

**MOORPARK UNIFIED SCHOOL DISTRICT
VENTURA COUNTY**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2023



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAconnect.com](https://www.CLAconnect.com)

**MOORPARK UNIFIED SCHOOL DISTRICT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2023**

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	5
FINANCIAL SECTION	
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	14
STATEMENT OF ACTIVITIES	15
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	16
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	17
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS	18
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES	19
NOTES TO FINANCIAL STATEMENTS	20
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF BUDGETARY COMPARISON FOR THE GENERAL FUND	52
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS	53
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY	54
SCHEDULE OF DISTRICT CONTRIBUTIONS	56
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION	58

**MOORPARK UNIFIED SCHOOL DISTRICT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2023**

SUPPLEMENTARY INFORMATION

LEA ORGANIZATION STRUCTURE	61
SCHEDULE OF AVERAGE DAILY ATTENDANCE (ADA)	62
SCHEDULE OF INSTRUCTIONAL TIME	63
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	64
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS	66
SCHEDULE OF CHARTER SCHOOLS	67
RECONCILIATION OF THE ANNUAL FINANCIAL AND BUDGET REPORT WITH THE AUDITED FINANCIAL STATEMENTS	68
NOTE TO THE SUPPLEMENTARY INFORMATION	69

OPTIONAL SUPPLEMENTARY INFORMATION

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS	72
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS	74
NOTE TO THE OPTIONAL SUPPLEMENTARY INFORMATION	76

OTHER INDEPENDENT AUDITORS' REPORTS

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	78
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	80
INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE AND REPORT ON INTERNAL CONTROL OVER STATE COMPLIANCE	83

**MOORPARK UNIFIED SCHOOL DISTRICT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2023**

FINDINGS AND QUESTIONED COSTS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS 88

SCHEDULE OF PRIOR AUDIT FINDINGS 90



INDEPENDENT AUDITORS' REPORT

Board of Education
Moorpark Unified School District
Moorpark, 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 the Moorpark Unified School District (the District) as of and for the year ended June 30, 2023, 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, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, effective July 1, 2022, the District adopted new accounting guidance for subscription-based information technology arrangements (SBITA). The guidance requires recognition of a SBITA asset and corresponding subscription payable. As a result of the implementation of this guidance, the District has reported SBITA asset and corresponding subscription payable. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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, budgetary comparison information, schedule of changes in the total OPEB liability and related ratios, schedule of District's proportionate share of the net pension liability and schedule of District contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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

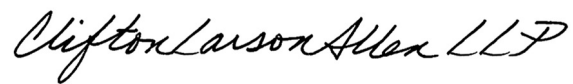
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of average daily attendance (ADA), schedule of instructional time, reconciliation of the annual financial and budget report with the audited financial statements, combining nonmajor fund financial statements, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of average daily attendance (ADA), schedule of instructional time, reconciliation of the annual financial and budget report with the audited financial statements, combining nonmajor fund financial statements, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The LEA organization structure, schedule of financial trends and analysis and schedule of charter schools which is the responsibility of management, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Board of Education
Moorpark Unified School District

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30 2023, 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.



CliftonLarsonAllen LLP

Glendora, California
October 30, 2023

**MOORPARK UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023**

This section of Moorpark Unified School District's (the District) annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2023, with comparative information from 2022. Please read it in conjunction with the District's financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Financial Statements

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

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

The governmental fund statements are prepared using the current financial resources measurement focus and modified accrual basis of accounting.

Reconciliation of the fund financial statements to the government-wide financial statements is provided to explain the differences created by the integrated approach.

The Primary unit of the government is the Moorpark Unified School District.

The Statement of Net Position and the Statement of Activities

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

These two statements report the District's net position and changes in them. Net position is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. Other factors to consider are changes in the District's property tax base and the condition of the District's facilities. The relationship between revenues and expenses is the District's operating results. Since the board's responsibility is to provide services to our students and not to generate profit as commercial entities do, one must consider other factors when evaluating the overall health of the District. The quality of the education and the safety of our schools will likely be an important component in this evaluation.

**MOORPARK UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023**

In the statement of net position and the statement of activities, we present the District activities as follows:

Governmental Activities – The District reports all of its services in this category. This includes the education of kindergarten through grade twelve students, adult education students, the operation of child development activities, and the on-going effort to improve and maintain buildings and sites. Property taxes, state income taxes, user fees, interest income, federal, state, and local grants, as well as general obligation bonds, finance these activities.

FINANCIAL HIGHLIGHTS

- General Fund total revenues of \$93,448,558 and expenditures of \$82,225,051 resulted in an excess as of June 30, 2023.
- General Fund ending balance, excluding the Deferred Maintenance Fund, as of June 30, 2023 was \$27,521,626.
- District leaders remain committed to “right sizing” the District and staff from each department and meet regularly to review District needs and budgetary planning factors.
- The District continues to focus on the improvement of budget process and procedures by offering training opportunities for certificated and classified leaders and fiscal staff throughout the year and by scheduling a minimum of three budget collaboration meetings with each school site and department leader annually.
- The District continues to engage stakeholders for the purpose of increasing awareness, transparency and knowledge of the budget process through the LCAP committee meetings, School Site Council meetings, DELAC meetings, and Board presentations.
- The District used one-time state funds and competitive grant awards to enhance equity and expand wellness supports for students in grades TK-12.
- Strategic planning, program expansion grants, and new community partnerships that maximize the Adult Education budget allowed the Adult Education School to expand its services to nearly 500 students in 2022-23 compared to approximately 100 students the prior year.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

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

Governmental Funds – Most of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds, and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the

**MOORPARK UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023**

District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation following each governmental fund financial statement.

THE DISTRICT AS A WHOLE

Net Position

The District's net position (deficit) was \$(15,645,220) for the fiscal year ended June 30, 2023. Of this amount, \$(46,716,012) was unrestricted. Restricted net position are reported separately to show legal constraints from debt covenants, grantors, constitutional provisions, and enabling legislation that limit the school board's ability to use those net position for day-to-day operations. Our analysis below, in summary form, focuses on the net position (Table 1) and change in net position (Table 2) of the District's governmental activities.

	Governmental Activities	
	June 30, 2023	June 30, 2022
ASSETS		
Current and Other Assets	\$ 50,307,704	\$ 38,958,214
Capital Assets, Net	80,743,060	82,029,516
Total Assets	131,050,764	120,987,730
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charge on Refunding	186,667	276,138
Deferred Outflows - OPEB	1,402,181	1,848,442
Deferred Outflows - Pensions	15,485,843	11,159,524
Total Deferred Outflows of Resources	17,074,691	13,284,104
LIABILITIES		
Current Liabilities	6,322,712	7,348,627
Long-Term Liabilities	147,276,269	127,034,699
Total Liabilities	153,598,981	134,383,326
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows - Leases	332,152	449,382
Deferred Inflows - OPEB	1,536,401	1,734,027
Deferred Inflows - Pensions	8,303,141	30,505,226
Total Deferred Outflows of Resources	10,171,694	32,688,635
NET POSITION		
Net Investment in Capital Assets	10,568,094	11,368,412
Restricted	20,502,698	13,069,714
Unrestricted	(46,716,012)	(57,238,253)
Total Net Position	\$ (15,645,220)	\$ (32,800,127)

**MOORPARK UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023**

Changes in Net Position

The results of this year's operations for the District as a whole are reported in the statement of activities. Table 2 takes the information from the statement of activities, so you can see our total revenues for the year.

	Governmental Activities	
	June 30, 2023	June 30, 2022
REVENUES		
Program Revenues:		
Charges for Services	\$ 2,307,770	\$ 2,003,392
Operating Grants and Contributions	28,782,328	19,540,271
General Revenues:		
Property Taxes	28,366,760	28,453,353
Federal and State Aid	43,359,701	37,387,938
Other General Revenues	2,017,023	1,660,528
Total Revenues	104,833,582	89,045,482
 EXPENSES		
Instruction	40,319,089	37,750,590
Instruction-Related Services	9,313,021	7,380,601
Pupil Services	11,132,595	6,183,713
Ancillary Services	1,796,461	1,515,520
General Administration	6,880,019	5,760,626
Plant Services	7,263,155	6,867,445
Other Outgo and Interest on Long-Term Debt	7,055,980	7,174,956
Depreciation and Amortization	3,918,355	3,850,764
Total Expenses	87,678,675	76,484,215
 CHANGE IN NET POSITION	17,154,907	12,561,267
 Net Position - Beginning of Year	(32,800,127)	(45,361,394)
 NET POSITION - END OF YEAR	\$ (15,645,220)	\$ (32,800,127)

Governmental Activities

As reported in the statement of activities, the cost of all of our governmental activities this year was \$87,678,675. However, the amount that our taxpayers paid for these activities was \$28,366,760 because the cost was paid by those who benefited from the programs \$2,307,770, or by other governments and organizations who subsidized certain programs with grants and contributions \$28,782,328. We paid for the remaining "public benefit" portion of our governmental activities with \$45,376,724 in federal and state funds and other revenues, like interest and general entitlements.

**MOORPARK UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023**

THE DISTRICT'S FUNDS

As the District completed this year, our governmental funds reported a combined fund balance of \$43,763,345, which is an increase of \$12,439,863 from last year.

	Fund Balance		
	June 30, 2023	June 30, 2022	Difference
GOVERNMENTAL FUNDS			
General Fund	\$ 27,521,858	\$ 15,776,525	\$ 11,745,333
Building Fund	6,911,824	6,563,244	348,580
Student Activity Fund	636,902	555,460	81,442
Adult Education Fund	73,439	427,535	(354,096)
Child Development Fund	362,105	184,560	177,545
Cafeteria Fund	4,000,408	2,426,807	1,573,601
Capital Facilities Fund	8,394	21,550	(13,156)
Bond Interest and Redemption Fund	4,248,415	5,367,801	(1,119,386)
	<u>\$ 43,763,345</u>	<u>\$ 31,323,482</u>	<u>\$ 12,439,863</u>
Total			

General Fund Budgetary Highlights

Over the course of the year, the District revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. The final amendment to the budget (2nd Interim Report) was adopted on March 14, 2023. (A schedule showing the District's original and final budget amounts compared with amounts actually paid and received is provided on page 52).

- The declining enrollment trend continued with a decrease of about 42 ADA-eligible students as of "Census Day" in October with 5,730 ADA-eligible students enrolled. The funded ADA for 2022-23 was about 5,742 and was calculated using new legislation that allows districts to use the 3 prior year average for ADA. The actual P2 ADA was about 5,381. As allowed by law and approved the MUSD Board of Education, the district enrolled an additional 90 students in TK who did not generate any ADA because their birthdays fell between the February 2nd TK cutoff and June 30th to provide access to early learning.
- Salary and benefit costs increased in 2022-23 compared to prior years as a result of an 8% ongoing raise for all certificated and management staff, and a 10% ongoing raise for all classified staff.
- The District received one-time state funds and competitive grant awards that were used to enhance equity and expand wellness and pupil supports for students in grades TK-12.

**MOORPARK UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2023, the District had \$80,743,060 in a broad range of capital assets (net of depreciation and amortization), including land, buildings, and furniture and equipment.

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Land	\$ 18,254,739	\$ 18,254,739
Land Improvements	6,936,341	6,180,342
Buildings and Improvements	124,637,911	123,658,705
Furniture and Equipment	5,812,661	5,833,100
Right-to-Use Lease Equipment	676,305	193,136
SBITA Assets	413,525	-
Total	<u>156,731,482</u>	<u>154,120,022</u>
Less: Accumulated Depreciation and Amortization	<u>(75,988,422)</u>	<u>(72,090,506)</u>
Capital Assets, Net	<u>\$ 80,743,060</u>	<u>\$ 82,029,516</u>

Long-Term Liabilities

At the end of this year, the District had \$147,276,269 in long-term liabilities.

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
General Obligation Bonds	\$ 74,472,335	\$ 74,898,955
Certificates of Participation (COPS)	2,129,991	2,525,634
Lease Payable	497,450	75,897
Subscription Payable	173,681	-
Compensated Absences	160,206	151,287
Total Other Postemployment Benefits (OPEB) Liability	12,822,554	13,333,040
Net Pension Liability	<u>57,020,052</u>	<u>36,049,886</u>
Total Long-Term Liabilities	<u>\$ 147,276,269</u>	<u>\$ 127,034,699</u>

**MOORPARK UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023**

FUTURE EVENTS AND BUDGET ISSUES

Proposition 98 (1988) requires the state to create a budget for public K-12 schools and community colleges within the state's larger budget. The minimum size of the state's education budget—the "minimum guarantee"—is determined by a set of constitutional formulas that direct about 40 percent of state revenue growth toward the Proposition 98 guarantee. Economic and political conditions in California can have a significant impact on the district's revenue and expenditures. Some factors that the District is carefully monitoring during 2023-24 for budget development and interim adjustments include the Prop 98 guarantee amount due to twice-delayed income tax deadlines, pandemic recovery efforts, availability of affordable housing for families with school-aged children, minimum wage and pension contribution rate increases for employers, and premium increases for health insurance and property/liability/workers' compensation insurance. The following is a summary of the 2023-2024 major budgeted revenues and expenditures as of First Interim:

Revenues

- Local Control Funding Formula revenue of approximately \$68.5 million, which is an increase of about \$3.3 million compared to the prior year thanks to an 8.22 percent COLA.
- The District's LCFF revenue is calculated based on the 3-prior year method with funded ADA of about 5,582 for 2023-24. The current year P2 ADA is about 5,381.
- Declining enrollment has slowed in recent years (loss of 50 age-eligible students compared to a historical average of approximately 110 students per year).
- The new Arts and Music in Schools program authorized by Prop 28 will provide approximately \$800,000 to the District with at least 80 percent of each school's allocation used for certificated and/or classified staff to provide arts instruction and the remaining funds to be used for other arts-related costs.

Expenditures

- Normal step and column increase for all employees averaged raises of approximately 1.5% for all employees.
- Negotiations with certificated and classified bargaining units are beginning as of November 2023, but have not yet been settled for 2023-24.
- The District continues to provide learning recovery and wellness supports by employing various certificated, classified, and management staff using one-time state and federal COVID response funds and grant funds.
- Additional certificated and classified staff hired to support the expanded Universal TK program, which includes 159 ADA eligible students and 64 "Early Admit" students whose birthdays fall after April 2 cutoff. All 223 TK students will be ADA eligible the following year as Kindergarten students.
- The District's health care premiums increased about \$525,000, approximately 7 percent, and were included in Adopted Budget and First Interim.

**MOORPARK UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023**

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the Assistant Superintendent, Business Services, at Moorpark Unified School District, 5297 Maureen Lane, Moorpark, California, 93021.

FINANCIAL SECTION

**MOORPARK UNIFIED SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023**

	<u>Governmental Activities</u>
ASSETS	
Cash in County Treasury	\$ 41,918,685
Cash in Banks	641,902
Accounts Receivable	6,514,293
Lease Receivable - Current	119,500
Stores	78,227
Prepaid Expenditures	794,778
Lease Receivable - Noncurrent	240,319
Capital Assets not Being Depreciated	18,254,739
Capital Assets, net of Depreciation and Amortization	62,488,321
Total Assets	<u>131,050,764</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Charge on Refunding	186,667
Deferred Outflows - OPEB	1,402,181
Deferred Outflows - Pensions	15,485,843
Total Deferred Outflows of Resources	<u>17,074,691</u>
LIABILITIES	
Accounts Payable	4,144,768
Accrued Interest	110,505
Unearned Revenue	2,067,439
Long-Term Liabilities:	
Due Within One Year Other than Pensions and OPEB	4,094,203
Due Within One Year OPEB	1,145,465
Due in More Than One Year Other than Pensions and OPEB	73,339,460
OPEB	11,677,089
Net Pension Liability	57,020,052
Total Liabilities	<u>153,598,981</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows - Leases	332,152
Deferred Inflows - OPEB	1,536,401
Deferred Inflows - Pensions	8,303,141
Total Deferred Inflows of Resources	<u>10,171,694</u>
NET POSITION	
Net Investment in Capital Assets	10,568,094
Restricted for:	
Capital Projects	8,394
Debt Service	4,137,910
Educational Programs	12,355,986
Food Service Program	4,000,408
Unrestricted	<u>(46,716,012)</u>
Total Net Position	<u>\$ (15,645,220)</u>

See accompanying Notes to Financial Statements.

**MOORPARK UNIFIED SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023**

Functions	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Governmental Activities
GOVERNMENTAL ACTIVITIES				
Instruction	\$ 40,319,089	\$ 151,909	\$ 17,022,105	\$ (23,145,075)
Instruction - Related Services	9,313,021	26,281	2,158,416	(7,128,324)
Pupil Services	11,132,595	291,574	6,868,804	(3,972,217)
Ancillary Services	1,796,461	1,743,574	239,114	186,227
General Administration	6,880,019	6,529	1,024,303	(5,849,187)
Plant Services	7,263,155	6,096	206,631	(7,050,428)
Other Outgo	2,415,217	81,807	1,262,955	(1,070,455)
Debt Service - Interest	4,640,763	-	-	(4,640,763)
Depreciation (Unallocated)	3,743,844	-	-	(3,743,844)
Amortization (Unallocated)	174,511	-	-	(174,511)
Total Governmental Activities	\$ 87,678,675	\$ 2,307,770	\$ 28,782,328	(56,588,577)
GENERAL REVENUES				
Property Taxes Levied for:				
General Purposes				23,426,470
Debt Service				3,740,900
Capital Projects				1,199,390
Federal and State Aid not Restricted to Specific Purposes				43,359,701
Interest and Investment Earnings				727,852
Miscellaneous				1,289,171
Total General Revenues				<u>73,743,484</u>
CHANGE IN NET POSITION				17,154,907
Net Position - Beginning of Year				<u>(32,800,127)</u>
NET POSITION - END OF YEAR				<u>\$ (15,645,220)</u>

See accompanying Notes to Financial Statements.

**MOORPARK UNIFIED SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023**

	General Fund	Building Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash in County Treasury	\$ 26,490,863	\$ 6,895,578	\$ 8,532,244	\$ 41,918,685
Cash in Banks	5,000	-	636,902	641,902
Accounts Receivable	5,689,963	84,558	739,772	6,514,293
Lease Receivable - Current	119,500	-	-	119,500
Due from Other Funds	204,019	-	25,414	229,433
Stores	7,678	-	70,549	78,227
Prepaid Expenditures	794,778	-	-	794,778
Lease Receivable - Noncurrent	240,319	-	-	240,319
	<u>\$ 33,552,120</u>	<u>\$ 6,980,136</u>	<u>\$ 10,004,881</u>	<u>\$ 50,537,137</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 4,040,670	\$ 14,658	\$ 89,440	\$ 4,144,768
Due to Other Funds	25,414	53,654	150,365	229,433
Unearned Revenue	1,632,026	-	435,413	2,067,439
Total Liabilities	<u>5,698,110</u>	<u>68,312</u>	<u>675,218</u>	<u>6,441,640</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows - Leases	332,152	-	-	332,152
Total Deferred Inflows of Resources	<u>332,152</u>	<u>-</u>	<u>-</u>	<u>332,152</u>
FUND BALANCES				
Nonspendable	807,456	-	76,290	883,746
Restricted	11,336,748	6,911,824	9,200,165	27,448,737
Committed	6,125,000	-	-	6,125,000
Assigned	6,865,841	-	53,208	6,919,049
Unassigned	2,386,813	-	-	2,386,813
Total Fund Balances	<u>27,521,858</u>	<u>6,911,824</u>	<u>9,329,663</u>	<u>43,763,345</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 33,552,120</u>	<u>\$ 6,980,136</u>	<u>\$ 10,004,881</u>	<u>\$ 50,537,137</u>

See accompanying Notes to Financial Statements.

**MOORPARK UNIFIED SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023**

Total Fund Balances - Governmental Funds \$ 43,763,345

Amounts reported for governmental funds are different than the statement of net position 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	\$ 18,254,739	
Depreciable Assets, Net	61,691,502	
Right-to-Use Lease Assets, Net	494,305	
SBITA Assets, Net	302,514	80,743,060

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in governmental funds.

Long-term liabilities at year-end consist of:

General Obligation Bonds	(74,472,335)	
Certificates of Participation (COPS)	(2,129,991)	
Lease Payable	(497,450)	
Subscription Payable	(173,681)	
Compensated Absences	(160,206)	
Other Postemployment Benefits Other than Pensions (OPEB)	(12,822,554)	
Net Pension Liability	<u>(57,020,052)</u>	(147,276,269)

In governmental funds, deferred outflows and inflows of resources are not reported because they are applicable to future periods.

Deferred outflows and inflows of resources at year-end consist of:

Deferred Charge on Refunding	186,667	
Deferred Outflows - OPEB	1,402,181	
Deferred Outflows - Pensions	15,485,843	
Deferred Inflows - OPEB	(1,536,401)	
Deferred Inflows - Pensions	<u>(8,303,141)</u>	7,235,149

Accrued interest on long term debt, that is the amount of interest due from the last payment made until the end of the fiscal period June 30, 2023, consists of:

(110,505)

Total Net Position - Governmental Activities

\$ (15,645,220)

**MOORPARK UNIFIED SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023**

	General Fund	Building Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Local Control Funding Formula (LCFF):				
State Apportionments	\$ 42,260,873	\$ -	\$ -	\$ 42,260,873
Local Sources	22,706,143	-	-	22,706,143
Total LCFF	64,967,016	-	-	64,967,016
Federal Sources	4,030,651	-	1,827,572	5,858,223
Other State Sources	15,028,070	-	3,660,694	18,688,764
Other Local Sources	9,422,821	1,369,327	5,834,333	16,626,481
Total Revenues	93,448,558	1,369,327	11,322,599	106,140,484
EXPENDITURES				
Instruction	43,822,846	-	1,120,721	44,943,567
Instruction - Related Services	9,676,012	-	578,077	10,254,089
Pupil Services	9,356,961	-	2,529,289	11,886,250
Ancillary Services	285,965	-	1,514,298	1,800,263
General Administration	7,108,948	-	179,396	7,288,344
Plant Services	9,382,103	555,700	115,017	10,052,820
Debt Service	176,999	465,047	4,939,851	5,581,897
Other Outgo	2,415,217	-	-	2,415,217
Total Expenditures	82,225,051	1,020,747	10,976,649	94,222,447
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	11,223,507	348,580	345,950	11,918,037
OTHER FINANCING SOURCES				
Proceeds from Leases	483,168	-	-	483,168
Proceeds from SBITA	38,658	-	-	38,658
Total Other Financing Sources	521,826	-	-	521,826
NET CHANGES IN FUND BALANCE	11,745,333	348,580	345,950	12,439,863
Fund Balances - Beginning of Year	15,776,525	6,563,244	8,983,713	31,323,482
FUND BALANCES - END OF YEAR	\$ 27,521,858	\$ 6,911,824	\$ 9,329,663	\$ 43,763,345

See accompanying Notes to Financial Statements.

**MOORPARK UNIFIED SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023**

Net Change in Fund Balances - Total Governmental Funds		\$ 12,439,863
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation and amortization expense.		
Capital Asset Additions	\$ 2,402,922	
Depreciation and Amortization Expense	<u>(3,918,355)</u>	(1,515,433)
Issuances of long-term leases and subscriptions agreements is reported as proceeds in governmental funds but increases long-term liabilities in the statement of net position.		
Lease Payable	(483,169)	
Subscription Payable	<u>(38,658)</u>	(521,827)
Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General Obligation (GO) Bond Principal and Accreted Interest Payments	4,624,000	
Certificates of Participation (COPS) Principal Payments	395,643	
Lease Payable Principal Payments	61,616	
Subscription Payable Principal Payments	<u>93,954</u>	5,175,213
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 was:		
		5,558,238
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 was:		
		261,851
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 Deferred Charge on Refunding Bonds	(89,471)	
Decrease in Accrued Interest	52,772	
Increase in Accreted Interest	(4,257,406)	
Amortization of GO Bond Premium	60,026	
Increase in Compensated Absences	<u>(8,919)</u>	<u>(4,242,998)</u>
Change in Net Position of Governmental Activities		<u>\$ 17,154,907</u>

See accompanying Notes to Financial Statements.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Moorpark Unified School District (the District) accounts for its financial transactions in accordance with the policies and procedures of the California Department of Education's *California School Accounting Manual*, 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 generally accepted in the United States of America (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 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.

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, amortization and interest expense have not been allocated to specific functions.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

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 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.

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

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 balance 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.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds – Major

General Fund: used to account for all financial resources except those required to be accounted for in another fund. The Deferred Maintenance Fund does not meet the definition of a special revenue fund as it is not primarily composed of restricted or committed revenue sources. Therefore, all activities of this fund are reported in the General Fund.

Building Fund: used to account for the construction projects funded by the proceeds of voter approved bonds.

Governmental Funds – Nonmajor

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

Student Activity Fund: used to account for raising and expending money to promote the general welfare, morale, and education experiences of the student body organizations.

Adult Education Fund: used to account for resources restricted or assigned to adult education programs maintained by the District.

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

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

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

Capital Facilities Fund: used to account for resources received from residential and commercial developer impact fees and for the payment of principal and interest on certificates of participation (COPS).

Debt Service Fund used to account for the financial resources that are restricted and the accumulation of resources for the payment of general long-term debt, principal, interest, and related costs.

Bond Interest and Redemption Fund: used to account for the payment of principal and interest on general obligation bonds.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, with the exception of state apportionment, interest and reimbursement grants which are considered available as collectible within one year.

Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified 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.

Stores

Stores consists of expendable supplies held for consumption. Stores stated at cost, on the weighted average basis.

Prepaid Expenses/Expenditures

Payments made to vendors for goods or services that will benefit periods beyond June 30, 2023, 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 is reported in the year in which goods or services are consumed.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 value 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:

Buildings	50 Years
Improvements	7 to 30 Years
Equipment	5 to 15 Years

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

Unearned Revenue

Certain federal and state grants received before the eligibility requirements are met are recorded as unearned revenue. Revenue is recognized once qualified expenditures have been incurred.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows 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. Deferred inflows of resources represent an acquisition of net position by the District that is applicable to a future reporting period. These amounts are reported in the government-wide statement of net position.

Deferred Charge on Refunding: A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred Outflows/Inflows – Other Post-Employment Benefits (OPEB): The deferred outflows/inflows 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 14 to the financial statements.

Deferred Outflows/Inflows – Pensions: The deferred outflows/inflows 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 15 to the financial statements.

Under the modified accrual basis of accounting, deferred inflows of resources also include revenues not collected within the availability period after the fiscal year-end. These amounts are deferred and will be recognized as an inflow of resources in the period that amounts become available.

Deferred Inflows – Leases: The deferred inflows of resources related to leases is related to the noncancellable lease receivable that the District entered into as the lessor for their warehouse property. Revenue will be recognized over the life of the lease term.

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.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 interest method. General obligation bonds are reported net of the applicable bond premium.

In the fund financial statements, governmental fund types recognize bond premiums, as well as bond issuance costs, during the current period. The face amount of debt issued and premiums received on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses.

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 plan's 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.

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.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Classification (Continued)

Committed: Amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District Board of Education. These amounts cannot be used for any other purpose unless the District Board of Education 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 education, 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 education has provided otherwise in its commitment or assignment functions.

Minimum Fund Balance Policy

The District has adopted a minimum fund balance policy in order to protect against revenue shortfalls and unexpected one-time expenditures. The policy requires a reserve for economic uncertainties consisting of unassigned amounts which represent the minimum recommended reserve consistent with the criteria and standards for fiscal solvency adopted by the state board of education. The minimum recommended reserve for a district this size is 3% of budgeted General Fund expenditures and other financing uses.

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.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Accounting principles generally accepted in the United States of America 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.

Estimates

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

Adoption of New Accounting Standard

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA.

The District adopted the requirements of the guidance effective July 1, 2022 and has applied the provisions of this standard to the beginning of the period of adoption. The implementation of this standard resulted in the District reporting a SBITA asset and a subscription payable.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 2 BUDGETS

By state law, the District's governing board must approve a budget no later than July 1, 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 accounting principles generally accepted in the United States of America.

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, 2023, \$453,695 of the District's bank balance of \$703,695 was exposed to credit risk as it was 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 at June 30, 2023 is measured at 99.08% 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 Section 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 or 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.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Cash in County (Continued)

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, California 93009.

NOTE 4 ACCOUNTS RECEIVABLE

Accounts receivable consists of the following as of June 30:

Accounts Receivable	General Fund	Building Fund	Nonmajor Governmental Funds	Total Governmental Funds
Federal and State	\$ 4,417,251	\$ -	\$ 684,596	\$ 5,101,847
Miscellaneous	1,272,712	84,558	55,176	1,412,446
Total Accounts Receivable	\$ 5,689,963	\$ 84,558	\$ 739,772	\$ 6,514,293

NOTE 5 INTERFUND TRANSACTIONS

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

Interfund Receivables/Payables

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

Fund	Interfund Receivables	Interfund Payables
Major Fund:		
General Fund	\$ 204,019	\$ 25,414
Building Fund	-	53,654
Nonmajor Governmental Funds:		
Adult Education Fund	23,755	7,469
Child Development Fund	-	81,033
Cafeteria Fund	1,659	61,863
Total	\$ 229,433	\$ 229,433

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 FUND BALANCES

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

	General Fund	Building Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:				
Cash in Revolving Fund	\$ 5,000	\$ -	\$ -	\$ 5,000
Stores	7,678	-	76,290	83,968
Prepaid Expenditures	794,778	-	-	794,778
Total Nonspendable	<u>807,456</u>	<u>-</u>	<u>76,290</u>	<u>883,746</u>
Restricted:				
Legally Restricted Programs	11,336,748	-	4,312,195	15,648,943
Capital Projects	-	6,911,824	8,394	6,920,218
Debt Service	-	-	4,248,415	4,248,415
Student Activity Funds	-	-	631,161	631,161
Total Restricted	<u>11,336,748</u>	<u>6,911,824</u>	<u>9,200,165</u>	<u>27,448,737</u>
Committed:				
Budget Stabilization	2,500,000	-	-	2,500,000
Textbook Adoptions	2,250,000	-	-	2,250,000
Enrollment Mitigation Measures	1,375,000	-	-	1,375,000
Total Committed	<u>6,125,000</u>	<u>-</u>	<u>-</u>	<u>6,125,000</u>
Assigned:				
Other: Technology device replacement, benefit increase insurance deductible	6,865,609	-	-	6,865,609
Deferred Maintenance	232	-	-	232
Adult Education	-	-	53,208	53,208
Total Assigned	<u>6,865,841</u>	<u>-</u>	<u>53,208</u>	<u>6,919,049</u>
Unassigned:				
Economic Uncertainties	2,386,813	-	-	2,386,813
Total Unassigned	<u>2,386,813</u>	<u>-</u>	<u>-</u>	<u>2,386,813</u>
Total Fund Balance	<u>\$ 27,521,858</u>	<u>\$ 6,911,824</u>	<u>\$ 9,329,663</u>	<u>\$ 43,763,345</u>

NOTE 7 LEASE RECEIVABLE

The District, acting as lessor, leases a warehouse property under a long-term noncancelable lease agreement. The lease expires April 2026. During the year ended June 30, 2023 the District recognized \$117,230 and \$13,920 in lease revenue and interest revenue, respectively, pursuant to this agreement.

Principal and interest requirements to maturity under the lease agreement are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 119,500	\$ 9,998	\$ 129,498
2025	127,574	5,809	133,383
2026	112,745	1,437	114,182
Total	<u>\$ 359,819</u>	<u>\$ 17,244</u>	<u>\$ 377,063</u>

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 8 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows:

	Balance July 1, 2022 (1)	Additions	Deletions	Balance June 30, 2023
Capital Assets, Not Being Depreciated:				
Land	\$ 18,254,739	\$ -	\$ -	\$ 18,254,739
Total Capital Assets, Not Being Depreciated	18,254,739	-	-	18,254,739
Capital Assets, Being Depreciated:				
Land Improvements	6,180,342	755,999	-	6,936,341
Buildings and Improvements	123,658,705	979,206	-	124,637,911
Furniture and Equipment	5,833,100	-	20,439	5,812,661
Total Capital Assets, Being Depreciated	135,672,147	1,735,205	20,439	137,386,913
Less: Accumulated Depreciation:				
Land Improvements	3,254,783	357,539	-	3,612,322
Buildings and Improvements	64,164,615	3,195,691	-	67,360,306
Furniture and Equipment	4,552,608	190,614	20,439	4,722,783
Total Accumulated Depreciation	71,972,006	3,743,844	20,439	75,695,411
Total Capital Assets, Being Depreciated, Net	63,700,141	(2,008,639)	-	61,691,502
Right-to-Use Lease Assets:				
Equipment	193,136	483,169	-	676,305
Total Right-to-Use Lease Assets	193,136	483,169	-	676,305
Less: Accumulated Amortization:				
Equipment	118,500	63,500	-	182,000
Total Accumulated Amortization	118,500	63,500	-	182,000
Total Right-to-Use Lease Assets, Net	74,636	419,669	-	494,305
Subscription Based Information Technology Arrangement (SBITA) Assets:				
SBITA	228,977	184,548	-	413,525
Less: Accumulated Amortization:				
SBITA	-	111,011	-	111,011
Total Accumulated Amortization	-	111,011	-	111,011
Total SBITA Assets, Net	228,977	73,537	-	302,514
Total Capital Assets, Net	<u>\$ 82,258,493</u>	<u>\$ (1,515,433)</u>	<u>\$ -</u>	<u>\$ 80,743,060</u>

(1) - Amounts have been adjusted due to the implementation of GASB Statement No. 96. See Note 1.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 LONG-TERM LIABILITIES

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

	Balance July 1, 2022 (1)	Additions	Retirements	Balance June 30, 2023	Amount Due in One Year
General Obligation (GO) Bonds	\$ 36,461,876	\$ -	\$ 2,981,545	\$ 33,480,331	\$ 2,408,275
Direct Placement GO Bonds	2,035,000	-	909,000	1,126,000	92,000
Accreted Interest	36,054,871	4,257,406	733,455	39,578,822	841,725
Premium on GO Bonds	347,208	-	60,026	287,182	-
Total GO Bonds	74,898,955	4,257,406	4,684,026	74,472,335	3,342,000
Certificates of Participation (COPS)	2,525,634	-	395,643	2,129,991	403,296
Lease Payable	75,897	483,169	61,616	497,450	94,780
Subscriptions Payable	228,977	38,658	93,954	173,681	109,942
Compensated Absences	151,287	145,077	136,158	160,206	144,185
Total	<u>\$ 77,880,750</u>	<u>\$ 4,924,310</u>	<u>\$ 5,371,397</u>	<u>\$ 77,433,663</u>	<u>\$ 4,094,203</u>

(1) - Amounts have been adjusted due to the implementation of GASB Statement No. 96. See Note 1.

Liabilities for all GO bonds are liquidated through property tax collections as administered by the county office through the Bond Interest and Redemption Fund. COPS are liquidated by the Capital Facilities Fund. Compensated absences are liquidated by the fund recording the associated salary expenses. Lease and subscription payables are liquidated by the General Fund.

NOTE 10 GENERAL OBLIGATION BONDS

Measure R

On March 5, 2002, the voters approved the issuance of bonds (Measure R), not to exceed \$33,000,000 for the construction, improvement, alteration and rebuilding of education facilities within the District.

Between 2002 and 2006, the District issued bonds, Series A through C, totaling \$32,999,870. In 2005, the District issued a refunding bond to advance refund portions of Series A. In 2013 and 2015, the District issued refunding bonds to advance refund portions of Series B and the 2005 refunding bond.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 10 GENERAL OBLIGATION BONDS (CONTINUED)

Measure S

On November 4, 2008, the voters approved the issuance of bonds (Measure S), not to exceed \$39,500,000 for the construction, improvement, alteration and rebuilding of education facilities within the District.

Between 2009 and 2019, the District issued bonds, Series A through E, totaling \$39,500,001.

In 2021, the District issued a refunding bond to advance refund portions of the Measure S Series A bonds.

The balance of all of the bonds refunded was \$844,429 less than the amount paid into the escrow account. This amount is recorded as a deferred charge on the statement of net position and amortized to interest expense over the life of the new debt. Amortization of \$42,657 was recognized during the current year.

General obligation bonds outstanding at June 30, 2023, are as follows:

General Obligation (GO) Bonds	Date of Issue	Date of Final Maturity	Interest Rate Percent	Amount of Original Issue	Outstanding June 30, 2023
Measure R:					
Series A	6/5/2002	2/1/2027	3.0 - 5.8%	\$ 22,080,676	\$ 1,725,676
Series B	5/3/2005	2/1/2030	3.0 - 5.3%	8,947,684	1,512,684
Refunding Bonds					
2013	12/12/2013	8/1/2024	2.0 - 5.0%	5,305,000	985,000
2015	5/5/2015	8/1/2028	3.38%	14,965,000	5,315,000
Total Measure R				51,298,360	9,538,360
Measure S:					
Series A	2/25/2009	8/1/2033	3.9 - 6.6%	11,000,536	7,057,395
Series B	10/20/2011	8/1/2042	2.0 - 6.6%	19,999,576	16,884,576
Direct Placements:					
Series E	3/20/2019	8/1/2022	3.50%	2,499,888	-
Refunding Bonds					
2021	11/1/2021	8/1/2026	1.18%	1,220,000	1,126,000
Subtotal: Direct Placements				3,719,888	1,126,000
Total Measure S				34,720,000	25,067,971
Total GO Bonds				\$ 86,018,360	\$ 34,606,331

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 10 GENERAL OBLIGATION BONDS (CONTINUED)

The debt service requirements for the general obligation bonds are as follows:

Year Ending June 30,	General Obligation Bonds			General Obligation Bonds from Direct Placements	
	Principal	Interest	Accreted	Principal	Interest
			Interest		
2024	\$ 2,408,275	\$ 192,355	\$ 841,725	\$ 92,000	\$ 12,755
2025	1,589,927	147,955	2,725,073	119,000	11,509
2026	1,540,135	131,060	2,904,865	172,000	9,790
2027	2,045,608	113,906	3,324,392	743,000	4,387
2028	2,501,938	248,526	2,053,062	-	-
2029-2033	7,249,311	1,873,311	21,082,746	-	-
2034-2038	8,800,270	1,303,155	29,277,174	-	-
2039-2043	7,344,867	-	40,425,979	-	-
Total	<u>\$ 33,480,331</u>	<u>\$ 4,010,268</u>	<u>\$102,635,016</u>	<u>\$ 1,126,000</u>	<u>\$ 38,441</u>

NOTE 11 CERTIFICATES OF PARTICIATION

The District originally entered into a long-term financing agreement to provide for the financing of certain capital projects in December 2003. The agreement is between the District as the “borrower” and the California School Boards Association Finance Corporation, as the “lender” or “corporation”. The Corporation’s funds for acquiring these items were generated by the issuance of \$6,510,000 of Certificate of Participation, which are tax exempt.

In 2009, the Corporation issued a Refunding Certificates of Participation in the amount of \$6,900,000 to pay off the 2003 Certificates of Participation. In 2017, the Corporation issued a Refunding Certificates of Participation in the amount of \$4,356,836 to pay off the outstanding 2009 Certificates of Participation

The balance of all of the certificates refunded was \$495,686 less than the amount paid into the escrow account. This amount is recorded as a deferred charge on the statement of net position and will be amortized to interest expense over the life of the new debt. Amortization of \$46,814 was recognized during the current year.

The debt service requirements for the certificates are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 403,296	\$ 58,034	\$ 461,330
2025	414,699	46,419	461,118
2026	424,504	34,487	458,991
2027	437,771	22,252	460,023
2028	449,721	9,646	459,367
Total	<u>\$ 2,129,991</u>	<u>\$ 170,838</u>	<u>\$ 2,300,829</u>

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 12 LEASE PAYABLE

The District leases various office equipment under long-term, noncancelable lease agreements. The leases expire at various dates through June 2028 and were calculated at 3.39% based on the District's incremental cost of borrowing. The right-to-use lease assets and the related accumulated amortization are detailed in Note 8.

Principal and interest requirements to maturity under the lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 94,780	\$ 15,592	\$ 110,372
2025	98,564	11,808	110,372
2026	100,758	8,423	109,181
2027	99,952	5,056	105,008
2028	103,396	1,612	105,008
Total	<u>\$ 497,450</u>	<u>\$ 42,491</u>	<u>\$ 539,941</u>

NOTE 13 SUBSCRIPTION PAYABLE

The District has entered into subscription based-information technology arrangements (SBITA) for various instructional and administrative software programs. The SBITA arrangements expire at various dates through October 2024 and were calculated at 3.39% based on the District's incremental cost of borrowing. The SBITA assets and the related accumulated amortization are detailed in Note 8.

Principal and interest requirements to maturity under SBITA agreements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 109,942	\$ 3,407	\$ 113,349
2025	63,739	294	64,033
Total	<u>\$ 173,681</u>	<u>\$ 3,701</u>	<u>\$ 177,382</u>

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 14 POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description and Eligibility

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

The Postemployment Benefits Plan (the Plan) is a single-employer defined benefit healthcare plan administered by the District. The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Membership of the Plan consists of 61 retirees and beneficiaries currently receiving benefits, and 429 active Plan members.

Funding Policy

The District currently finances benefits on a pay-as-you-go basis. As of June 30, 2023, the District has not established a plan or equivalent that contains an irrevocable transfer of assets dedicated to providing benefits to retirees in accordance with the terms of the plan and that are legally protected from creditors. 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, 2023, the District paid benefits totaling \$1,245,332 for current year premiums, including an implicit rate subsidy.

Actuarial Methods and Assumptions

Actuarial Assumptions

The total OPEB liability was determined based on an actuarial valuation as of July 1, 2021, rolled forward to June 30, 2023 using update procedures. The following assumptions used in the July 1, 2021 valuation applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	July 1, 2021
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry Age, Level Percent of Pay
Salary Increases	3.00%
Healthcare Cost Trend Rate	5.00%

Mortality rates (both pre-retirement and postretirement) were based on the CalSTRS Experience Analysis (2015-2018) and CalPERS Experience Study (2000-2019). Actuarial assumptions used in the July 1, 2021 valuation were based on a review of plan experience during the period July 1, 2019 to June 30, 2021.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.86%. The projection of cash flows used to determine the discount rate was based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. There are no plan assets.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 14 POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

Changes in the Total OPEB Liability

Service Cost	\$ 367,559
Interest Cost	482,784
Differences Between Expected and Actual Experience	-
Changes in Assumptions	(115,497)
Benefit Payments	(1,245,332)
Net Change in Total OPEB Liability	<u>(510,486)</u>
Total OPEB Liability - Beginning Balance	13,333,040
Total OPEB Liability - Ending Balance	<u><u>\$ 12,822,554</u></u>

Changes in Assumptions

The District applied a new discount rate when using update procedures increasing the discount rate from 3.69% to 3.86%.

Sensitivity

The following presents the District's total OPEB liability calculated using the discount rate of 3.86%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

<u>Discount Rate</u>	<u>Total OPEB Liability</u>
1% Decrease	\$ 13,511,828
Current Discount Rate	12,822,554
1% Increase	12,159,463

The following presents the District's total OPEB liability calculated using the healthcare cost trend rate of 5.00%, as well as what the total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percent lower or higher than the current rate:

<u>Healthcare Trend Rate</u>	<u>Total OPEB Liability</u>
1% Decrease	\$ 11,742,627
Current Healthcare Trend Rate	12,822,554
1% Increase	14,030,332

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 14 POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

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	\$ 917,441	\$ 1,220,677
Differences Between Expected and Actual Experience	484,740	315,724
Total	<u>\$ 1,402,181</u>	<u>\$ 1,536,401</u>

These amounts are amortized over the expected average remaining service life (EARSL) of the plan participants. The EARSL for the plan for the June 30, 2023 measurement period was 7.1 years. The first year of amortization is recognized in OPEB expense in the year the change of assumption or difference between expected and actual experience occurs. The remaining amount will be recognized to OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Amortization</u>
2024	\$ 133,138
2025	133,138
2026	149,524
2027	(208,775)
2028	(272,169)
Thereafter	(69,076)
Total	<u>\$ (134,220)</u>

NOTE 15 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, 2023, 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:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CalSTRS (STRP)	\$ 32,658,420	\$ 7,507,681	\$ 5,862,595	\$ 2,955,423
CalPERS (Schools Pool Plan)	24,361,632	7,978,162	2,440,546	2,074,742
Total	<u>\$ 57,020,052</u>	<u>\$ 15,485,843</u>	<u>\$ 8,303,141</u>	<u>\$ 5,030,165</u>

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 15 EMPLOYEE RETIREMENT PLANS (CONTINUED)

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.

Benefits Provided

The STRP provides retirement, disability and survivor benefits to beneficiaries. Benefits are based on members' final compensation, age, and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0% of final compensation for each year of credited service. The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program, and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the state is the sponsor of the STRP and obligor of the trust. In addition, the state is both an employer and nonemployer contributing entity to the STRP.

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

The STRP provisions and benefits in effect at June 30, 2023 are summarized as follows:

<u>Provisions and Benefits</u>	<u>STRP Defined Benefit Program and Supplement Program</u>	
	On or Before December 31, 2012	On or After January 1, 2013
Hire Date	On or Before December 31, 2012	On or After January 1, 2013
Benefit Formula	2% at 60	2% at 62
Benefit Vesting Schedule	5 Years of Service	5 Years of Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	60	62
Monthly Benefits as a Percentage of Eligible Compensation	2.0% - 2.4%	2.0% - 2.4%
Required Employee Contribution Rate	10.25%	10.205%
Required Employer Contribution Rate	19.10%	19.10%
Required State Contribution Rate	10.828%	10.828%

Contributions

Required member, District, and State of California contribution rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contributions rates are expressed as a level percentage of payroll using the entry age normal actuarial method. The contribution rates for each plan for the year ended June 30, 2023 are presented above and the total District contributions were \$5,508,907.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 15 EMPLOYEE RETIREMENT PLANS (CONTINUED)

California State Teachers' Retirement System (CalSTRS) (Continued)

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

At June 30, 2023, 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:

	Balance June 30, 2023
District Proportionate Share of the Net Pension Liability	\$ 32,658,420
State's Proportionate Share of the Net Pension Liability Associated with the District	16,355,432
Total	\$ 49,013,852

The net pension liability was measured as of June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the state, actuarially determined. At June 30, 2022, the District's proportion was 0.047% which is the same proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized pension expense of \$1,636,368 and revenue and corresponding expense of \$1,319,055 for contributions provided by the state representing total pension expense of \$2,955,423. At June 30, 2023, 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	\$ 5,508,907	\$ -
Differences Between Expected and Actual Experience	26,790	2,448,700
Changes of Assumptions	1,619,620	-
Changes in Proportion	352,364	1,816,835
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	1,597,060
Total	\$ 7,507,681	\$ 5,862,595

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 15 EMPLOYEE RETIREMENT PLANS (CONTINUED)

California State Teachers' Retirement System (CalSTRS) (Continued)

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

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. The net difference between projected and actual earnings on plan investments is amortized over a five year period on a straight-line basis. All other deferred outflows of resources and deferred inflows of resources are amortized over the expected average remaining service life (EARSL) of the plan participants. The EARSL for the STRP for the June 30, 2022 measurement date is seven years.

The remaining amount will be recognized to pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amortization</u>
2024	\$ (1,971,022)
2025	(1,400,087)
2026	(2,384,454)
2027	2,287,388
2028	(283,316)
2029	(112,330)
Total	<u>\$ (3,863,821)</u>

Actuarial Methods and Assumptions

Total pension liability for STRP was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2021, and rolling forward the total pension liability to June 30, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The financial reporting actuarial valuation as of June 30, 2021 used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Experience Study	July 1, 2015 through June 30, 2018
Actuarial Cost Method	Entry Age Normal
Discount Rate	7.10%
Investment Rate of Return	7.10%
Consumer Price Inflation	2.75%
Wage Growth	3.50%

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 15 EMPLOYEE RETIREMENT PLANS (CONTINUED)

California State Teachers' Retirement System (CalSTRS) (Continued)

Actuarial Methods and Assumptions (Continued)

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS investment staff and investment consultants and adopted by the CalSTRS Board in January 2020. Best estimates of 20-year geometrically linked real rates of return and the assumed asset allocation for each major asset class used as input to develop the actuarial investment rate of return are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Public Equity	42 %	4.80 %
Real Estate	15	3.60
Private Equity	13	6.30
Fixed Income	12	1.30
Risk Mitigating Strategies	10	1.80
Inflation Sensitive	6	3.30
Cash/Liquidity	2	(0.40)

Discount Rate

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

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 15 EMPLOYEE RETIREMENT PLANS (CONTINUED)

California State Teachers' Retirement System (CalSTRS) (Continued)

Discount Rate (Continued)

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

Discount Rate	Net Pension Liability
1% Decrease	\$ 55,466,110
Current Discount Rate	32,658,420
1% Increase	13,721,180

Plan Fiduciary Net Position

Detailed information about the STRP's plan fiduciary net position is available in a separate annual comprehensive financial report on the CalSTRS website. Copies of the CalSTRS annual comprehensive financial report may be obtained from CalSTRS.

California Public Employees Retirement System (CalPERS)

Plan Description

Qualified employees are eligible to participate in the Schools Pool Plan under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Law.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor, and the member's final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed. An employee's eligible survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or 52 for members hired on or after January 1, 2013), and has at least 5 years of credited service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 15 EMPLOYEE RETIREMENT PLANS (CONTINUED)

California Public Employees Retirement System (CalPERS) (Continued)

Benefits Provided (Continued)

The CalPERS provisions and benefits in effect at June 30, 2023 are summarized as follows:

<u>Provisions and Benefits</u>	<u>Schools Pool Plan (CalPERS)</u>	
	<u>On or Before December 31, 2012</u>	<u>On or After January 1, 2013</u>
Hire Date	2% at 55	2% at 62
Benefit Formula	5 Years of Service	5 Years of Service
Benefit Vesting Schedule	Monthly for Life	Monthly for Life
Benefit Payments	55	62
Retirement Age	1.1% - 2.5%	1.0% - 2.5%
Monthly Benefits as a Percentage of Eligible Compensation	7.00%	7.00%
Required Employee Contribution Rate	25.37%	25.37%
Required Employer Contribution Rate		

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. The contributions rates are expressed as percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2023 are as presented above and the total District contributions were \$3,189,481.

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

As of June 30, 2023, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling \$24,361,632. The net pension liability was measured as of June 30, 2022. 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. At June 30, 2022, the District's proportion was 0.0708% which is a decrease of 0.0013% from its proportion measured as of June 30, 2021.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 15 EMPLOYEE RETIREMENT PLANS (CONTINUED)

California Public Employees Retirement System (CalPERS) (Continued)

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

For the year ended June 30, 2023, the District recognized pension expense of \$2,074,742. At June 30, 2023, 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	\$ 3,189,481	\$ -
Differences Between Expected and Actual Experience	110,100	606,149
Changes of Assumptions	1,802,135	-
Changes in Proportion	-	1,834,397
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	2,876,446	-
Total	\$ 7,978,162	\$ 2,440,546

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 year ended June 30, 2024. The net difference between projected and actual earnings on plan investments is amortized over a five year period on a straight-line basis. All other deferred outflows of resources and deferred inflows of resources are amortized over the expected average remaining service life (EARSL) of the plan participants. The EARSL for the CalPERS Schools Pool Plan for the June 30, 2022 measurement date is 3.9 years.

The remaining amount will be recognized in pension expense as follows:

Year Ending June 30,	Amortization
2024	\$ (4,340)
2025	85,736
2026	512,785
2027	1,753,954
Total	\$ 2,348,135

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 15 EMPLOYEE RETIREMENT PLANS (CONTINUED)

California Public Employees Retirement System (CalPERS) (Continued)

Actuarial Methods and Assumptions

Total pension liability for the Schools Pool Plan was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2021, and rolling forward the total pension liability to June 30, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The financial reporting actuarial valuation as of June 30, 2021 used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Experience Study	2000 through 2019
Actuarial Cost Method	Entry Age Normal
Discount Rate	6.90%
Investment Rate of Return	6.90%
Consumer Price Inflation	2.30%
Wage Growth	Varies by Entry Age and Service

Mortality assumptions are based on mortality rates resulting from the most recent CalPERS experience study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those rates include generational mortality improvements using 80% of scale MP 2020 published by the Society of Actuaries.

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Global Equity - Cap-weighted	30 %	4.54 %
Global Equity - Non-cap-weighted	12	3.84
Private Equity	13	7.28
Treasury	5	0.27
Mortgage-backed Securities	5	0.50
Investment Grade Corporates	10	1.56
High Yield	5	2.27
Emerging Market Debt	5	2.48
Private Debt	5	3.57
Real Assets	15	3.21
Leverage	(5)	(0.59)

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 15 EMPLOYEE RETIREMENT PLANS (CONTINUED)

California Public Employees Retirement System (CalPERS) (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.90%, which was a decrease from 7.15% in the prior fiscal year. This rate reflects the long-term expected rate of return for the Schools Pool Plan net of investment expenses and without reduction for administrative expenses. 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 Schools Pool Plan fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine total pension liability.

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

Discount Rate	Net Pension Liability
1% Decrease	\$ 35,191,611
Current Discount Rate	24,361,632
1% Increase	15,411,053

Changes of Assumptions

During the fiscal year of the measurement date of June 30, 2022, the CalPERS Board adopted new mortality assumptions for the plan. The new mortality table was developed from the 2021 experience study and includes generational mortality improvements using 80% of scale MP 2020 published by the Society of Actuaries. The inflation assumption is reduced from 2.50% to 2.30%. The discount rate and investment rate of return are reduced from 7.15% to 6.90%. Deferred outflows of resources for changes of assumptions represents the unamortized portion of this assumption change.

Plan Fiduciary Net Position

Detailed information about CalPERS Schools Pool Plan fiduciary net position is available in a separate annual comprehensive financial report available on the CalPERS website. Copies of the CalPERS annual comprehensive financial report may be obtained from CalPERS.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 16 JOINT POWERS AGREEMENTS

The District participates in three joint power agreement (JPA) entities: the Ventura County Schools Self-Funding Authority (VCSSFA), California’s Valued Trust (CVT), and the Alameda County Schools Insurance Group (ACSIG).

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.

CVT 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.

ACSIG provides workers’ compensation, property and liability coverage for its member school districts. It also operates self-funded dental and vision coalitions 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.

Each JPA is independently accountable for its fiscal matters. VCSSFA, CVT, and ACSIG 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. Separate financial statements for each JPA may be obtained from the respective entity.

The relationships between the District and the JPAs are such that none of the JPAs are a component unit of the District for financial reporting purposes.

Condensed financial information is as follows:

	VCSSFA (Audited) 6/30/2022	CVT (Audited) 9/30/2022	ACSIG (Audited) 6/30/2022
JPA Condensed Financial Information			
Total Assets and Deferred Outflow s of Resources	\$ 123,364,322	\$ 240,185,223	\$ 73,304,520
Total Liabilities and Deferred Inflow s of Resources	54,781,346	13,201,664	20,832,374
Net Position	\$ 68,582,976	\$ 226,983,559	\$ 52,472,146
Total Revenues	\$ 35,021,051	\$ 742,571,763	\$ 164,717,110
Total Expenses	39,099,313	742,363,485	162,823,680
Change in Net Position	\$ (4,078,262)	\$ 208,278	\$ 1,893,430

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 17 COMMITMENTS AND CONTINGENCIES

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.

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.

NOTE 18 SUBSEQUENT EVENT

Sale of Property

The District received an offer to sell an unused property owned by the District and the Board of Education approved the sale on September 19, 2023 for the amount of \$6,200,000. Escrow will close no later than 180 days after escrow is opened.

REQUIRED SUPPLEMENTARY INFORMATION

**MOORPARK UNIFIED SCHOOL DISTRICT
SCHEDULE OF BUDGETARY COMPARISON FOR THE GENERAL FUND
YEAR ENDED JUNE 30, 2023**

	Budgetary Amounts General Fund		Actual Amounts	Fund Basis to GAAP (a)	Actual Amounts
	Original	Final	General Fund		GAAP Basis
REVENUES					
Local Control Funding Formula (LCFF):					
State Apportionments	\$ 41,593,533	\$ 43,166,955	\$ 42,260,873	\$ -	\$ 42,260,873
Local Sources	20,819,124	21,747,049	22,706,143	-	22,706,143
Total LCFF	62,412,657	64,914,004	64,967,016	-	64,967,016
Federal Sources	4,949,173	4,245,939	4,030,651	-	4,030,651
Other State Sources	5,186,154	14,157,446	15,028,070	-	15,028,070
Other Local Sources	6,758,406	9,505,239	9,422,821	-	9,422,821
Total Revenues	79,306,390	92,822,628	93,448,558	-	93,448,558
EXPENDITURES					
Certificated Salaries	28,228,062	29,551,656	29,540,745	-	29,540,745
Classified Salaries	11,419,124	12,248,126	11,987,517	-	11,987,517
Employee Benefits	18,954,251	19,687,054	21,935,408	-	21,935,408
Books and Supplies	5,492,924	3,548,356	2,706,866	-	2,706,866
Services and Other Operating Expenditures	9,979,658	12,794,124	11,555,297	-	11,555,297
Capital Outlay	1,170,674	4,522,777	2,086,398	-	2,086,398
Other Outgo/Indirect Costs	2,713,023	2,244,835	2,412,820	-	2,412,820
Total Expenditures	77,957,716	84,596,928	82,225,051	-	82,225,051
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,348,674	8,225,700	11,223,507	-	11,223,507
OTHER FINANCING SOURCES					
Proceeds from Leases	-	-	483,168	-	483,168
Proceeds from SBITA	-	-	38,658	-	38,658
Total Other Financing Sources	-	-	521,826	-	521,826
NET CHANGES IN FUND BALANCE	<u>\$ 1,348,674</u>	<u>\$ 8,225,700</u>	11,745,333	-	11,745,333
Fund Balance - Beginning of Year			15,776,293	232	15,776,525
FUND BALANCE - END OF YEAR			<u>\$ 27,521,626</u>	<u>\$ 232</u>	<u>\$ 27,521,858</u>

(a) Amounts presented are the result of the District including activity of the Deferred Maintenance Fund.

See accompanying Notes to the Required Supplementary Information.

**MOORPARK UNIFIED SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
YEARS ENDED JUNE 30,**

Total OPEB Liability - Retiree Health Plan	2023	2022	2021
Changes in Total OPEB Liability:			
Service Cost	\$ 367,559	\$ 495,508	\$ 584,217
Interest Cost	482,784	289,037	383,830
Differences Between Expected and Actual Experience	-	(437,156)	-
Changes in Assumptions	(115,497)	(1,405,339)	428,962
Expected Benefit Payments	(1,245,332)	(1,412,439)	(1,343,627)
Net Change in Total OPEB Liability	(510,486)	(2,470,389)	53,382
Total OPEB Liability - Beginning Balance	13,333,040	15,803,429	15,750,047
Total OPEB Liability - Ending Balance	\$ 12,822,554	\$ 13,333,040	\$ 15,803,429
 District's Covered-Employee Payroll	 \$ 35,618,314	 \$ 40,436,660	 \$ 38,333,131
 Total OPEB Liability as a Percentage of its Covered Payroll	 36%	 33%	 41%
Total OPEB Liability - Retiree Health Plan	2020	2019	2018
Changes in Total OPEB Liability:			
Service Cost	\$ 503,668	\$ 388,839	\$ 409,363
Interest Cost	481,722	478,594	447,144
Differences Between Expected and Actual Experience	1,131,056	-	-
Changes in Assumptions	1,272,685	331,226	(352,204)
Expected Benefit Payments	(1,360,161)	(1,384,514)	(1,752,747)
Net Change in Total OPEB Liability	2,028,970	(185,855)	(1,248,444)
Total OPEB Liability - Beginning Balance	13,721,077	13,906,932	15,155,376
Total OPEB Liability - Ending Balance	\$ 15,750,047	\$ 13,721,077	\$ 13,906,932
 District's Covered-Employee Payroll	 \$ 40,081,210	 \$ 38,267,100	 \$ 38,267,100
 Total OPEB Liability as a Percentage of its Covered Payroll	 39%	 36%	 36%

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 the Required Supplementary Information.

**MOORPARK UNIFIED SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
YEARS ENDED JUNE 30,**

CalSTRS - STRP	2023	2022	2021	2020	2019
Measurement Date	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
District's Proportion of the Net Pension Liability (NPL)	0.047%	0.047%	0.047%	0.048%	0.047%
District's Proportionate Share of the NPL	\$ 32,658,420	\$ 21,388,760	\$ 45,547,230	\$ 43,351,680	\$ 43,196,290
State's Proportionate Share of the NPL Associated with the District	16,355,432	10,762,219	23,479,412	23,651,427	24,732,017
Total	<u>\$ 49,013,852</u>	<u>\$ 32,150,979</u>	<u>\$ 69,026,642</u>	<u>\$ 67,003,107</u>	<u>\$ 67,928,307</u>
District's Covered Payroll	\$ 27,680,000	\$ 25,770,000	\$ 25,280,000	\$ 26,210,000	\$ 25,270,000
District's Proportionate Share of the NPL as a Percentage of its Covered Payroll	118%	83%	180%	165%	171%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81%	87%	72%	73%	71%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	
Measurement Date	6/30/2017	6/30/2016	6/30/2015	6/30/2014	
District's Proportion of the NPL	0.050%	0.056%	0.057%	0.052%	
District's Proportionate Share of the NPL	\$ 46,240,000	\$ 45,293,360	\$ 38,621,990	\$ 30,328,638	
State's Proportionate Share of the NPL Associated with the District	27,355,416	25,788,498	20,426,776	18,313,741	
Total	<u>\$ 73,595,416</u>	<u>\$ 71,081,858</u>	<u>\$ 59,048,766</u>	<u>\$ 48,642,379</u>	
District's Covered Payroll	\$ 26,590,000	\$ 28,510,000	\$ 26,390,000	\$ 23,120,000	
District's Proportionate Share of the NPL as a Percentage of its Covered Payroll	174%	159%	146%	131%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69%	70%	74%	77%	

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 the Required Supplementary Information.

**MOORPARK UNIFIED SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
YEARS ENDED JUNE 30,**

CalPERS - Schools Pool Plan	2023	2022	2021	2020	2019
Measurement Period	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
District's Proportion of the Net Pension Liability (NPL)	0.0708%	0.0721%	0.0811%	0.0851%	0.0872%
District's Proportionate Share of the NPL	\$ 24,361,632	\$ 14,661,126	\$ 24,883,975	\$ 24,801,758	\$ 23,250,265
District's Covered Payroll	\$ 10,840,000	\$ 10,350,000	\$ 11,700,000	\$ 11,670,000	\$ 11,410,000
District's Proportionate Share of the NPL as a Percentage of its Covered Payroll	225%	142%	213%	213%	204%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70%	81%	70%	70%	71%
	2018	2017	2016	2015	
Measurement Period	6/30/2017	6/30/2016	6/30/2015	6/30/2014	
District's Proportion of the NPL	0.0926%	0.1026%	0.1073%	0.1083%	
District's Proportionate Share of the NPL	\$ 22,106,064	\$ 20,263,563	\$ 15,816,210	\$ 12,297,532	
District's Covered Payroll	\$ 11,690,000	\$ 12,320,000	\$ 11,850,000	\$ 11,370,000	
District's Proportionate Share of the NPL as a Percentage of its Covered Payroll	189%	164%	133%	108%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72%	74%	79%	83%	

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 the Required Supplementary Information.

**MOORPARK UNIFIED SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
YEARS ENDED JUNE 30,**

CalSTRS - STRP	2023	2022	2021	2020	2019
Contractually Required Contribution	\$ 5,508,907	\$ 4,683,584	\$ 4,161,816	\$ 4,314,000	\$ 4,266,919
Contributions in Relation to the Contractually Required Contribution	5,508,907	4,683,584	4,161,816	4,314,000	4,266,919
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 28,840,000	\$ 27,680,000	\$ 25,770,000	\$ 25,280,000	\$ 26,210,000
Contributions as a Percentage of Covered Payroll	19.10%	16.92%	16.15%	17.10%	16.28%
	2018	2017	2016	2015	
Contractually Required Contribution	\$ 3,646,513	\$ 3,344,836	\$ 3,058,970	\$ 2,343,289	
Contributions in Relation to the Contractually Required Contribution	3,646,513	3,344,836	3,058,970	2,343,289	
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
District's Covered Payroll	\$ 25,270,000	\$ 26,590,000	\$ 28,510,000	\$ 26,390,000	
Contributions as a Percentage of Covered Payroll	14.43%	12.58%	10.73%	8.88%	

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 the Required Supplementary Information.

**MOORPARK UNIFIED SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
YEARS ENDED JUNE 30,**

CalPERS - Schools Pool Plan	2023	2022	2021	2020	2019
Contractually Required Contribution	\$ 3,189,481	\$ 2,484,310	\$ 2,141,487	\$ 2,307,026	\$ 2,106,899
Contributions in Relation to the Contractually Required Contribution	3,189,481	2,484,310	2,141,487	2,307,026	2,106,899
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 12,570,000	\$ 10,840,000	\$ 10,350,000	\$ 11,700,000	\$ 11,670,000
Contributions as a Percentage of Covered Payroll	25.37%	22.91%	20.70%	19.72%	18.06%
	2018	2017	2016	2015	
Contractually Required Contribution	\$ 1,771,214	\$ 1,624,239	\$ 1,459,590	\$ 1,394,720	
Contributions in Relation to the Contractually Required Contribution	1,771,214	1,624,239	1,459,590	1,394,720	
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
District's Covered Payroll	\$ 11,410,000	\$ 11,690,000	\$ 12,320,000	\$ 11,850,000	
Contributions as a Percentage of Covered Payroll	15.53%	13.89%	11.85%	11.77%	

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 the Required Supplementary Information.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

NOTE 1 PURPOSE OF SCHEDULES

Schedules of Budgetary Comparison for the General Fund

A budgetary comparison is presented for the general fund and for any major special revenue fund that has a legally adopted annual budget. This schedule presents the budget as originally adopted, the revised budget as of the fiscal year-end, actual amounts at the fiscal year-end, and any adjustments needed to present the amounts in accordance with accounting principles generally accepted in the United States of America.

Schedule of Changes in the Total OPEB Liability and Related Ratios

The schedule is intended to show trends about the changes in the District's actuarially determined liability for postemployment benefits other than pensions.

Benefit changes – None

Changes of Assumptions:

2022-23

The District applied a new discount increasing the rate from 3.69% to 3.86%.

2021-22

The District applied a new discount increasing the rate from 1.92% to 3.69%.

As of June 30, 2023, the District has not established a plan or equivalent that contains an irrevocable transfer of assets dedicated to providing benefits to retirees in accordance with the terms of the Plan and that are legally protected from creditors.

Schedules of District's Proportionate Share of the Net Pension Liability – CalSTRS (STRP) and CalPERS (Schools Pool Plan)

The schedule presents information on the District's proportionate share of the net pension liability, the plans' fiduciary net position and, when applicable, the state's proportionate share of the net pension liability associated with the District. In the future, as data becomes available, 10 years of information will be presented.

Benefit changes – None

Changes of Assumptions:

2021-22

CalPERS Board adopted new mortality assumptions and new mortality tables for the plan. Assumption for inflation rate was reduced from 2.50% to 2.30%. A new discount rate was applied decreasing the rate from 7.15% to 6.90%.

2019-20

CalSTRS Board adopted a new experience study which updated assumptions for termination rates and service rates.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

NOTE 1 PURPOSE OF SCHEDULES (CONTINUED)

Schedules of District's Proportionate Share of the Net Pension Liability – CalSTRS (STRP) and CalPERS (Schools Pool Plan) (Continued)

Changes of Assumptions: (Continued)

2018-19

CalPERS Board adopted new mortality assumptions for the plan. Assumption for inflation rate was reduced from 2.75% to 2.50%. Assumption for individual salary increases and overall payroll growth was reduced from 3.00% to 2.75%.

2017-18

CalSTRS Board adopted new mortality assumptions and new mortality tables for the plan. Assumption for inflation rate was reduced from 3.00% to 2.75%. Assumption for payroll growth was reduced from 3.75% to 3.50%.

CalPERS applied a new discount rate decreasing the rate from 7.65% to 7.15%.

2015-16

CalPERS applied a new discount rate increasing the rate from 7.50% to 7.65%.

Schedules of District Contributions – CalSTRS (STRP) and CalPERS (Schools Pool Plan)

The schedule presents information on the District's required contribution, the amounts actually contributed and any excess or deficiency related to the required contribution. In the future, as data becomes available, 10 years of information will be presented.

NOTE 2 EXCESS OF EXPENDITURES OVER APPROPRIATIONS

Excesses of expenditures over appropriations, by major object accounts, occurred in the General Fund as follows:

Employee Benefits *	\$ 2,248,354
Other Outgo/Indirect Costs	167,985

* The excess of expenditures over appropriations for employee benefits occurred due to the exclusion of the STRS on-behalf payments made by the state of California of \$2,625,956 that was not budgeted.

SUPPLEMENTARY INFORMATION

**MOORPARK UNIFIED SCHOOL DISTRICT
LEA ORGANIZATION STRUCTURE
YEAR ENDED JUNE 30, 2023**

The Moorpark Unified School District was established in 1895 and is comprised of an area of approximately 47.14 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 six elementary schools, two middle schools, one high school, a continuation school, an alternative school, and an adult program.

The Board of Education and the District Administrators for the fiscal year ended June 30, 2023 were as follows:

BOARD OF EDUCATION

<u>Member</u>	<u>Office</u>	<u>Term Expires</u>
Mr. Nathan Sweet	President	November 2026
Mr. Robert Perez	Vice President	November 2026
Ms. Amy Adams	Clerk	November 2024
Ms. Ute Van Dam	Member	November 2024
Mr. Scott Dettorre	Member	November 2024

DISTRICT ADMINISTRATORS

Dr. Kelli Hays	Superintendent
Ms. Lynn David	Assistant Superintendent, Business Services
Dr. Jane Wagmeister	Assistant Superintendent, Instructional Services
Dr. Cathy Lasure	Assistant Superintendent, Personnel Services

**MOORPARK UNIFIED SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE (ADA)
YEAR ENDED JUNE 30, 2023**

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 year ended June 30, 2023 were as follows:

	Second Period Certificate # B3757203	Annual Certificate # 8D660E6D
Grades Transitional Kindergarten through Third:		
Regular ADA	1,608.09	1,631.44
Extended Year Special Education	2.68	2.68
Total Grades Transitional Kindergarten through Third ADA	1,610.77	1,634.12
Grades Four through Six:		
Regular ADA	1,170.72	1,173.18
Extended Year Special Education	2.36	2.36
Special Education - Nonpublic, Nonsectarian Schools	-	0.06
Total Grades Four through Six ADA	1,173.08	1,175.60
Grades Seven and Eight:		
Regular ADA	769.29	771.71
Extended Year Special Education	0.29	0.29
Special Education - Nonpublic, Nonsectarian Schools	0.82	0.90
Extended Year Special Education - Nonpublic, Nonsectarian Schools	0.17	0.17
Total Grades Seven and Eight ADA	770.57	773.07
Grades Nine through Twelve:		
Regular ADA	1,824.76	1,823.97
Extended Year Special Education	1.59	1.59
Special Education - Nonpublic, Nonsectarian Schools	-	0.32
Total Grades Nine through Twelve ADA	1,826.35	1,825.88
Total ADA	5,380.77	5,408.67

See accompanying Note to the Supplementary Information.

**MOORPARK UNIFIED SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME
YEAR ENDED JUNE 30, 2023**

Grade Level	Minutes Requirements	Minutes Offered	Days Offered Traditional	Status
Kindergarten	36,000	54,630	180	In Compliance
Grade 1	50,400	50,550	180	In Compliance
Grade 2	50,400	50,550	180	In Compliance
Grade 3	50,400	50,550	180	In Compliance
Grade 4	54,000	54,000	180	In Compliance
Grade 5	54,000	54,000	180	In Compliance
Grade 6	54,000	57,425	180	In Compliance
Grade 7	54,000	57,425	180	In Compliance
Grade 8	54,000	57,425	180	In Compliance
Grade 9	64,800	65,466	180	In Compliance
Grade 10	64,800	65,466	180	In Compliance
Grade 11	64,800	65,466	180	In Compliance
Grade 12	64,800	65,466	180	In Compliance

See accompanying Note to the Supplementary Information.

**MOORPARK UNIFIED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
United States Department of Agriculture				
Pass-Through Program From California Department of Education:				
Child Nutrition Cluster:				
National School Lunch Program	10.555	23165	\$ 2,232,904	\$ -
National School Lunch Program - Commodities	10.555	13524	208,379	-
COVID-19 - Emergency Operational Costs Reimbursement	10.555	15637	14,116	-
Supply Chain Assistance (SCA) Funds	10.555	15655	143,926	-
Subtotal: Child Nutrition Cluster			2,599,325	-
Pandemic Electronic Benefit Transfer (P-EBT) Grant	10.469	15644	3,063	-
Total: United States Department of Agriculture			2,602,388	-
United States Department of Education				
Pass-Through Program From California Department of Education:				
Special Education Cluster:				
Grants to States (IDEA, Part B)	84.027	13379	1,264,456	-
Grants to States (IDEA, Part B) - Private Schools	84.027	10115	4,505	-
Mental Health Allocation (IDEA, Part B)	84.027	15197	68,862	-
COVID-19 - Grants to States (IDEA, Part B)	84.027	15638	270,418	-
COVID-19 - Grants to States (IDEA, Part B) - Private Schools	84.027	10169	969	-
Preschool Grants (IDEA, Part B)	84.173	13430	32,966	-
COVID-19 - Preschool Grants (IDEA, Part B)	84.173	15639	23,155	-
Subtotal: Special Education Cluster			1,665,331	-
Education Stabilization Fund (ESF):				
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER) III	84.425U	15559	59,916	-
COVID-19 - ESSER III - Learning Loss	84.425U	10155	200,888	-
COVID-19 - Expanded Learning Opportunities (ELO) Grant ESSER II	84.425D	15618	568,029	-
COVID-19 - ELO GEER II	84.425C	15619	130,368	-
COVID-19 - ELO ESSER III State Reserve, Emergency Needs	84.425U	15620	220,151	-
COVID-19 - ELO ESSER III State Reserve, Learning Loss	84.425U	15621	255,240	-
COVID-19 - ARP Homeless Children and Youth II	84.425U	15566	7,418	-
Subtotal: Education Stabilization Fund			1,442,010	-
Other Programs:				
Title I, Part A - Basic Grants	84.010	14329	632,514	-
Title II, Part A - Supporting Effective Instruction	84.367	14341	150,599	-
Title III - English Learner Student Program	84.365	14346	131,044	-
Career and Technical Education - Secondary	84.048	14894	23,818	-
Total: United States Department of Education			4,045,316	-
United States Department of Health and Human Services				
Pass-Through Program From California Department of Education:				
Child Care and Development Fund (CCDF) Cluster:				
COVID-19 - One-Time Stipend	93.575	15555	4,398	-
COVID-19 - CCDF - ARP One-Time Stipend	93.575	15640	27,807	-
Subtotal: CCDF Cluster			32,205	-
Total: United States Department of Health and Human Services			32,205	-
Total Federal Programs			\$ 6,679,909	\$ -

See accompanying Note to the Supplementary Information.

**MOORPARK UNIFIED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

Reconciliation to Federal Revenue

Total Federal Program Expenditures	\$ 6,679,909
Revenues in Excess (Deficiency) of Expenditures Related to Federal Entitlements:	
Child Nutrition Cluster	(939,067)
Pandemic Electronic Benefit Transfer (P-EBT) Grant	(3,063)
Education Stabilization Fund	(14,665)
CCDF Cluster	<u>135,109</u>
Total Federal Program Revenue	<u><u>\$ 5,858,223</u></u>

The District is the recipient of a federal award program that does not result in cash receipts or disbursements.

The District was granted \$208,379 of commodities under the National School Lunch Program (Assistance Listing Number 10.555).

See accompanying Note to the Supplementary Information.

**MOORPARK UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
YEAR ENDED JUNE 30, 2023**

	2024 (Budgeted)	2023	2022	2021
Total Revenues	\$ 86,729,002	\$ 93,448,558	\$ 79,280,170	\$ 75,579,024
Total Expenditures	86,368,962	82,225,051	75,171,711	70,503,767
Total Other Financing Sources (Uses)	-	521,826	-	-
Change in Fund Balance	360,040	11,745,333	4,108,459	5,075,257
Ending Fund Balance	<u>\$ 22,395,369</u>	<u>\$ 27,521,626</u>	<u>\$ 15,776,293</u>	<u>\$ 11,667,834</u>
Available Reserve	<u>\$ 2,591,069</u>	<u>\$ 2,386,813</u>	<u>\$ 2,164,050</u>	<u>\$ 2,036,158</u>
Available Reserve %	3.00%	3.00%	3.00%	3.00%
ADA	<u>5,333</u>	<u>5,381</u>	<u>5,379</u>	<u>5,893</u>
Total Long-Term Liabilities	<u>\$ 143,182,066</u>	<u>\$ 147,276,269</u>	<u>\$ 77,651,773</u>	<u>\$ 164,963,998</u>

The amounts above are those reported as General Fund in the Annual Financial and Budget Report and do not include special revenue funds included in the General Fund of the governmental funds' financial statements.

Available reserves are those amounts reserved for economic uncertainty and any other remaining unassigned fund balance from the General Fund. For a District this size, the state recommends a 3% reserve of total General Fund expenditures. The state on-behalf payments to CalSTRS have been excluded from the calculation of available reserve percentage. For the year ended June 30, 2023, the District has met this requirement.

All percentages are of total expenditures.

The 2024 budget is the original budget adopted on June 22, 2023.

See accompanying Note to the Supplementary Information.

**MOORPARK UNIFIED SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOLS
YEAR ENDED JUNE 30, 2023**

<u>Charter School Number</u>	<u>Charter School</u>	<u>Included in District Audit Report</u>
#1202	Ivy Tech Charter School	No

See accompanying Note to the Supplementary Information.

**MOORPARK UNIFIED SCHOOL DISTRICT
RECONCILIATION OF THE ANNUAL FINANCIAL AND BUDGET REPORT
WITH THE AUDITED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

There were no differences between the fund balances reported on the June 30, 2023 Annual Financial and Budget Report for the governmental funds and the audited financial statements.

See accompanying Note to the Supplementary Information.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTE TO THE SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

NOTE 1 PURPOSE OF SCHEDULES

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.

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 government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of 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 for all awards. Under these principles, 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 did not use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Schedule of Financial Trends and Analysis

The *2022-23 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.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTE TO THE SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

NOTE 1 PURPOSE OF SCHEDULES (CONTINUED)

Schedule of Charter Schools

The *2022-23 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.

OPTIONAL SUPPLEMENTARY INFORMATION

**MOORPARK UNIFIED SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023**

	Student Activity Fund	Adult Education Fund	Child Development Fund	Cafeteria Fund
ASSETS				
Cash in County Treasury	\$ -	\$ 57,128	\$ 822,339	\$ 3,445,232
Cash in Banks	636,902	-	-	-
Accounts Receivable	-	2,295	91,600	596,613
Due from Other Funds	-	23,755	-	1,659
Stores	-	-	-	70,549
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 636,902</u>	<u>\$ 83,178</u>	<u>\$ 913,939</u>	<u>\$ 4,114,053</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ -	\$ 2,270	\$ 35,388	\$ 51,782
Due to Other Funds	-	7,469	81,033	61,863
Unearned Revenue	-	-	435,413	-
Total Liabilities	<hr/>	<hr/>	<hr/>	<hr/>
	-	9,739	551,834	113,645
FUND BALANCES				
Nonspendable	5,741	-	-	70,549
Restricted	631,161	20,231	362,105	3,929,859
Assigned	-	53,208	-	-
Total Fund Balances	<hr/>	<hr/>	<hr/>	<hr/>
	636,902	73,439	362,105	4,000,408
Total Liabilities and Fund Balances	<u>\$ 636,902</u>	<u>\$ 83,178</u>	<u>\$ 913,939</u>	<u>\$ 4,114,053</u>

See accompanying Note to the Optional Supplementary Information.

**MOORPARK UNIFIED SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2023**

	Capital Facilities Fund	Bond Interest and Redemption Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash in County Treasury	\$ 3,595	\$ 4,203,950	\$ 8,532,244
Cash in Banks	-	-	636,902
Accounts Receivable	4,799	44,465	739,772
Due from Other Funds	-	-	25,414
Stores	-	-	70,549
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 8,394</u>	<u>\$ 4,248,415</u>	<u>\$ 10,004,881</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ 89,440
Due to Other Funds	-	-	150,365
Unearned Revenue	-	-	435,413
Total Liabilities	<hr/> -	<hr/> -	<hr/> 675,218
FUND BALANCES			
Nonspendable	-	-	76,290
Restricted	8,394	4,248,415	9,200,165
Assigned	-	-	53,208
Total Fund Balances	<hr/> 8,394	<hr/> 4,248,415	<hr/> 9,329,663
	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$ 8,394</u>	<u>\$ 4,248,415</u>	<u>\$ 10,004,881</u>

See accompanying Note to the Optional Supplementary Information.

**MOORPARK UNIFIED SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023**

	Student Activity Fund	Adult Education Fund	Child Development Fund	Cafeteria Fund
REVENUES				
Federal Sources	\$ -	\$ -	\$ 167,314	\$ 1,660,258
Other State Sources	-	438,805	976,421	2,225,713
Other Local Sources	1,595,740	11,024	107,302	290,017
Total Revenues	<u>1,595,740</u>	<u>449,829</u>	<u>1,251,037</u>	<u>4,175,988</u>
EXPENDITURES				
Instruction	-	457,711	663,010	-
Instruction - Related Services	-	309,285	268,792	-
Pupil Services	-	-	-	2,529,289
Ancillary Services	1,514,298	-	-	-
General Administration	-	36,500	81,033	61,863
Plant Services	-	429	60,657	11,235
Debt Service	-	-	-	-
Total Expenditures	<u>1,514,298</u>	<u>803,925</u>	<u>1,073,492</u>	<u>2,602,387</u>
NET CHANGES IN FUND BALANCE	81,442	(354,096)	177,545	1,573,601
Fund Balances - Beginning of Year	<u>555,460</u>	<u>427,535</u>	<u>184,560</u>	<u>2,426,807</u>
FUND BALANCES - END OF YEAR	<u>\$ 636,902</u>	<u>\$ 73,439</u>	<u>\$ 362,105</u>	<u>\$ 4,000,408</u>

See accompanying Note to the Optional Supplementary Information.

**MOORPARK UNIFIED SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

	Capital Facilities Fund	Bond Interest and Redemption Fund	Total Nonmajor Governmental Funds
REVENUES			
Federal Sources	\$ -	\$ -	\$ 1,827,572
Other State Sources	-	19,755	3,660,694
Other Local Sources	29,540	3,800,710	5,834,333
Total Revenues	<u>29,540</u>	<u>3,820,465</u>	<u>11,322,599</u>
EXPENDITURES			
Instruction	-	-	1,120,721
Instruction - Related Services	-	-	578,077
Pupil Services	-	-	2,529,289
Ancillary Services	-	-	1,514,298
General Administration	-	-	179,396
Plant Services	42,696	-	115,017
Debt Service	-	4,939,851	4,939,851
Total Expenditures	<u>42,696</u>	<u>4,939,851</u>	<u>10,976,649</u>
NET CHANGES IN FUND BALANCE	(13,156)	(1,119,386)	345,950
Fund Balances - Beginning of Year	<u>21,550</u>	<u>5,367,801</u>	<u>8,983,713</u>
FUND BALANCES - END OF YEAR	<u>\$ 8,394</u>	<u>\$ 4,248,415</u>	<u>\$ 9,329,663</u>

See accompanying Note to the Optional Supplementary Information.

**MOORPARK UNIFIED SCHOOL DISTRICT
NOTE TO THE OPTIONAL SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

NOTE 1 PURPOSE OF SCHEDULES

Combining Fund Financial Statements

Combining fund balance sheets and statements of revenues, expenditures and changes in fund balance have been presented for the nonmajor funds 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.

OTHER INDEPENDENT AUDITORS' REPORTS



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

Board of Education
Moorpark Unified School District
Moorpark, 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 Moorpark Unified School District (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 30, 2023.

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 entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

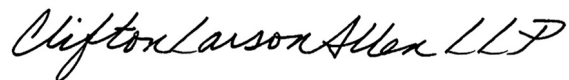
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

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

Purpose of this Report

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



CliftonLarsonAllen LLP

Glendora, California
October 30, 2023



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

Board of Education
Moorpark Unified School District
Moorpark, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Moorpark Unified 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 the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the 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 the District's compliance with the requirements of each major federal program as a whole.

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

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

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

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 Auditors' 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.



CliftonLarsonAllen LLP

Glendora, California
October 30, 2023



INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE AND REPORT ON INTERNAL CONTROL OVER STATE COMPLIANCE

Board of Education
Moorpark Unified School District
Moorpark, California

Report on State Compliance

Opinion on State Compliance

We have audited the Moorpark Unified School District's (the District) compliance with the types of compliance requirements applicable to the District described in the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel for the year ended June 30, 2023. The District's applicable State compliance requirements are identified in the table below.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the District for the year ended June 30, 2023.

Basis for Opinion on State Compliance

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for State Compliance

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

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances;
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, but not for the purpose of expressing an opinion on the effectiveness of the District's internal controls over compliance. Accordingly, we express no such opinion; and

Board of Education
Moorpark Unified School District

- Select and test transactions and records to determine the District’s compliance with the state laws and regulations applicable to the following items:

<u>Description</u>	<u>Procedures Performed</u>
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	Yes
Continuation Education	Not Applicable
Instructional Time	Yes
Instructional Materials	Yes
Ratio of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	Not Applicable
GANN Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	Not Applicable
Middle or Early College High Schools	Yes
K-3 Grade Span Adjustment	Yes
Transportation Maintenance of Effort	Yes
Apprenticeship: Related and Supplemental Instruction	Not Applicable
Comprehensive School Safety Plan	Yes
District of Choice	Not Applicable
Home to School Transportation Reimbursement	Yes
Independent Study Certification for ADA Loss Mitigation	Yes
California Clean Energy Jobs Act	Yes
After/Before School Education and Safety Program	Yes
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	Not Applicable
Immunizations	Yes
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant	Yes
Transitional Kindergarten	Yes
Charter Schools:	
Attendance	No ¹
Mode of Instruction	No ¹
Nonclassroom-Based Instruction/Independent Study	No ¹
Determination of Funding for Nonclassroom-Based Instruction	No ¹
Annual Instructional Minutes - Classroom Based	No ¹
Charter School Facility Grant Program	No ¹

¹ Testing for Charter Schools was done by the charter school’s respective auditor.

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

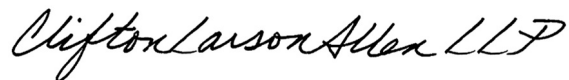
Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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 *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Glendora, California
October 30, 2023

FINDINGS AND QUESTIONED COSTS

**MOORPARK UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes x no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
84.027, 84.173 84.425C, 84.425D, 84.425U	Special Education Cluster Education Stabilization Fund

- Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000
- Auditee qualified as low-risk auditee? _____ x yes _____ no

**MOORPARK UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023**

All audit findings must be identified as one or more of the following categories:

<u>Five Digit Code</u>	<u>Finding Types</u>
10000	Attendance
20000	Inventory of Equipment
30000	Internal Control
40000	State Compliance
42000	Charter School Facilities Programs
43000	Apprenticeship: Related and Supplemental Instruction
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

Section IV – Findings and Questioned Costs – State Compliance

Our audit did not disclose any matters required to be reported in accordance with the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*.

**MOORPARK UNIFIED SCHOOL DISTRICT
SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2023**

2022-001 After/Before School Education and Safety Program

40000

Criteria: California Education Code 8483(a)(2) states that it is the intent of the Legislature that pupils participate in the full day of the program every day during which pupils participate, except as allowed by the early release policy.

Condition: During our testing, it was noted the District did not have early release documentation for 6 out of the 25 students that were sampled.

Effect: The District is not in compliance with California Education Code Section 8483(a)(2).

Cause: There was turnover at the Boys and Girls club in the position that retains the early release documentation, as well as turnover in the District department that manages the after school education and safety program.

Questioned Costs and Units: Not applicable as funding is not determined based on attendance.

Recommendation: The District should adopt and design procedures and controls to ensure the appropriate early release documentation is retained.

Current Status: Implemented



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.