - OPEB	1,538,231
Total deferred inflows of resources	33,165,108
NET POSITION	
Net investment in capital assets	(14,833,888)
Restricted for:	
Debt services	26,754,949
Capital projects	51,925,315
Educational programs	13,680,515
Other activities	372,526
Unrestricted (Deficit)	(77,687,477)
Total net position	211,940
Total liabilities, deferred inflows of resources and net position	$ 214,314,724

PLEASANT VALLEY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

		Program Revenues		Net (Expense)/ Revenue and Changes in Net Positions
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities:				
Instruction	$ 38,662,467	$ 3,713	$ 11,248,666	$ (27,410,088)
Instruction-related activities				
School site administration	4,096,545	534	390,763	(3,705,248)
Instructional library, media and technology	1,885,193	-	324,197	(1,560,996)
Instructional supervision and administration	2,656,872	153	1,625,485	(1,031,234)
Pupil services				
Home-to-school transportation	2,671,588	42	16,276	(2,655,270)
Food services	3,247,551	(17,512)	3,857,066	592,003
All other pupil services	3,942,054	1,562	581,748	(3,358,744)
General administration				
Data processing	535,796	12	10,090	(525,694)
All other administration	4,194,648	(167)	508,622	(3,686,193)
Plant services	5,740,756	5,648	336,362	(5,398,746)
Facility acquisition and construction	8,890,916	224,140	428,855	(8,237,921)
Ancillary services	189,675	276	160,390	(29,009)
Community services	1,565,496	-	258,037	(1,307,459)
Interest on long-term obligations	4,013,603	-	-	(4,013,603)
Other outgo	4,993,496	158,748	1,228,583	(3,606,165)
Depreciation (Unallocated)	1,238,489	-	-	(1,238,489)
Total governmental activities	$ 88,525,145	$ 377,149	$ 20,975,140	(67,172,856)
General revenues and subventions:				
Taxes and subventions:				
Property taxes, levied for general purposes				29,574,229
Property taxes, levied for debt service				4,855,011
Taxes levied for other specific purposes				603,333
Federal and state aid not restricted to specific purposes				27,789,012
Interest and investment earnings				107,509
Interagency revenues				2,406,494
Miscellaneous revenues				2,576,030
All other financing sources				14,696
Loss on disposal of capital assets				(344,726)
Total general revenues				67,581,588
Change in net position				408,732
Net position - beginning				(196,792)
Net position - ending				$ 211,940

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

PLEASANT VALLEY SCHOOL DISTRICT
BALANCE SHEET- GOVERNMENTAL FUNDS
JUNE 30, 2022

	General Fund	Pupil Transportation Equipment Fund	Building Fund
ASSETS			
Cash in county treasury	$ 25,312,069	$ -	$ 49,056,469
Cash with fiscal agent	-	-	-
Cash and cash equivalents	5,251	-	-
Accounts receivable	6,555,901	1,945,024	80,016
Due from other funds	2,079,610	-	151,543
Prepaid expenditures	108,657	-	-
Total assets	34,061,488	1,945,024	49,288,028
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	11,260,019	-	2,468,687
Due to other funds	198,395	1,945,059	-
Unearned revenue	751,633	-	-
Total liabilities	12,210,047	1,945,059	2,468,687
FUND BALANCES			
Nonspendable	113,908	-	-
Restricted	5,820,691	-	46,819,341
Assigned	13,680,515	-	-
Unassigned	2,236,327	(35)	-
Total fund balances	21,851,441	(35)	46,819,341
Total liabilities and fund balances	$ 34,061,488	$ 1,945,024	$ 49,288,028

The accompanying notes are an integral part of these financial statements.

PLEASANT VALLEY SCHOOL DISTRICT
BALANCE SHEET- GOVERNMENTAL FUNDS
JUNE 30, 2022

	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS		
Cash in county treasury	$ 13,412,857	$ 87,781,395
Cash with fiscal agent	21,104,904	$ 21,104,904
Cash and cash equivalents	-	5,251
Accounts receivable	777,693	9,358,634
Due from other funds	46,853	2,278,006
Prepaid expenditures	-	108,657
Total assets	35,342,307	120,636,847
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	520,142	14,248,848
Due to other funds	134,552	2,278,006
Unearned revenue	-	751,633
Total liabilities	654,694	17,278,487
FUND BALANCES		
Nonspendable	-	113,908
Restricted	32,822,544	85,462,576
Assigned	1,865,069	15,545,584
Unassigned	-	2,236,292
Total fund balances	34,687,613	103,358,360
Total liabilities and fund balances	$ 35,342,307	$ 120,636,847

The accompanying notes are an integral part of these financial statements.

PLEASANT VALLEY SCHOOL DISTRICT
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Total fund balances - governmental funds		$ 103,358,360
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. These assets consist of:		
Land	14,908,761	
Construction in progress	4,879,941	
Depreciable assets, net	62,319,644	82,108,346
In governmental funds, deferred outflows and inflows of resources related to pension and OPEB are not reported because they are applicable to future periods. Deferred outflows and inflows of resource at year-end consist of:		
Deferred outflows of resources related to pension	12,455,931	
Deferred outflows of resources related to OPEB	1,391,606	
Deferred inflows of resources related to pension	(31,626,877)	
Deferred inflows of resources related to OPEB	(1,538,231)	(19,317,571)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:		
General obligation bonds payable	(109,890,000)	
Premium on issuance	(8,157,138)	
Compensated absences (vacations)	(348,499)	
Net pension liability	(36,370,705)	
OPEB liability	(8,782,082)	(163,548,424)
In governmental funds, unmatured interest on long-term obligations are recognized in the period when it is due. On the government-wide financial statements, unmatured interest on long-term obligations are recognized when it is incurred.		(2,388,771)
Total net position - governmental activities		$ 211,940

The accompanying notes are an integral part of these financial statements.

PLEASANT VALLEY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Pupil Transportation Equipment Fund	Building Fund
REVENUES			
Local control funding formula sources	$ 55,211,455	$ -	$ -
Federal sources	4,871,007	-	-
Other state sources	7,487,428	-	-
Other local sources	7,116,477	1,945,024	146,377
Total revenues	74,686,367	1,945,024	146,377
EXPENDITURES			
Current			
Instruction	45,873,504	-	-
Instruction - related services			
School site administration	4,079,903	-	-
Instructional library, media, and technology	1,885,193	-	-
Instructional supervision and administration	2,634,588	-	-
Pupil services			
Home-to-school transportation	726,529	1,945,059	-
Food services	70,063	-	-
All other pupil services	3,887,185	-	-
General administration			
Data processing	535,796	-	-
All other administration	4,060,993	-	-
Plant services	5,215,322	-	287,301
Facility acquisition and construction	315,078	-	10,949,015
Ancillary services	189,675	-	-
Community services	76,927	-	-
Other outgo	4,993,496	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Bond issuance cost	-	-	-
Total expenditures	74,544,252	1,945,059	11,236,316
Excess/(deficiency) of revenues over expenditures	142,115	(35)	(11,089,939)
OTHER FINANCING SOURCES (USES)			
All other financing sources	-	-	-
Proceeds from sale of bonds	-	-	40,000,000
Net financing sources (uses)	-	-	40,000,000
Net change in fund balance	142,115	(35)	28,910,061
Fund balances - beginning	21,709,326	-	17,909,280
Fund balances - ending	$ 21,851,441	$ (35)	$ 46,819,341

The accompanying notes are an integral part of these financial statements.

PLEASANT VALLEY SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2022

	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES		
Local control funding formula sources	$ 546,621	$ 55,758,076
Federal sources	3,591,482	8,462,489
Other state sources	633,322	8,120,750
Other local sources	7,714,713	16,922,591
Total revenues	12,486,138	89,263,906
EXPENDITURES		
Current		
Instruction	139,974	46,013,478
Instruction - related services		
School site administration	16,642	4,096,545
Instructional library, media, and technology	-	1,885,193
Instructional supervision and administration	22,284	2,656,872
Pupil services		
Home-to-school transportation	-	2,671,588
Food services	3,177,488	3,247,551
All other pupil services	54,869	3,942,054
General administration		
Data processing	-	535,796
All other administration	133,655	4,194,648
Plant services	238,133	5,740,756
Facility acquisition and construction	729,766	11,993,859
Ancillary services	-	189,675
Community services	1,488,569	1,565,496
Other outgo	-	4,993,496
Debt service:		
Principal	5,525,000	5,525,000
Interest	2,653,207	2,653,207
Bond issuance cost	462,596	462,596
Total expenditures	14,642,183	102,367,810
Excess/(deficiency) of revenues over expenditures	(2,156,045)	(13,103,904)
OTHER FINANCING SOURCES (USES)		
All other financing sources	14,696	14,696
Proceeds from sale of bonds	26,762,434	66,762,434
Net financing sources (uses)	26,777,130	66,777,130
Net change in fund balance	24,621,085	53,673,226
Fund balances - beginning	10,066,528	49,685,134
Fund balances - ending	$ 34,687,613	$ 103,358,360

The accompanying notes are an integral part of these financial statements.

PLEASANT VALLEY SCHOOL DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2022

Total net change in fund balances - governmental funds		$ 53,673,226
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Capital outlay to purchase or build capital assets are reported in governmental funds as expenditures; however, for governmental activities, those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.		
This is the amount by which capital outlay exceeds depreciation in the period.		
Capital outlays	3,102,943	
Depreciation	(1,238,489)	
Net expense adjustment		1,864,454
Loss on disposal of capital assets is reported in the government-wide statement of net position, but is not recorded in the governmental funds.		(344,726)
Issuance of general obligation bonds, including premium, is reported as proceeds in governmental funds but increases to long-term liabilities in the statement of net position:		(66,762,434)
In governmental funds, pension costs are recognized when the employer contribution is made, but in the statement of activities, pension costs are recognized on the accrual basis. The difference between accrual basis pension costs and actual employer contributions were:		6,891,099
In governmental funds, OPEB costs are recognized when the health and welfare payments are made, but in the statement of activities, OPEB costs are recognized on the accrual basis. The difference between accrual basis OPEB costs and actual health and welfare payments were:		328,866
Payment of principal on long-term obligations is reported as an expenditure in the governmental funds, but it reduces long-term obligations in the Statement of Net Position and does not affect the Statement of Activities.		5,525,000
Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:		
Amortization of General Obligation Bonds Premium	340,001	
Compensated absence expenses	131,047	
Change in accrued interest	(1,237,801)	(766,753)
Change in net position of governmental activities		$ 408,732

The accompanying notes are an integral part of these financial statements.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The District accounts for its financial transactions in accordance with the policies and procedures of the California Department of Education's *California School Accounting Manual*, updated to conform to the most current financial and reporting requirements promulgated by the California Department of Education. The accounting policies of the District conform to generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

The significant accounting policies applicable to the District are described below.

Basis of Presentation

The accompanying financial statements have been prepared in conformity with GAAP as prescribed by GASB. The financial statement presentation required by GASB provides a comprehensive, entity-wide perspective of the District's financial activities. The entity-wide perspective enhances the fund-group perspective previously required.

The District's basic financial statements consist of government-wide financial statements, including a statement of net position, a statement of activities, and fund financial statements.

Government-Wide Financial Statements

The statement of net position and the statement of activities displays information about the District as a whole. These statements include the financial activities of the primary government. Fiduciary funds are excluded.

The statement of net position presents the financial condition of the governmental activities of the District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District. Depreciation and interest expense have not been allocated to specific functions.

Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The fiduciary funds are reported by type.

The fund financial statement expenditures are presented in a function-oriented format. The following is a brief description of the functions:

Instruction: includes the activities directly dealing with the interaction between teachers and students.

Instruction-Related Services: includes supervision of instruction, instructional library, media and technology, and school site administration.

Pupil Services: includes home to school transportation, food services, and other pupil services.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

Ancillary Services: includes activities that are generally designed to provide students with experiences outside the regular school day.

Community Services: includes activities that provide services to community participants other than students.

General Administration: includes data processing services and all other general administration services.

Plant Services: includes activities of maintaining the physical plant. This also includes facilities acquisition and construction expenditures.

Other Outgo: includes transfers to other agencies.

Debt Service: includes principal and interest payments for long term debt.

Fund Accounting

To ensure compliance with the California Education Code, the financial resources of the District are divided into separate funds for which separate accounts are maintained for recording cash, other resources and all related liabilities, obligations, and equities.

The statement of revenues, expenditures, and changes in fund balances are statements of financial activities of the particular fund related to the current reporting period. Expenditures of the various funds frequently include amounts for land, buildings, equipment, retirement of indebtedness, transfers to other funds, etc. Consequently, these statements do not purport to present the result of operations or the net income or loss for the period as would a statement of income for a profit-type organization. The modified accrual basis of accounting is used for all governmental funds.

Governmental Funds – Major

General Fund: used to account for all financial resources except those accounted for in another fund.

Building Fund: used to account for resources received from old bond issues and the sale of school sites. The resources are to be used for future construction.

Pupil Transportation Equipment Fund: This fund is used to account separately for state and local revenues specifically for the acquisition, rehabilitation, or replacement of equipment used to transport students (Education Code Section 41852[b]).

Governmental Funds – Nonmajor

Special Revenue Funds: used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects.

Child Development Fund: used to account for resources committed to child development programs.

Cafeteria Fund: used to account for revenues received and expenditures made to operate the District's cafeterias.

Deferred Maintenance Fund: used for the purpose of major repair or replacement of District property. The District has taken formal action to commit state apportionment funding from the local control funding formula to this fund for the continued operation of the original program. The fund, therefore, meets the requirements to be reported as a Special Revenue fund.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

Capital Projects Funds: used to account for the financial resources that are restricted, committed, or assigned for the acquisition and/or construction of major governmental general fixed assets.

Capital Facilities Fund: used to account for resources received from residential and commercial developer impact fees.

Debt Service Funds: Debt service funds are established to account for the accumulation of resources for and the payment of principal and interest on general long-term debt.

Bond Interest and Redemption Fund: used to collect taxes and pay for debt service associated with general obligation bonds.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied. Revenues in governmental fund financial statements are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

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 in the county treasury is recorded at cost, which approximates fair value.

Receivables

Receivables are generally recorded when the amount is earned and can be estimated. All material receivables are considered fully collectible. Per *Education Code Section 33128.1*, a local education agency may recognize for budgetary and financial reporting purposes any amount of state appropriations deferred from the current fiscal year and appropriated from the subsequent fiscal year for payment of current year costs as a receivable in the current year.

Prepaid (Expenses)/ Expenditures

Payments made to vendors for goods or services that will benefit periods beyond June 30, 2022, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense/expenditure is reported in the year in which goods or services are consumed.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

Capital Assets

Generally, capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the Statement of Net Position, but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The District maintains a capitalization threshold of $5,000. The District does not own any infrastructure as defined by GASB. 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.

All reported capital assets except for land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Asset Class	Estimated useful lives
Buildings and Improvements	15 - 50 years
Machinery, Equipment, and Vehicles	5 - 20 years

Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. These amounts are reported in the government-wide statement of net position.

Deferred Outflows - OPEB: The deferred outflows of resources related to OPEB benefits results from the effects of actuarially-determined changes to the OPEB plan. These amounts are deferred and amortized as detailed in Note 11 to the financial statements.

Deferred Outflows - Pension: The deferred outflows of resources related to pensions resulted from District contributions to employee pension plans subsequent to the measurement date of the actuarial valuations for the pension plans and the effects of actuarially-determined changes to the pension plan. These amounts are deferred and amortized as detailed in Note 12 to the financial statements.

Unearned Revenue

Cash received for federal and state special projects and programs is recognized as revenue to the extent that qualified expenditures have been incurred. Unearned revenue is recorded to the extent eligibility requirements have not been met.

Long-Term Obligations

The District reports long-term debt of governmental funds at face value in the government-wide financial statements. Bond premiums are deferred and amortized over the life of the bonds using the straight-line method. General obligation bonds are reported net of the applicable bond premium. In the fund financial statements, governmental fund types recognize bond premiums during the current period. The face amount of debt issued and premiums received on debt issuances are reported as other financing sources.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the District's OPEB liability related to the Medicare Premium Payment (MPP) Program, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the MPP Program and additions to/deductions from the MPP Program fiduciary net position have been determined on the same basis as they are reported by the MPP Program. For this purpose, the MPP Program 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.

Net Pension Liability

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.

Compensated Absences

Accumulated unpaid employee vacation benefits are recognized as a liability when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Sick leave benefits are accumulated without limit for each employee. The employees do not gain a vested right to accumulated sick leave, therefore, accumulated employee sick leave benefits are not recognized as a liability of the District. The District's policy is to record sick leave as an operating expense in the period taken. However, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position by the District that is applicable to a future reporting period.

Deferred Inflows - OPEB: The deferred inflows of resources related to OPEB benefits results from changes in assumptions. These amounts are deferred and amortized as detailed in Note 11 to the financial statements.

Deferred Inflows - Pension: The deferred inflows of resources related to pensions resulted from the effects of actuarially-determined changes to the pension plan. These amounts are deferred and amortized as detailed in Note 12 to the financial statements.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

Leases

Lessee

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

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

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

Lessor

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its leases, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

Net Position

Net position represents the difference between assets plus deferred outflows of resources less liabilities and deferred inflows of resources. Net 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 improvements of those assets. Net position is reported as restricted when there are limitations imposed on use through external restrictions imposed by donors, grantors, laws or regulations of other governments or by enabling legislation adopted by the District.

Fund Balance Classification

The governmental fund financial statements present fund balance classifications that comprise a hierarchy based on the extent to which the District is bound to honor constraints on the specific purposes for which amounts can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable - Amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted - Amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - Amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District Board of Trustees. These amounts cannot be used for any other purpose unless the District Board of Trustees removes or changes the specified use by taking the same formal action (vote or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. The Board of Trustees, through a formal action has given authority to Chief Business Official to assign amounts for a specific purpose that is neither restricted nor committed.

Unassigned - The residual fund balance for the General Fund and all other spendable amounts.

Spending Order Policy

The District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted net position or fund balance is available.

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District's policy considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Trustees has provided otherwise in its commitment or assignment functions.

Minimum Fund Balance Policy

The District does not have a written minimum fund balance policy. To protect against revenue shortfalls and unexpected one-time expenditures, the District has maintained a reserve for economic uncertainties consisting of unassigned amounts equivalent to 3% of budgeted General Fund expenditures and other financing uses. These amounts represent the minimum recommended reserve consistent with the criteria and standards for fiscal solvency adopted by the State Board of Education. In addition, the District has maintained an additional Budget Stabilization consisting of unassigned amounts to assist in economic uncertainties.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

State Apportionments

Certain current year apportionments from the state are based upon various financial and statistical information of the previous year. Second period to annual corrections for local control funding formula and other state apportionments (either positive or negative) are accrued at the end of the fiscal year.

Property Taxes

Secured property taxes attach as an enforceable lien on property as of January 1st. Taxes are payable in two installments on November 1st and February 1st. Unsecured property taxes are payable in one installment on or before August 31st.

Real and personal property tax revenues are reported in the same manner in which the county auditor records and reports actual property tax receipts to the California Department of Education. This is generally on a cash basis. A receivable has not been recognized in the General Fund for property taxes due to the fact that any receivable is offset by a payable to the state for local control funding formula purposes. Property taxes for debt service purposes cannot be estimated and have not been accrued in the government-wide financial statements.

On-Behalf Payments

GAAP requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third party recipient for the employees of another, legally separate entity be recognized as revenue and expenditures by the employer government. The State of California makes direct on-behalf payments for retirement benefits to the State Teachers' Retirement System on behalf of all school districts in California.

Contributed Services

Generally accepted accounting principles require that contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are to be recorded at fair value in the period received. Although the District receives numerous hours of volunteer time, it is not deemed necessary to record these hours on the books of the District based on the above guidelines. In addition, the District receives donations of immaterial equipment and supplies which are not recorded upon receipt.

Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles 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.

Reporting Entity

The District is the level of government primarily accountable for activities related to public education. The governing authority consists of elected officials who, together, constitute the Board of Trustees.

The District considered its financial and operational relationships with potential component units under the reporting entity definition of GASB. The basic, but not the only, criterion for including another organization in the District's reporting entity for financial reports is the ability of the District's elected officials to exercise oversight responsibility over such agencies. Oversight responsibility implies that one entity is dependent on another and a financial benefit or burden relationship is present and that the dependent unit should be reported as part of the other.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

Oversight responsibility is derived from the District's power and includes, but is not limited to: financial interdependency; selection of governing authority; designation of management; ability to significantly influence operations; and accountability for fiscal matters.

Due to the nature and significance of their relationship with the District, including ongoing financial support of the District or its other component units, certain organizations warrant inclusion as part of the financial reporting entity. A legally separate, tax-exempt organization should be reported as a component unit of the District if all of the following criteria are met:

- The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the District, its component units, or its constituents.
- The District, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
- The economic resources received or held by an individual organization that the District, or its component units, is entitled to, or has the ability to otherwise access, are significant to the District.

Based upon the application of the criteria listed above, the following potential component units have been excluded from the District's reporting entity:

The Pleasant Valley Education Foundation: The Foundation is a separate not-for-profit corporation. The Foundation is not included as a component unit because the third criterion was not met; the economic resources received and held by the Foundation are not significant to the District. Separate financial statements for the Foundation may be obtained through the District.

Various PTA, PTO, and Booster Clubs: Each of these types of organizations at each of the school sites within the District were evaluated using the three criterion listed above. Each entity has been excluded as a component unit because the third criterion was not met in all cases; the economic resources received and held by the PTA, PTO, and Booster Club individually are not significant to the District.

New Accounting Pronouncements

The District adopted the following new accounting pronouncements issued by the GASB during the current fiscal year ended June 30, 2022:

The GASB issued Statement No. 87, *Leases* in June 2017. This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement are effective for periods beginning after December 15, 2019 as originally established, however GASB Statement No. 95 allows governments to postpone implementation for 18 months.

The GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* in June 2018. This Statement establishes accounting requirements for interest costs incurred before the end of a construction period. The requirements of this Statement are effective for periods beginning after December 15, 2019 as originally established, however GASB Statement No. 95 allows governments to postpone implementation for one year.

The GASB issued Statement No. 91, *Conduit Debt Obligations* in May 2019. This Statement establishes a single method of reporting conduit debt obligations by issuers to eliminate diversity in practice. The requirements of this Statement are effective for periods beginning after December 15, 2020 as originally established, however GASB Statement No. 95 allows governments to postpone implementation for one year.

Implementation Guide No. 2019-3. *Leases*. The requirements of this Implementation Guide will take effect for financial statements starting with the fiscal year that ends June 30, 2022.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

The District is currently reviewing its accounting practices to determine the potential impacts on the financial statements for the following GASB Statements:

The GASB issued Statement No. 92, *Omnibus 2020* in January 2020. This Statement addresses a variety of topics to enhance comparability in accounting and financial reporting and improve consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for periods beginning after June 15, 2021 as originally established, however GASB Statement No. 95 allows governments to postpone implementation for one year.

The GASB issued Statement No. 93, *Replacement of Interbank Offered Rates* in March 2020. This Statement will address accounting and financial reporting issues and implications that result from the replacement of an interbank offered rates. The requirement in paragraph 11b is effective for reporting periods ending after December 31, 2021 and the requirements in paragraphs 13 and 14 are effective for fiscal years beginning after June 15, 2021, and all reporting periods thereafter, however GASB Statement No. 95 allows governments to postpone implementation for one year.

The GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* in March 2020. This Statement addresses issues related to public-private and public-public partnership arrangements (PPPs). The Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The requirements of this Statement are effective for periods beginning after June 15, 2022.

The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* in May 2020. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements. The requirements of this Statement are effective for periods beginning after June 15, 2022.

The GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* - An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32 in June 2020. This Statement provides guidance regarding the financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans. The Statement will also enhance (1) information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans. Paragraphs 4 and 5 of the Statement were effective immediately whereas the remaining requirements of this Statement are effective for periods beginning after June 15, 2021.

The GASB issued Statement No. 100, *Accounting Changes and Error Corrections is an amendment of GASB Statement No. 62*. This Statement enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB issued Statement No. 101 *Compensated Absences* is an update on the recognition and measurement guidance for compensated absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

NOTE 2 - BUDGET

By state law, the District's Governing Board must approve a budget no later than July 01, using the Single Adoption Budget process. A public hearing must be conducted to receive comments prior to adoption. The District's Governing Board satisfied these requirements. Budgets for all governmental funds were adopted on a basis consistent with GAAP.

These budgets are revised by the District's Governing Board during the year to give consideration to unanticipated income and expenditures. The original and final revised budget for the General Fund is presented in a budgetary comparison schedule in the required supplementary section.

Formal budgetary integration was employed as a management control device during the year for all budgeted funds. Expenditures cannot legally exceed appropriations by major object account.

NOTE 3 - DEPOSITS AND INVESTMENTS

Custodial Credit Risk

Custodial credit risk 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 deposit policy for custodial risk. As of June 30, 2022, none of the District’s bank balance was exposed to credit risk as uninsured and uncollateralized.

Cash in County

In accordance with *Education Code Section 41001*, the District maintains substantially all of its cash in the Ventura County Treasury as part of the common investment pool. These pooled funds are carried at amortized cost which approximates fair value. Fair value of the pooled investments as of June 30, 2022 is measured at 100.32% of amortized cost. The District’s deposits in the fund are considered to be highly liquid.

The county is authorized to deposit cash and invest excess funds by *California Government Code Sections 53534, 53601, 53635 and 53648*. The county is restricted to invest time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer’s investment pool, bankers’ acceptances, commercial paper, negotiable certificates of deposit, and repurchase of reverse repurchase agreements. The funds maintained by the county are either secured by federal depository insurance or are collateralized. The county investment pool is not required to be rated. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

The county investment pool is not registered as an investment company with the Securities and Exchange Commission (SEC) nor is it an SEC Rule 2a7-like pool. California Government Code statutes and the County Board of Supervisors set forth the various investment policies that the County Treasurer follow. The method used to determine the value of the participant’s equity withdrawn is based on the book value, which is amortized costs, of the participant’s percentage participation on the date of such withdrawals.

The pool sponsor’s annual financial report may be obtained from the Ventura County Board of Supervisors, County Government Center, 800 South Victoria Avenue, Ventura, CA 93009.

Cash with the fiscal agents/trustee

The District maintains $21,104,904 cash with the bond trustee. The bond trustee invests the funds as authorized under the bond indenture.

NOTE 4 - ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2022 consists of the following:

	General Fund	Building Fund	Pupil Transportation Equipment Fund	Nonmajor Governmental Funds	Total Governmental Funds
Federal and state	$ 5,153,355	$ -	$ -	$ 681,996	$ 5,835,351
Miscellaneous	1,402,546	80,016	1,945,024	95,697	3,523,283
Total accounts receivable	$ 6,555,901	$ 80,016	$ 1,945,024	$ 777,693	$ 9,358,634

NOTE 5 - ACCOUNTS PAYABLE

Accounts payable as of June 30, 2022 consists of the following:

	General Fund	Building Fund	Nonmajor Governmental Funds	Total Governmental Funds
Federal and state	$ 10,069,284	$ -	$ 182,221	$ 10,251,505
Miscellaneous	1,190,735	2,468,687	337,921	3,997,343
Total accounts receivable	$ 11,260,019	$ 2,468,687	$ 520,142	$ 14,248,848

NOTE 6 - INTERFUND TRANSACTIONS

Interfund activity has been eliminated in the government-wide financial statements. The following balances and transactions are reported in the fund financial statements.

Interfund Receivables/Payables

Individual interfund receivable and payable balances at June 30, 2022 are temporary loans and are detailed as follows:

	Interfund Receivables	Interfund Payables
Major Fund:		
General Fund	$ 2,079,610	$ 198,395
Building Fund	151,543	-
Pupil Transportation Equipment Fund	-	1,945,059
Nonmajor Funds:		
Child Development Fund	17,697	85,747
Cafeteria Fund	29,156	48,805
Total	$ 2,278,006	$ 2,278,006

NOTE 7 - FUND BALANCES

The following amounts were nonspendable, restricted, committed, assigned, or unassigned as shown below:

	General Fund	Pupil Transportation Equipment Fund	Building Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Cash in Revolving Fund	$ 5,251	$ -	$ -	$ -	$ 5,251
Prepaid Expenditures	108,657	-	-	-	108,657
Total Nonspendable	113,908	-	-	-	113,908
Restricted:					
Legally Restricted Programs	5,820,691	-	-	961,621	6,782,312
Capital Projects	-	-	46,819,341	5,105,974	51,925,315
Debt Service	-	-	-	26,754,949	26,754,949
Total Restricted	5,820,691	-	46,819,341	32,822,544	85,462,576
Assigned:					
Special Education Program	13,680,515	-	-	-	13,680,515
Child Care Program	-	-	-	372,526	372,526
Deferred Maintenance	-	-	-	1,492,543	1,492,543
Total Assigned	13,680,515	-	-	1,865,069	15,545,584
Unassigned:					
Unassigned	2,236,327	(35)	-	-	2,236,292
Total Unassigned	2,236,327	(35)	-	-	2,236,292
Total Fund Balance	$ 21,851,441	$ (35)	$46,819,341	$ 34,687,613	$103,358,360

NOTE 8 - CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the fiscal year ended June 30, 2022, is shown below:

	Balance July 01, 2021	Additions	Deletions	Balance June 30, 2022
Capital assets not being depreciated:				
Land	$ 14,908,761	$ -	$ -	$ 14,908,761
Construction in progress	7,016,795	-	2,136,854	4,879,941
Total capital assets not being depreciated	21,925,556	-	2,136,854	19,788,702
Capital assets being depreciated:				
Buildings	113,230,141	1,360,160	175,334	114,414,967
Site improvements	7,994,619	1,409,042	-	9,403,661
Machinery, equipment, and vehicles	5,982,267	2,470,595	343,032	8,109,830
Total capital assets being depreciated	127,207,027	5,239,797	518,366	131,928,458
Less: accumulated depreciation:				
Buildings	(61,726,063)	(730,681)	(136,371)	(62,320,373)
Site improvements	(2,608,585)	(371,398)	-	(2,979,983)
Machinery, equipment, and vehicles	(4,209,317)	(136,410)	(37,269)	(4,308,458)
Total accumulated depreciation	(68,543,965)	(1,238,489)	(173,640)	(69,608,814)
Depreciable assets, net	58,663,062	4,001,308	344,726	62,319,644
Capital assets, net	$ 80,588,618	$ 4,001,308	$ 2,481,580	$ 82,108,346

NOTE 9 - LONG-TERM DEBT

A schedule of changes in long-term debt for the year ended June 30, 2022 is shown below:

	Balance July 01, 2021	Additions	Deductions	Balance June 30, 2022	Due in One Year
General obligation (GO) bonds	$ 54,110,000	$ 61,305,000	$ 5,525,000	$ 109,890,000	$ 4,900,000
Premium on GO bonds	3,039,705	5,457,434	340,001	8,157,138	-
Total GO bonds	57,149,705	66,762,434	5,865,001	118,047,138	4,900,000
Other Postemployment Benefits (OPEB)	9,242,488	-	460,406	8,782,082	-
Net Pension Liability	74,296,829	-	37,926,124	36,370,705	-
Compensated Absences	479,546	-	131,047	348,499	-
Total	$ 141,168,568	$ 66,762,434	$ 44,382,578	$ 163,548,424	$ 4,900,000

Liabilities for the OPEB, net pension liability, and compensated absences are liquidated by the fund recording the associated salary expenses. General obligation bond liabilities are liquidated through property tax collections as administered by the County Controller's office through the Bond Interest and Redemption Fund.

NOTE 10 - GENERAL OBLIGATION BONDS

Measure T

On November 04, 1997, the voters approved the issuance of bonds (Measure T) not to exceed $49,000,000 for the construction of new classrooms and other school facilities. Between 1998 and 2001, the District issued bonds, Series A through Series D, totaling $49,000,000. In 2002, the District issued a refunding bond for $45,825,000 to advance refund the outstanding Series A through Series D bonds.

On December 02, 2021, the voters approved the issuance of bonds not to exceed $21,305,000 to refinance (on an advance basis) a portion of the 2018 Series A Bond (redemption date August 1, 2026). The Escrow Bank will hold the amounts in the Escrow Fund and will be solely used to pay the Refunded Bonds.

Measure C

On June 05, 2018, the voters approved the issuance of bonds (Measure C) not to exceed $119,000,000 for the renovation, construction, and improvement of school facilities. On October 02, 2018 the District issued $40,000,000 of Series A bonds.

On December 02, 2021, the voters approved the issuance of bonds not to exceed $40,000,000 to improve the quality of education, repair/replace leaky roofs; increase energy efficiency; modernize and construct classrooms, restrooms, and school facilities; and improve student access to modern technology. General Obligation Bonds, Series B are the second series of bonds issued pursuant to the 2018 Authorization.

The outstanding general obligation bonded debt of the District as of June 30, 2022 is:

	Date of Issue	Date of Final Maturity	Interest Rate %	Amount of Original Issue	Outstanding June 30, 2022
Measure T:					
Refunding Bond	10/02/2002	08/01/2032	2.20-5.85	$ 45,825,000	$ 20,225,000
Refunding Bond	12/02/2021	08/01/2043	0.410-2.569	21,305,000	21,305,000
Measure C:					
Series A	10/02/2018	08/01/2043	3.00-5.00	40,000,000	31,860,000
Series B	12/02/2021	08/01/2046	4.00	40,000,000	36,500,000
Total				$ 147,130,000	$ 109,890,000

The refunding bond annual debt service requirements to maturity for general obligation bonds are as follows:

Years Ending June 30,	Principal	Interest	Total
2023	$ 2,140,000	$ 1,178,190	$ 3,318,190
2024	2,250,000	1,052,707	3,302,707
2025	2,390,000	920,498	3,310,498
2026	2,540,000	780,098	3,320,098
2027	2,695,000	631,215	3,326,215
2028-2032	8,210,000	987,188	9,197,188
Total	$ 20,225,000	$ 5,549,896	$ 25,774,896

NOTE 10 - GENERAL OBLIGATION BONDS - CONT'D

The refunding bonds annual debt service requirements to maturity for general obligation bonds are as follows:

Years Ending June 30,	Principal	Interest	Total
2023	$ 760,000	$ 562,355	$ 1,322,355
2024	260,000	559,773	819,773
2025	265,000	557,191	822,191
2026	270,000	553,293	823,293
2027	275,000	549,321	824,321
2028-2032	5,460,000	2,542,987	8,002,987
2033-2037	2,220,000	1,925,415	4,145,415
2038-2042	8,675,000	1,529,622	10,204,622
2043	3,120,000	96,033	3,216,033
Total	$ 21,305,000	$ 8,875,990	$ 30,180,990

The Series A annual debt service requirements to maturity for general obligation bonds are as follows:

Years Ending June 30,	Principal	Interest	Total
2023	$ -	$ 1,465,675	$ 1,465,675
2024	-	1,465,675	1,465,675
2025	-	1,465,675	1,465,675
2026	635,000	1,465,675	2,100,675
2027	730,000	1,433,925	2,163,925
2028-2032	5,340,000	6,513,125	11,853,125
2033-2037	8,755,000	4,977,200	13,732,200
2038-2042	13,090,000	2,824,150	15,914,150
2043	3,310,000	165,500	3,475,500
Total	$ 31,860,000	$ 21,776,600	$ 53,636,600

The Series B annual debt service requirements to maturity for general obligation bonds are as follows:

Years Ending June 30,	Principal	Interest	Total
2023	$ 2,000,000	$ 1,460,000	$ 3,460,000
2024	2,000,000	1,380,000	3,380,000
2025	1,100,000	1,300,000	2,400,000
2026	600,000	1,256,000	1,856,000
2027	-	1,232,000	1,232,000
2028-2032	1,495,000	6,108,200	7,603,200
2033-2037	3,925,000	5,569,600	9,494,600
2038-2042	6,650,000	4,609,200	11,259,200
2043-2047	18,730,000	2,137,600	20,867,600
Total	$ 36,500,000	$ 25,052,600	$ 61,552,600

NOTE 11 - POSTEMPLOYMENT HEALTHCARE BENEFITS

The District administers a single-employer defined benefit, post-employment medical benefit plan (Retiree Benefits Plan) for qualified employees. In addition, some qualified certificated employees are participant in the Medicare Premium Payment Program, a cost-sharing defined benefit program administered through the California State Teachers' Retirement System (CalSTRS).

As of June 30, 2022, the District's total liability for post-employment healthcare benefits consisted of the following:

	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Retiree Benefits Plan	$ 8,485,386	$ 1,391,606	$ 1,538,231	$ 259,129
MPP Program	296,696	-	-	(49,122)
Total	$ 8,782,082	$ 1,391,606	$ 1,538,231	$ 210,007

Retiree Benefits Plan

Plan Description and Eligibility

The District provides medical coverage to retirees based on the following provisions:

Retiree benefits for employees who retired on or before June 30, 1984: The District shall provide fully paid medical, dental and/or vision insurance premiums for employees and dependents of employees who retired on or before June 30, 1984, after reaching their 55th birthday, provided said employee had given ten (10) years of satisfactory service to the District. This coverage shall extend for the life of the retired employee.

Retiree benefits for employees hired on or before June 30, 1984, who retire after June 30, 1984: The District shall contribute not more than three thousand nine hundred dollars ($3,900) per year per retiree and dependents toward medical, dental and/or vision insurance premiums for all qualified employees and dependents of employees who retire after June 30, 1984, after reaching their 55th birthday, provided said employee had given twelve (12) consecutive years of satisfactory service to the District. This coverage shall extend for the life of the retired employee.

Retiree benefits for employees hired after June 30, 1984: The District shall contribute not more than twenty-four hundred dollars ($2,400) per year per employee and dependents of employees toward medical, dental and/or vision premiums for all employees hired subsequent to June 30, 1984. The employee shall be required to have reached their 60th birthday and shall be required to have served the District for fifteen (15) consecutive years. This coverage shall extend for the life of the retired employee.

Retiree benefits for employees hired after June 30, 1986 who are eligible for Medicare through District employment and who meet the qualifications of subsection C above receive benefits as outlined below: The District shall contribute not more than twenty-four hundred ($2,400) per year per employee and dependents of employees toward medical, dental and/or vision premiums until such time as the employee meets the eligibility requirements for Medicare.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

The Retiree Benefits Plan does not issue a separate financial report.

NOTE 11 - POSTEMPLOYMENT HEALTHCARE BENEFITS - CONT'D

As of June 30, 2022, membership of the District as of the valuation date consisted of the following:

Active employees eligible for future benefits	479
Retirees currently receiving benefits	209
Total	688

- No information about any terminated, vested employees.

Funding Policy

The District currently finances benefits on a pay-as-you-go basis. The District contributes the cost of current year premiums for eligible retired plan members and their dependents as applicable. For the year ended June 30, 2022, the District contributed $634,766 to the plan for current year premiums.

Actuarial Methods and Assumptions

Actuarial assumptions

The total OPEB liability was determined based on an actuarial valuation as of June 30, 2022. The following actuarial assumptions used in the June 30, 2022 valuation, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal
Salary Increases	2.75%
Healthcare Costs Trend Rate	4.00%

Mortality assumptions are based on the 2020 CalSTRS mortality experience study for certificated employee types and the 2017 CalPERS mortality experience study for the classified employee types. CalSTRS and CalPERS periodically studies mortality for participating agencies and establish mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalSTRS and CalPERS analysis.

Discount rate

The discount rate used to measure the OPEB liability was 3.54%. The projection of cash flows used to determine the discount rate was based on the Bond Buyer 20 Bond Index.

Changes in the Total OPEB Liability

Total OPEB Liability	FY 2022
Beginning Balance	$ 8,896,670
Changes for the Year	
Service Cost	189,689
Interest Cost	187,280
Employer Contributions	(642,253)
Difference between expected and actual experience	708,201
Changes in Assumptions	(854,201)
Net Change in Total OPEB Liability	(411,284)
Ending Balance	$ 8,485,386

NOTE 11 - POSTEMPLOYMENT HEALTHCARE BENEFITS - CONT'D

Sensitivity

The following present the District's OPEB liability calculated using the discount rate of 3.54% as well as what the OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

Discount Rate	Total OPEB Liability
1% Decrease	$ 9,090,852
Current Discount Rate	$ 8,485,386
1% Increase	$ 7,943,510

The following present the District's OPEB liability calculated using the healthcare cost trend rate of 4.0%, as well as what the OPEB liability would be if it were calculated using a trend rate that is one percentage point lower or one percentage point higher than the current rate:

Healthcare Trend Rate	Total OPEB Liability
1% Decrease	$ 8,222,684
Current Healthcare Trend Rate	$ 8,485,386
1% Increase	$ 8,785,585

Amortization of Deferred Outflows and Deferred Inflows of Resources

The deferred outflows and inflows of resources related to OPEB resulted from changes in actuarial assumptions and differences between expected and actual experience as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	$ 757,176	$ 765,221
Differences Between Expected and Actual Experience	634,430	773,010
Total	$ 1,391,606	$ 1,538,231

The balances as of June 30, 2022 of the deferred outflows and inflows of resources will be recognized in OPEB expense for the year ending June 30, as follows:

Years Ending June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2023	$ 184,950	$ 199,410
2024	184,950	199,410
2025	184,950	199,410
2026	184,950	199,410
2027	184,950	199,410
Thereafter	466,856	541,181
Total	$ 1,391,606	$ 1,538,231

NOTE 11 - POSTEMPLOYMENT HEALTHCARE BENEFITS - CONT'D

Medicare Premium Payment Program (MPP)

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, 2021 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: *https://www.calstrs.com/general-information/gasb- 6768.*

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 01, 2012 and were not eligible for premium free Medicare Part A.

Members who retire after July 01, 2012, are not eligible for coverage under the MPP Program.

As of June 30, 2021, 5,096 retirees participated in the MPP Program. The number of retired members who will participate in the program in the future is unknown as eligibility cannot be predetermined.

The MPP Program is funded on a pay-as-you-go basis from a portion of monthly employer contributions. 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.

OPEB Liabilities and OPEB Expense

As of June 30, 2022, the District reported a liability of $296,696 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 0.0743 percent, and 0.0816 percent, resulting in a net decrease in the proportionate share of 0.0073 percent.

For the year ended June 30, 2022, the District recognized OPEB expense (income) of $(49,122).

NOTE 11 - POSTEMPLOYMENT HEALTHCARE BENEFITS - CONT'D

Actuarial Methods and Assumptions

The total OPEB liability for the MPP Program as of June 30, 2021, 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. Significant actuarial methods and assumptions used in the financial reporting actuarial valuation to determine the total OPEB liability as of June 30, 2020, include:

Measurement date	June 30, 2021
Valuation date	June 30, 2020
Experience study	June 30, 2014 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%

*The assumed increases in the Medicare Part A and Part B Cost Trend Rates vary by year; however, the increases are approximately equivalent to a 4.5% and 5.4% increase each year for Medicare Part A and Part B, respectively.

Future Enrollment

Assumptions were made about future participation (enrollment) into the MPP Program as 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' ages increase. This estimated enrollment rate was then applied to the population of members who may meet criteria necessary for eligibility but 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 of 152,062.

Mortality

CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among 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.

NOTE 11 - POSTEMPLOYMENT HEALTHCARE BENEFITS - CONT'D

Discount Rate

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 California State Treasurer.

As the MPP Program is funded on a pay-as-you-go basis, the OPEB plan’s fiduciary net position was not projected to be sufficient to make projected future benefit payments. Therefore, the MPP Program used the Bond Buyer’s 20-Bond GO Index from Bondbuyer.com as of June 30, 2021, as the discount rate, which was applied to all periods of projected benefit payments to measure the total OPEB liability. The discount rate as of June 30, 2021 was 2.16%, which is a decrease of 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 table presents the District's proportionate share of the net OPEB liability, 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%)	$	327,041
Current discount rate (2.16%)	$	296,696
1% increase (3.16%)	$	270,770

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

The following table presents the District's proportionate share of the net OPEB liability, using the current 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)	$	269,811
Current Medicare costs trend rate (4.5% Part A and 5.4% Part B)	$	296,696
1% increase (5.5% Part A and 6.4% Part B)	$	327,520

NOTE 12 - EMPLOYEE RETIREMENT PLANS

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).

As of June 30, 2022, the District's net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense for each of the retirement plans are as follows:

Pension Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense (income)
CalSTRS (STRP)	$ 22,520,057	$ 9,643,900	$ 24,624,118	$ (5,354,470)
CalPERS (Schools Pool Plan)	13,850,648	2,812,030	7,002,759	(1,536,628)
Total	$ 36,370,705	$ 12,455,930	$ 31,626,877	$ (6,891,098)

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, 2019, 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 01, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service.

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

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

NOTE 12 - EMPLOYEE RETIREMENT PLANS - CONT'D

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

Provisions and Benefits	STRP Defined Benefit Program and Supplement Program	
	On or before	On or after
Hire date	December 31, 2012	January 01, 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

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

The CalSTRS Funding Plan established a schedule of contribution rate increases shared among members, employers and the state to bring CalSTRS toward full funding by 2046. California Senate Bill 90 (Chapter 33, Statutes of 2019) and California Assembly Bill 84 (Chapter 16, Statutes of 2020) (collectively, special legislation)–signed into law in June 2019 and June 2020, respectively–provided supplemental contributions to the DB Program along with supplemental contribution rate relief to employers through fiscal year 2021-22.

For the year ended June 30, 2022, the contributions reported as deferred outflows of resources related to pensions recognized as part of pension expense for each Plan were as follows:

	STRS	CalPERS
Contributions - employer	$ 3,357,537	$ 2,392,853
On behalf contributions - state	1,975,048	-
Total	$ 5,332,585	$ 2,392,853

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

As of 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:

Total net pension liability, including state share:	
District's proportionate share of the net pension liability	$ 22,520,057
State's proportionate share of the net pension liability associated with the District	11,331,455
Total	$ 33,851,512

NOTE 12 - EMPLOYEE RETIREMENT PLANS - CONT'D

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 employers, actuarially determined.

The District's proportionate share for the measurement period June 30, 2021 and June 30, 2020, was a follows:

Measurement Dates	Fiscal Year	CalSTRS
June 30, 2020	2020-21	0.00054
June 30, 2021	2021-22	0.00049
Change - Increase (Decrease)		(0.00005)

For the year ended June 30, 2022, the District recognized pension expense (income) of $(5,354,470). 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	$ 5,332,585	$ -
Differences between expected and actual experience	56,414	2,396,604
Changes of assumptions	3,190,853	-
Changes in proportion	1,064,048	4,413,569
Net differences between projected and actual earnings on pension plan investments	-	17,813,945
Total	$ 9,643,900	$ 24,624,118

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 remaining amount will be recognized to pension expense as follows:

Year Ended June 30,	Total Deferred Outflows (Inflows) of Resources
2023	$ (4,331,119)
2024	(3,858,529)
2025	(5,404,469)
2026	(6,247,580)
2027	(232,089)
Thereafter	(239,017)
Total	$ (20,312,803)

NOTE 12 - EMPLOYEE RETIREMENT PLANS - CONT'D

Actuarial Methods and Assumptions

The total pension liability for the 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. In determining the total pension liability, the financial reporting actuarial valuation, used the following methods and assumptions:

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Experience study	July 01, 2015 through June 30, 2018
Actuarial cost method	Entry age normal
Investment rate of return*	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%
Postretirement benefit increases	2% simple for DB (annually) maintain 85% purchasing power level for DB, Not applicable for DBS/CBB

*Net of investment expenses but gross of administrative expenses.

Discount Rate

The discount rate used to measure the total pension liability was 7.10%, which was unchanged from prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers are made at statutory contribution rates in accordance with the rate increases. 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 expenses occur midyear. Based on those assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term investment rate of return assumption was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best-estimate ranges were developed using capital market assumptions from CalSTRS investment staff and investment consultants as inputs to the process.

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 expected 20-year geometrically linked real rates of return and the assumed asset allocation for each major asset class as of June 30, 2020, are summarized in the following table:

NOTE 12 - EMPLOYEE RETIREMENT PLANS - CONT'D

Asset Class	Assumed Asset Allocation	Long-term Expected Real Rate of Return**
Public equity	42.0 %	4.80 %
Real estate	15.0 %	3.60 %
Private equity	13.0 %	6.30 %
Fixed income	12.0 %	1.30 %
Risk mitigating strategies	10.0 %	1.80 %
Inflation sensitive	6.0 %	3.30 %
Cash/liquidity	2.0 %	(0.40)%

*20-year average

Mortality

CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among 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.

Uses of assumptions and methods

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (salaries, credited service, etc.) and assumptions about the probability of occurrence of events far into the future (mortality, disabilities, retirements, employment terminations, etc.). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

Discount Rate	Net Pension Liability	
1% decrease (6.10%)	$	45,843,271
Current discount rate (7.10%)	$	22,520,057
1% increase (8.10%)	$	3,163,141

NOTE 12 - EMPLOYEE RETIREMENT PLANS - CONT'D

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 plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2021 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/employers/actuarial-resources/gasb.

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 01, 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 01, 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 as of June 30, 2022, are summarized as follows:

Provisions and Benefits	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
Required employee contribution rate	7.00%	7.00%
Required employer contribution rate	20.91%	20.91%

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 determined 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.

NOTE 12 - EMPLOYEE RETIREMENT PLANS - CONT'D

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 $2,392,853.

Pension Liabilities, Pension Expense, and 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 $22,116,015. 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, was a follows:

Measurement Dates	Fiscal Year	CalPERS
June 30, 2020	2020-21	0.000721
June 30, 2021	2021-22	0.000681
Change - Increase (Decrease)		(0.000040)

For the year ended June 30, 2022, the District recognized pension expense (income) of $(1,536,628). As of 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	$ 2,392,853	$ -
Differences Between Expected and Actual Experience	413,477	32,652
Changes of Assumptions	-	5,315,467
Changes in Proportion	5,700	1,654,640
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	-
Total	$ 2,812,030	$ 7,002,759

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 remaining amount will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows (Inflows) of Resources
2023	$ (1,637,071)
2024	(1,739,021)
2025	(1,505,311)
2026	(1,702,179)
Total	$ (6,583,582)

NOTE 12 - EMPLOYEE RETIREMENT PLANS - CONT'D

Actuarial Assumptions

The total pension liability for the June 30, 2021 measurement period was determined by an actuarial valuation as of June 30, 2020, with updated procedures used to roll forward the total pension liability to June 30, 2021.

The total pension liability was based on the following assumptions:

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Investment rate of return	7.15%
Inflation	2.50%
Salary increases	Varies by entry age and service
Mortality rate table*	Derived using CalPERS' membership data for all funds
Post-retirement benefit increase	2.0% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

* - The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries scale 90% of scale MP-2016.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical and forecasted information for all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as follows:

Asset Class*	Assumed Asset Allocation	Real Return Years 1-10**	Real Return Years 11+***
Global equity	50 %	4.80 %	5.98 %
Fixed income	28 %	1.00 %	2.62 %
Inflation assets	- %	0.77 %	1.81 %
Private equity	8 %	6.30 %	7.23 %
Real estate	13 %	3.75 %	4.93 %
Liquidity	1 %	- %	(0.92)%

* - Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

** - An expected inflation of 2.0% used for this period.

*** - An expected inflation of 2.92% used for this period.

NOTE 12 - EMPLOYEE RETIREMENT PLANS - CONT'D

Discount Rate

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

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.15 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.15 percent) or 1-percentage-point higher (8.15 percent) than the current rate:

Discount rate	Net Pension Liability
1% decrease (6.15%)	$ 23,354,138
Current discount rate (7.15%)	$ 13,850,648
1% increase (8.15%)	$ 5,960,713

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.

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS and STRS annual comprehensive financial reports.

NOTE 13 - JOINT POWERS AGREEMENTS

The District participates in two joint power agreement (JPA) entities, the Ventura County Schools Self-Funding Authority (VCSSFA) and the Self-Insured Schools of California (SISC).

VCSSFA provides workers' compensation, property and liability coverage for its member school districts. The District pays a contribution commensurate with the level of coverage requested. SISC arranges for health and welfare benefits for employees and retirees of participating school districts and their eligible dependents. Member districts pay a monthly premium per eligible participant.

Each JPA is governed by a board consisting of a representative from each member district. Each governing board controls the operations of its JPA independent of any influence by the District beyond the District's representation on the governing boards.

NOTE 13 - JOINT POWERS AGREEMENTS - CONT'D

Each JPA is independently accountable for its fiscal matters. VCSSFA and SISC maintain their own accounting records. Budgets are not subject to any approval other than that of the respective governing boards. Member districts share surpluses and deficits proportionately to their participation in the JPA. Claims have not exceeded coverage in any of the past three fiscal years. Separate financial statements for each JPA may be obtained from the respective entity.

The relationships between the District and the JPAs are such that neither JPA is a component unit of the District for financial reporting purposes.

Condensed financial information is as follows:

	VCSSFA (Audited) 6/30/2021	SISC (Audited) 9/30/2021
Total Assets and Deferred Outflows of Resources	$ 122,930,996	$ 1,021,448,838
Total Liabilities and Deferred Inflows of Resources	50,269,758	231,863,981
Net Position	$ 72,661,238	$ 789,584,857
Total Revenues	$ 31,536,562	$ 2,725,489,512
Total Expenditures	29,488,268	2,620,106,815
Change in Net Position	$ 2,048,294	$ 105,382,697

NOTE 14 - COMMITMENTS AND CONTINGENCIES

State and Federal Allowances, Awards, and Grants

The District has received state and federal funds for specific purposes, including reimbursement of mandated costs, which are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursement will not be material.

Litigation

The District is involved in claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the District's financial statements.

Construction Commitments

As of June 30, 2022, the District was committed under various capital expenditure purchase agreements for construction projects totaling $4,237,592. Projects will primarily be funded through Measure C.

NOTE 15 - SUBSEQUENT EVENTS

The District’s management has reviewed its financial statements and evaluated subsequent events for the period of time from its year ended June 30, 2022 through December 09, 2022, the date the financial statements were issued. Management is not aware of any subsequent events, other than those described above, that would require recognition or disclosure in the accompanying financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

PLEASANT VALLEY SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual (GAAP Basis)	Variance with Final Budget Positive-(Negative)
	Original	Final		
REVENUES:				
Local control funding formula	$ 55,140,115	$ 55,212,547	$ 55,211,455	$ (1,092)
Federal sources	3,115,479	5,567,762	4,871,007	(696,755)
Other state sources	3,237,470	6,815,219	7,487,428	672,209
Other local sources	5,601,942	8,578,011	7,116,477	(1,461,534)
Total revenues	67,095,006	76,173,539	74,686,367	(1,487,172)
EXPENDITURES:				
Current:				
Certificated salaries	32,479,034	31,313,107	33,368,506	(2,055,399)
Classified salaries	9,468,706	9,491,051	10,228,233	(737,182)
Employee benefits	16,281,123	16,014,278	16,211,788	(197,510)
Books & supplies	3,402,117	4,257,938	4,069,694	188,244
Services and other operating expenditures	7,117,527	8,280,741	5,738,133	2,542,608
Capital outlay	65,000	2,010,059	68,056	1,942,003
Other outgo	2,017,208	2,253,117	4,859,842	(2,606,725)
Total expenditures	70,830,715	73,620,291	74,544,252	(923,961)
Excess/(deficiency) of revenues over/(under) expenditures	(3,735,709)	2,553,248	142,115	(2,411,133)
Net change in fund balance	(3,735,709)	2,553,248	142,115	(2,411,133)
Fund balance - beginning	21,709,326	21,709,326	21,709,326	-
Fund balance - ending	$ 17,973,617	$ 24,262,574	$ 21,851,441	$ (2,411,133)

See accompanying notes to required supplementary information.

PLEASANT VALLEY SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - PUPIL TRANSPORTATION EQUIPMENT FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual (GAAP	Variance with Final Budget Positive-
	Original	Final	Basis)	(Negative)
REVENUES:				
Other local sources	$ -	$ -	$ 1,945,024	$ 1,945,024
Total revenues	-	-	1,945,024	1,945,024
EXPENDITURES:				
Current:				
Other outgo	-	-	1,945,059	(1,945,059)
Total expenditures	-	-	1,945,059	(1,945,059)
Excess/(deficiency) of revenues over/(under) expenditures	-	-	(35)	(35)
Net change in fund balance	-	-	(35)	(35)
Fund balance - beginning	-	-	-	-
Fund balance - ending	$ -	$ -	$ (35)	$ (35)

See accompanying notes to required supplementary information.

PLEASANT VALLEY SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS - RETIREE BENEFIT PLAN
FOR THE YEAR ENDED JUNE 30, 2022

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability					
Service cost	$ 189,689	$ 183,537	$ 229,120	$ 212,015	$ 206,341
Interest cost	187,280	195,811	325,512	325,183	359,442
Difference between expected and actual experience	708,201	-	(1,104,300)	-	-
Changes of assumptions	(854,201)	28,183	866,502	214,918	-
Employer contributions	(642,253)	(639,226)	(748,497)	(754,031)	(725,030)
Net change in total OPEB liability	(411,284)	(231,695)	(431,663)	(1,915)	(159,247)
Total OPEB liability - beginning	8,896,670	9,128,365	9,560,028	9,561,943	9,721,190
Total OPEB liability - ending	$ 8,485,386	$ 8,896,670	$ 9,128,365	$ 9,560,028	$ 9,561,943
Covered-employee payroll	$ 40,398,221	$ 40,239,835	$ 40,863,103	$ 39,185,756	$ 39,185,756
District's total OPEB liability as a percentage of covered-employee payroll	21 %	22 %	22 %	24 %	24 %

Note: Accounting standards require presentation of 10 years of information. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule as future data becomes available.

PLEASANT VALLEY SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY - MPP PROGRAM
FOR THE YEAR ENDED JUNE 30, 2022

Medicare Premium Payment Program	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
District's proportion of the net OPEB liability	0.0743 %	0.0816 %	0.0830 %	0.0840 %	0.1400 %
District's proportionate share of the net OPEB liability	$ 296,696	$ 345,818	$ 309,090	$ 321,526	$ 588,991
District's covered-employee payroll [1]	$ -	$ -	$ -	$ -	$ -
District's proportionate share of the net OPEB liability as a percentage of it's covered-employee payroll [1]	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 %

Note: Accounting standards require presentation of 10 years of information. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule as future data becomes available.

[1]Plan participants are limited to retirees; therefore, covered-payroll is zero.

PLEASANT VALLEY SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021	2020	2019	2018
CalSTRS - STRP					
District's proportion of the net pension liability	0.049486%	0.053845%	0.053965%	0.0540%	0.0540%
District's proportionate share of the net pension liability	$ 22,520,057	$ 52,180,814	$ 48,770,640	$ 49,629,780	$ 49,939,200
State's proportionate share of the net pension liability associated with the District	11,331,455	26,899,215	26,607,855	28,415,209	29,543,849
Total	$ 33,851,512	$ 79,080,029	$ 75,378,495	$ 78,044,989	$ 79,483,049
District's covered - employee payroll	$ 31,874,216	$ 28,750,000	$ 29,300,000	$ 29,100,000	$ 28,640,000
District's proportionate share of the net pension liability as a percentage of it's covered - employee payroll	70.65%	181.50%	166.45%	170.55%	174.37%
Plan fiduciary net position as a percentage of the total pension liability	81.20%	71.80%	72.56%	71%	69%

See accompanying notes to required supplementary information.

PLEASANT VALLEY SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2022

	2017	2016	2015
CalSTRS - STRP			
District's proportion of the net pension liability	0.0560%	0.0550%	0.0480%
District's proportionate share of the net pension liability	$ 45,293,360	$ 37,028,200	$ 28,049,760
State's proportionate share of the net pension liability associated with the District	25,788,498	19,583,783	16,937,826
Total	$ 71,081,858	$ 56,611,983	$ 44,987,586
District's covered - employee payroll	$ 27,770,000	$ 25,650,000	$ 24,300,000
District's proportionate share of the net pension liability as a percentage of it's covered - employee payroll	163.10%	144.36%	115.43%
Plan fiduciary net position as a percentage of the total pension liability	70%	74%	77%

See accompanying notes to required supplementary information.

PLEASANT VALLEY SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021	2020	2019	2018
CalPERS - Schools Pool Plan					
District's proportion of the net pension liability	0.068114 %	0.072079 %	0.074330 %	0.0750 %	0.0755 %
District's proportionate share of the net pension liability	$ 13,850,648	$ 13,850,648	$ 21,654,179	$ 19,997,361	$ 18,023,843
District's covered - employee payroll	$ 10,420,635	$ 10,240,000	$ 10,240,000	$ 9,920,000	$ 9,650,000
District's proportionate share of the net pension liability as a percentage of it's covered - employee payroll	132.92 %	135.26 %	211.47 %	201.59 %	186.78 %
Plan fiduciary net position as a percentage of the total pension liability	80.97 %	70.00 %	70.05 %	71 %	72 %

Note: Accounting standards require presentation of 10 years of information. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule as future data becomes available.

PLEASANT VALLEY SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

FOR THE YEAR ENDED JUNE 30, 2022

	2017	2016	2015
CalPERS - Schools Pool Plan			
District's proportion of the net pension liability	0.0770 %	0.0770 %	0.0744 %
District's proportionate share of the net pension liability	$ 15,207,548	$ 11,349,876	$ 8,446,212
District's covered - employee payroll	$ 9,230,000	$ 8,538,000	$ 7,800,000
District's proportionate share of the net pension liability as a percentage of it's covered - employee payroll	164.76 %	132.93 %	108.28 %
Plan fiduciary net position as a percentage of the total pension liability	74 %	79 %	83 %

See accompanying notes to required supplementary information.

PLEASANT VALLEY SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021	2020	2019	2018
CalSTRS					
Contractually required contribution	$ 5,332,585	$ 4,370,555	$ 4,915,149	$ 4,774,323	$ 4,199,622
Contributions in relations to the contractually required contribution	(5,332,585)	(4,370,555)	(4,915,149)	(4,774,323)	(4,199,622)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered - employee payroll	$ 31,874,216	$ 26,934,971	$ 28,750,000	$ 29,300,000	$ 29,100,000
Contributions as a percentage of covered - employee payroll	16.73 %	16.23 %	17.10 %	16.29 %	14.43 %
CalPERS					
Contractually required contribution	$ 2,392,853	$ 2,029,982	$ 2,019,300	$ 1,849,845	$ 1,541,147
Contributions in relations to the contractually required contribution	(2,392,853)	(2,029,982)	(2,019,300)	(1,849,845)	(1,541,147)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered - employee payroll	$ 10,420,635	$ 9,904,985	$ 10,240,000	$ 10,240,000	$ 9,920,000
Contributions as a percentage of covered - employee payroll	22.96 %	20.49 %	19.72 %	18.06 %	15.54 %

Note: Accounting standards require presentation of 10 years of information. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule as future data becomes available.

See accompanying notes to required supplementary information.

PLEASANT VALLEY SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2022

	2017	2016	2015
CalSTRS			
Contractually required contribution	$ 3,602,313	$ 2,979,394	$ 2,278,095
Contributions in relations to the contractually required contribution	(3,602,313)	(2,979,394)	(2,278,095)
Contribution deficiency (excess)	$ -	$ -	$ -
District's covered - employee payroll	$ 28,640,000	$ 27,770,000	$ 25,650,000
Contributions as a percentage of covered - employee payroll	12.58 %	10.73 %	8.88 %
CalPERS			
Contractually required contribution	$ 1,340,193	$ 1,093,764	$ 1,005,080
Contributions in relations to the contractually required contribution	(1,340,193)	(1,093,764)	(1,005,080)
Contribution deficiency (excess)	$ -	$ -	$ -
District's covered - employee payroll	$ 9,650,000	$ 9,230,000	$ 8,538,000
Contributions as a percentage of covered - employee payroll	13.89 %	11.85 %	11.77 %

See accompanying notes to required supplementary information.

PLEASANT VALLEY SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

NOTE 1 - PURPOSE OF SCHEDULES

SCHEDULE OF BUDGETARY COMPARISON FOR THE GENERAL FUND

A budgetary comparison is presented for the general fund. This schedule presents the budget as originally adopted, the revised budget as of the fiscal year end, actual amounts at fiscal year-end, and any adjustments needed to present the amounts in accordance with generally accepted accounting principles (GAAP).

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 01 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. The District's major fund was not exceeded the budgeted amount in total.

For the year ended June 30, 2022, the District incurred an excess of expenditures over appropriations in individual major funds presented in the Budgetary Comparison Schedule by major object code as follows:

	Expenditures and Other Uses		
	Budget	Actual	Excess
General Fund			
Certificated salaries	$ 31,313,107	$ 33,368,506	$ (2,055,399)
Classified salaries	$ 9,491,051	$ 10,228,233	$ (737,182)
Employee benefits	$ 16,014,278	$ 16,211,788	$ (197,510)
Other outgo	$ 2,253,117	$ 4,859,842	$ (2,606,725)
Pupil Transportation Equipment Fund			
Other outgo	$ -	$ 1,945,059	$ (1,945,059)

NOTE 1 - PURPOSE OF SCHEDULES - CONT'D

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS - RETIREE BENEFITS PLAN

This 10-year schedule is required by GASB Statement No. 75 for all sole and agent employers that provide other postemployment benefits (OPEB). Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 75 was applicable. The schedule presents the sources of change in the total OPEB liability, and the components of the total OPEB liability and related ratios, including the total OPEB liability as a percentage of covered-employee payroll.

Changes in Benefits Terms

There were no changes in the benefit terms since the previous valuation.

Changes of Assumptions

Changes of assumptions and other inputs reflect a change in the discount rate from 2.16 percent to 3.54 percent since the previous valuation.

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS - MEDICARE PREMIUM PAYMENT PLAN

The schedule is intended to show trends about the changes in the District's actuarially determined liability for the Medicare Premium Payment plan.

Changes in Benefits Terms

There were no changes in the benefits 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 DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY CALSTRS (STRP) AND CALPERS (SCHOOLS POOL PLAN)

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the District's proportion (percentage) of the collective net pension liability, the District's proportionate share (amount) of the collective net pension liability, the District's covered payroll, the District's proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered payroll, and the pension plan's fiduciary net position as a percentage of the total pension liability.

Changes in Benefit Terms

There were no changes in benefit terms since the previous valuations for CalSTRS and CalPERS.

Changes in Assumptions

There were no changes in economic assumptions since the previous valuations for CalSTRS and CalPERS.

NOTE 1 - PURPOSE OF SCHEDULES - CONT'D

SCHEDULE OF DISTRICT CONTRIBUTIONS - CALSTRS (STRP) AND CALPERS (SCHOOLS POOL PLAN)

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the District's statutorily or contractually required employer contribution, the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the difference between the statutorily or contractually required employer contribution and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the District's covered payroll, and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution as a percentage of the District's covered payroll.

Fiscal year 2015 was the first year of implementation, therefore only seven years are shown.

	CalPERS	CalSTRS
Valuation date	June 30, 2020	June 30, 2020
Measurement date	June 30, 2021	June 30, 2021
Actuarial cost method	Entry- Age Normal Cost	Entry- Age Normal Cost
Actuarial Assumptions:		
Discount rate	7.15%	7.10%
Inflation	2.50%	2.75%
Payroll growth rate	2.75%	3.50%
Projected salary increases	Varies by entry age and service	Varies by entry age and service
Investment rate of return[1]	7.15%	7.10%
Mortality rate table	Derived using CalPERS' membership data for all funds	Derived using CalSTRS' membership data for all funds

[1] Net of pension plan investment expenses, including inflation.

SUPPLEMENTARY INFORMATION

PLEASANT VALLEY SCHOOL DISTRICT
LOCAL EDUCATION AGENCY AND ORGANIZATION STRUCTURE
JUNE 30, 2022

ORGANIZATION

Pleasant Valley School District is comprised of an area of approximately forty-nine (49) square miles located in Ventura County. There were no changes in the boundaries of the District during the current year. The district is currently operating one pre-school, seven elementary schools, two middle schools, and two alternative (Grade K-8) schools.

The Board of Trustees and the District Administrators as of June 30, 2022 were as follows:

BOARD OF TRUSTEES

Member	Office	Term Expires
Mrs. Beckie Cramer	President	December 2022
Mr. Pat FitzGerald	Clerk	December 2024
Mrs. Patty Lerner	Member	December 2022
Mr. Bob Rust	Member	December 2022
Mr. Ron Speakman	Member	December 2022

DISTRICT ADMINISTRATORS

Dr. Danielle Cortes	Superintendent of Schools
Mr. Chris Johnston	Assistant Superintendent, Business Services
Mrs. Carol Bjordahl	Assistant Superintendent, Administrative Services
Dr. Veronica Ortega	Assistant Superintendent, Educational Services

PLEASANT VALLEY SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE
FOR THE YEAR ENDED JUNE 30, 2022

The requirements governing ADA, admission of pupils, types of schools, recording and reporting of pupil attendance, and similar matters are controlled by provisions of the California Education Code and by regulations of the California Department of Education.

ADA statistics reported to the state for the fiscal year ended June 30, 2022 are as follows:

	Final Report	
	Second Period	Annual
Grades Transitional Kindergarten through Third:		
Regular ADA	2,401.02	2,401.82
Extended Year Special Education	3.14	3.14
Total Grades Transitional Kindergarten Through Third ADA	2,404.16	2,404.96
Grades Four Through Six:		
Regular ADA	1,771.60	1,763.95
Extended Year Special Education	2.06	2.06
Special Education - Nonpublic, Nonsectarian Schools	0.41	0.52
Total Grades Four Through Six ADA	1,774.07	1,766.53
Grades Seven and Eight:		
Regular ADA	1,225.25	1,222.27
Extended Year Special Education	1.04	1.04
Special Education - Nonpublic, Nonsectarian Schools	0.75	0.67
Extended Year Special Education - Nonpublic, Nonsectarian Schools	0.14	0.14
Total Grades Seven and Eight ADA	1,227.18	1,224.12
Total ADA	5,405.41	5,395.61

See accompanying notes to supplementary information.

PLEASANT VALLEY SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME
FOR THE YEAR ENDED JUNE 30, 2022

			Number of Days		
Grade Level	Minutes Requirement	2021-22 Actual Minutes	Traditional Calendar	Multitrack Calendar	Status
Kindergarten	36,000	40,130	180	Not Applicable	In Compliance
Grade 1	50,400	50,567	180	Not Applicable	In Compliance
Grade 2	50,400	50,567	180	Not Applicable	In Compliance
Grade 3	50,400	50,567	180	Not Applicable	In Compliance
Grade 4	54,000	55,977	180	Not Applicable	In Compliance
Grade 5	54,000	55,977	180	Not Applicable	In Compliance
Grade 6	54,000	59,580	180	Not Applicable	In Compliance
Grade 7	54,000	59,580	180	Not Applicable	In Compliance
Grade 8	54,000	59,580	180	Not Applicable	In Compliance

Note: The District did not file J-13A during fiscal year 2021-2022.

PLEASANT VALLEY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/Program	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Program Expenditures
United States Department of Agriculture:			
Passed Through Program From California Department of Education (CDE):			
Child Nutrition Cluster:			
Basic School Breakfast Program	10.553	13525	$ 3,125,094
SNP COVID-19 Emergency Operational Costs Reimbursements (ECR)	10.555	15637	52,395
Subtotal Child Nutrition Cluster			3,177,489
Total United States Department of Agriculture			3,177,489
United States Department of Education:			
Passed Through Program From California Department of Education (CDE):			
Special Education Cluster:			
IDEA Basic Local Assistance Entitlement, Part B, Sec 611	84.027	13379	2,222,139
ARP IDEA Part B, Sec. 611, Local Assistance Entitlement	84.027	13379	284,090
ARP IDEA Part B, Sec 619, Preschool Grants	84.173	13430	32,595
IDEA Preschool Grants, Part B, Sec 619	84.173A	13430	406,921
Subtotal Special Education Cluster			2,945,745
Every Student Succeeds Act:			
Title III - Immigrant Student Program	84.365	14346	1,901
Title III - English Learner Student Program	84.365	15146	45,963
Title I, Part A, Basic Grants Low Income and Neglected	84.010	14329	679,047
Title II, Part A, Supporting Effective Instruction	84.367	14341	126,625
Title IV, Part A, Student Support and Academic Enrichment Grants	84.424	15396	250,657

See accompanying notes to supplementary information.

PLEASANT VALLEY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/Program	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Program Expenditures
Education Stabilization Fund (ESF) Cluster:			
Elementary and Secondary School Emergency Relief II (ESSER II) Fund	84.425D	15547	692,309
Elementary and Secondary School Emergency Relief III (ESSER III) Fund	84.425D	XXXXX	74,135
Expanded Learning Opportunities (ELO) Grant: ESSER II State Reserve	84.425D	XXXXX	551,614
Expanded Learning Opportunities (ELO) Grant: GEER II	84.425D	XXXXX	126,600
Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve Emergency Needs	84.425D	15620	359,588
Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve Learning Loss	84.425D	15621	619,868
Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	15536	448,024
Governor's Emergency Education Relief Fund (GEER) - Learning Loss Mitigation	84.425C	15517	416,169
Subtotal Education Stabilization Fund (ESF) Cluster			3,288,307
Total United States Department of Education			7,087,588
United States Department of Health and Human Services			
Passed Through Program From California Department of Education (CDE):			
Medi-Cal Billing Option	93.778	10013	45,661
Total United States Department of Health and Human Services			45,661
Total Expenditures of Federal Awards			$ 10,561,395

See accompanying notes to supplementary information.

PLEASANT VALLEY SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

	Budget 2023	2022	2021	2020
Revenues				
Local control funding formula sources	$ 59,340,280	$ 55,211,455	$ 52,618,540	$ 53,062,091
Federal sources	6,390,540	4,871,007	5,250,912	2,494,571
Other state sources	4,828,029	7,487,428	5,964,206	6,444,729
Other local sources	7,001,857	7,116,477	6,107,431	7,328,388
Total revenues	77,560,706	74,686,367	69,941,089	69,329,779
Expenditures				
Certificated salaries	32,186,361	33,368,506	29,267,984	29,675,581
Classified salaries	11,725,592	10,228,233	9,284,493	9,221,577
Employee benefits	18,493,845	16,211,788	13,911,563	18,463,466
Books and supplies	2,870,056	4,069,694	2,677,149	1,934,195
Services and other operating expenditures	8,709,475	5,738,133	5,855,628	5,007,078
Capital outlay	94,270	68,056	35,584	1,424,145
Other outgo	4,782,088	4,859,842	2,161,979	1,956,237
Interfund transfers out	-	-	-	8,632
Total expenditures	78,861,687	74,544,252	63,194,380	67,690,911
Change in fund balance	(1,300,981)	142,115	6,746,709	1,638,868
Restatement	-	-	178,269	-
Ending fund balance	20,550,460	21,851,441	21,709,326	14,784,328
Available reserve*	2,365,851	2,236,328	1,895,832	9,344,702
Available reserve %	3.00 %	3.00 %	3.00 %	13.80 %
K-12 Average daily attendance at P-2	5,512	5,405	6,025	5,987
Total long-term debt	$158,648,424	$163,548,424	$141,168,568	$143,673,536

The General Fund balance has increased by $7,067,113 over the past two years. The fiscal year 2022-23 budget projects a decrease of $1,300,981, or 5.95%. For a District this size, the state recommends a 3% reserve of total general fund expenditures, transfers out and other uses. For all years presented, the District has met or is projected to meet the reserve requirement.

The District has incurred operating surpluses in all the past three years and anticipates incurring an operating deficit during the 2022-23 fiscal year. Total long-term obligations have decreased by $19,874,888 over the past two years.

Average daily attendance has decreased by 582 over the past two years. An increase of 107 ADA is anticipated during fiscal year 2022-23.

1 Available reserves are those amounts reserved for economic uncertainty and any other remaining unassigned fund balance from the general fund.

2 Budget 2023 is included for analytical purposes only and has not been subjected to audit.

See accompanying notes to supplementary information.

PLEASANT VALLEY SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2022

Charter School Number	Charter School	Included in District Audit Report?
0464	University Preparation Charter School at CSU Channel Islands	No
2062	Peak Preparation Pleasant Valley	No

See accompanying notes to supplementary information.

PLEASANT VALLEY SCHOOL DISTRICT

RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

There were no differences between the fund balances reported on the June 30, 2022 Annual Financial and Budget Report for the governmental funds and the audited financial statements.

PLEASANT VALLEY SCHOOL DISTRICT
NOTES TO SUPPLEMENTARY INFORMATION
JUNE 30, 2022

NOTE 1 - PURPOSE OF SCHEDULES

LOCAL EDUCATION AGENCY AND 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 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

This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of article 8 (commencing with section 46200) of chapter 2 of part 26 of the Education Code.

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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 governmental for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of the 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 operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

INDIRECT COST RATE

The District has not elected to use the 10-percent de minimis cost rate as covered in Section 200.414 Indirect (F&A) costs of the Uniform Guidance.

PAYMENT TO SUBRECIPIENTS

The District did not have any subrecipients during the year.

NOTE 1 - PURPOSE OF SCHEDULES - CONT'D

SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS

The *2021-22 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* requires that this schedule be prepared showing financial trends of the general fund over the past three fiscal years as well as the current year budget. This report is intended to identify if the District faces potential fiscal problems and if they have met the recommended available reserve percentages.

SCHEDULE OF CHARTER SCHOOL

The *2021-22 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* requires that this schedule list all charter schools chartered by the District and inform the users whether or not the charter school information is included in the District's financial statements.

RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH AUDITED FINANCIAL STATEMENTS

This schedule provides the information necessary to reconcile the fund balances of all funds as reported on the annual Financial and Budget Report form to the audited financial statements.

PLEASANT VALLEY SCHOOL DISTRICT
COMBINING BALANCE SHEET
BUILDING FUND
JUNE 30, 2022

	Building Fund	Building Fund - Measure C	Total Building Funds
ASSETS			
Cash in county treasury	$ 291,768	$ 48,764,701	$ 49,056,469
Accounts receivable	-	80,016	80,016
Due from other funds	-	151,543	151,543
Total assets	291,768	48,996,260	49,288,028
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	7,565	2,461,122	2,468,687
Total liabilities	7,565	2,461,122	2,468,687
FUND BALANCES			
Restricted	284,203	46,535,138	46,819,341
Total fund balances	284,203	46,535,138	46,819,341
Total liabilities and fund balances	$ 291,768	$ 48,996,260	$ 49,288,028

See accompanying notes to other supplementary information.

PLEASANT VALLEY SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUILDING FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Building Fund	Building Fund - Measure C	Total Building Funds
REVENUES			
Other local sources	$ 1,039	$ 145,338	$ 146,377
Total revenues	1,039	145,338	146,377
EXPENDITURES			
Current:			
Plant services	-	287,301	287,301
Facility acquisition and construction	-	10,949,015	10,949,015
Total expenditures	-	11,236,316	11,236,316
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of bonds	-	40,000,000	40,000,000
Net financing sources (uses)	-	40,000,000	40,000,000
Net change in fund balance	1,039	28,909,022	28,910,061
Fund balances - beginning of year	283,164	17,626,116	17,909,280
Fund balances - end of year	$ 284,203	$ 46,535,138	$ 46,819,341

See accompanying notes to other supplementary information.

PLEASANT VALLEY SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022

	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund
ASSETS			
Cash in county treasury	$ 467,761	$ 428,027	$ 1,581,591
Cash with fiscal agent	-	-	-
Accounts receivable	99,274	660,510	1,115
Due from other funds	17,697	29,156	-
Prepaid expenditures	-	-	-
Total assets	584,732	1,117,693	1,582,706
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	71,072	162,654	90,163
Due to other funds	85,747	48,805	-
Total liabilities	156,819	211,459	90,163
FUND BALANCES			
Nonspendable	-	-	-
Restricted	55,387	906,234	-
Assigned	372,526	-	1,492,543
Unassigned	-	-	-
Total fund balances	427,913	906,234	1,492,543
Total liabilities and fund balances	$ 584,732	$ 1,117,693	$ 1,582,706

See accompanying notes to other supplementary information.

PLEASANT VALLEY SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022

	Capital Facilities Fund	Bond Interest and Redemption Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash in county treasury	$ 5,293,689	$ 5,641,789	$ 13,412,857
Cash with fiscal agent	-	21,104,904	21,104,904
Accounts receivable	8,538	8,256	777,693
Due from other funds	-	-	46,853
Prepaid expenditures	-	-	-
Total assets	5,302,227	26,754,949	35,342,307
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	196,253	-	520,142
Due to other funds	-	-	134,552
Total liabilities	196,253	-	654,694
FUND BALANCES			
Nonspendable	-	-	-
Restricted	5,105,974	26,754,949	32,822,544
Assigned	-	-	1,865,069
Unassigned	-	-	-
Total fund balances	5,105,974	26,754,949	34,687,613
Total liabilities and fund balances	$ 5,302,227	$ 26,754,949	$ 35,342,307

PLEASANT VALLEY SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund
REVENUES			
Local control funding formula sources	$ -	$ -	$ 546,621
Federal sources	30,600	3,560,882	-
Other state sources	353,801	252,529	-
Other local sources	1,865,491	(16,020)	2,624
Total revenues	2,249,892	3,797,391	549,245
EXPENDITURES			
Current			
Instruction	139,974	-	-
Instruction-related activities:			
School site administration	16,642	-	-
Instructional supervision and administration	22,284	-	-
Pupil services:			
Food services	-	3,177,488	-
All other pupil services	54,869	-	-
General administration			
All other administration	85,747	47,908	-
Plant services	174,716	-	63,417
Facility acquisition and construction	-	-	279,913
Community services	1,488,569	-	-
Debt service - Principal	-		-
Debt service - Interest	-	-	-
Debt service - Bond issuance cost	-	-	-
Total expenditures	1,982,801	3,225,396	343,330
Excess (Deficiency) of revenues over expenditures	267,091	571,995	205,915
OTHER FINANCING SOURCES (USES)			
Other financing sources (uses)	-	-	-
Proceeds from sale of bonds	-	-	-
Net financing sources (Uses)	-	-	-
Net change in fund balances	267,091	571,995	205,915
Fund balances - beginning	160,822	334,239	1,286,628
Fund balances - ending	$ 427,913	$ 906,234	$ 1,492,543

See accompanying notes to other supplementary information.

PLEASANT VALLEY SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	Capital Facilities Fund	Bond Interest and Redemption Fund	Total Nonmajor Governmental Funds
REVENUES			
Local control funding formula sources	$ -	$ -	$ 546,621
Federal sources	-	-	3,591,482
Other state sources	-	26,992	633,322
Other local sources	1,016,764	4,845,854	7,714,713
Total revenues	1,016,764	4,872,846	12,486,138
EXPENDITURES			
Current			
Instruction	-	-	139,974
Instruction-related activities:			
School site administration	-	-	16,642
Instructional supervision and administration	-	-	22,284
Pupil services:			
Food services	-	-	3,177,488
All other pupil services	-	-	54,869
General administration			
All other administration	-	-	133,655
Plant services	-	-	238,133
Facility acquisition and construction	449,853	-	729,766
Community services	-	-	1,488,569
Debt service - Principal	-	5,525,000	5,525,000
Debt service - Interest	-	2,653,207	2,653,207
Debt service - Bond issuance cost	-	462,596	462,596
Total expenditures	449,853	8,640,803	14,642,183
Excess (Deficiency) of revenues over expenditures	566,911	(3,767,957)	(2,156,045)
OTHER FINANCING SOURCES (USES)			
Other financing sources (uses)	-	14,696	14,696
Proceeds from sale of bonds	-	26,762,434	26,762,434
Net financing sources (Uses)	-	26,777,130	26,777,130
Net change in fund balances	566,911	23,009,173	24,621,085
Fund balances - beginning	4,539,063	3,745,776	10,066,528
Fund balances - ending	$5,105,974	$26,754,949	$ 34,687,613

See accompanying notes to other supplementary information.

NOTE 1 - PURPOSE OF SCHEDULES

Combining Fund Financial Statements

The combining balance sheets and statements of revenues, expenditures, and changes in fund balance for the building fund and the nonmajor governmental funds have been presented to provide additional information to the users of these financial statements. These statements have been prepared using the basis of accounting described in the notes to the financial statements.

INDEPENDENT AUDITOR'S REPORTS

HARSHWAL & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

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 Board of Trustees
Pleasant Valley School District
Camarillo, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Pleasant Valley School District (the "District") as of June 30, 2022, and the related notes to the financial statements, which collectively comprise District's basic financial statements, and have issued our report thereon dated December 09, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Harshwal & Company LLP

San Diego, California
December 09, 2022

HARSHWAL® & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Trustees
Pleasant Valley School District
Camarillo, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Pleasant Valley School District's (the "District) 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 District's major federal programs as of June 30, 2022. 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, District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs as of 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 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 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 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 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 generally accepted auditing standards, *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 District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 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 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 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.

Harshwal & Company LLP

San Diego, California
December 09, 2022

HARSHWAL® & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE REPORTING

To the Board of Trustees
Pleasant Valley School District
Camarillo, California

Report on State Compliance

We have audited Pleasant Valley School District's (the District) compliance with the types of compliance requirements as identified in the *2021-22 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* that could have a direct and material effect on each of the District's State government programs as noted below as of June 30, 2022.

Management's Responsibility

Management is responsible for compliance with the requirements of State laws, regulations, and the terms and conditions of its State awards applicable to its State programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of District's state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; *2021-22 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the state programs noted below. An audit includes examining, on a test basis, evidence about District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance with the requirements referred to above. However, our audit does not provide a legal determination of District's compliance with those requirements.

Opinion on State Compliance

In our opinion, District complied, in all material respects, with the types of compliance requirements referred to above that are applicable to the state programs noted in the table below as of June 30, 2022.

Procedures Performed

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

Program Description	Procedures Performed
Local Education Agencies other than Charter Schools	
Attendance and Distance Learning	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Continuation Education	Yes, see below
Independent Study	No, see below
Instructional Time	Yes
Instructional Materials	Yes
Ratio of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	No, see below
GANN Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	No, see below
Middle or Early College High Schools	No, see below
K-3 Grade Span Adjustment	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 Charter Schools	
California Clean Energy Jobs Act	Yes
After/Before School Education and Safety Program	
General Requirements	Yes
After School	Yes
Before School	No, see below
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	No, see below
Immunizations	Yes
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

We did not perform testing for Independent Study because ADA was below the threshold required for testing.

The District does not offer a Work Experience Program; therefore, we did not perform procedures related to the Work Experience Program within the Continuation Education Attendance Program.

The District did not offer an Early Retirement Incentive Program during the current year; therefore, we did not perform procedures related to the Early Retirement Incentive Program.

The District does not have any Juvenile Court Schools; therefore, we did not perform any procedures related to Juvenile Court Schools.

The District does not have any Middle or Early College High Schools; therefore, we did not perform any procedures related to Middle or Early College High Schools.

The District does not offer an Apprenticeship Program; therefore, we did not perform any procedures for the Apprenticeship Program.

The District does not offer a District of Choice Program; therefore, we did not perform any procedures for the District of Choice Program.

The District does not offer a Before School Education and Safety Program; therefore, we did not perform any procedures related to the After/Before School Education and Safety Program.

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.

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

Harshwal & Company LLP

San Diego, California
December 09, 2022

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

PLEASANT VALLEY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 200.516(a) of the Uniform Guidance?	No

Identification of major programs:

Assistance Listing Number (ALN)	*Name of Federal Program or Cluster*
84.425	Education Stabilization Fund (ESF) Cluster
84.027, 84.173	Special Education Cluster

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

State Awards

Type of auditor's report issued on compliance for state programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with State's *Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*?	No

PLEASANT VALLEY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

SECTION II - AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS

FIVE DIGIT CODE	AB 3627 FINDING TYPE
20000	Inventory of Equipment
30000	Internal Control

There were no findings related to the financial statements as of June 30, 2022.

PLEASANT VALLEY SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2022

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

FIVE DIGIT CODE	AB 3627 FINDING TYPE
50000	Federal Compliance

There were no findings and questioned costs related to federal awards as of June 30, 2022.

PLEASANT VALLEY SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

SECTION IV - STATE AWARD FINDINGS AND QUESTIONED COSTS

FIVE DIGIT CODE	AB 3627 FINDING TYPE
10000	Attendance
40000	State Compliance
42000	Charter School Facilities Programs
43000	Apprenticeship: Related and Supplemental Instruction
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

There were no findings and questioned costs related to state awards as of June 30, 2022.

PLEASANT VALLEY SCHOOL DISTRICT
STATUS OF PRIOR YEAR'S FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

There were no findings reported in prior year.