

**MOORPARK UNIFIED SCHOOL DISTRICT  
VENTURA COUNTY**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED JUNE 30, 2020**



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## INDEPENDENT AUDITORS' REPORT

Board of Education  
Moorpark Unified School District  
Moorpark, California

### **Report on the Financial Statements**

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, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Opinion***

In our opinion, the financial statements referred to in the aforementioned table of contents 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, 2020, 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.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information schedules as listed in the aforementioned table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other 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 supplementary schedules and combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal regulation Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Average Daily Attendance (ADA), Schedule of Instructional Time, Schedule of Expenditures of Federal Awards, Reconciliation of the Annual Financial and Budget Report with the Audited Financial Statements, the Notes to the Supplementary Information and the combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The History and Organization, Schedule of Financial Trends and Analysis, and Schedule of Charter Schools have 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 Trustees  
Moorpark Unified School District

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 8, 2021 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  
February 8, 2021

**MOORPARK UNIFIED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2020**

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, 2020, with comparative information from 2019. 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). Additionally, certain eliminations have occurred as prescribed by the statement in regards to interfund activity, payables, and receivables.

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

The fund financial statements include statements for each of the two categories of activities: governmental and fiduciary.

The fiduciary activities are prepared using the economic resources measurement focus and the accrual basis of accounting.

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

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

**MOORPARK UNIFIED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2020**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**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.

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 \$68,781,687 and expenditures of \$69,677,396 resulted in a deficit as of June 30, 2020.
- General Fund ending balance, excluding the Deferred Maintenance Fund, as of June 30, 2020 was \$6,592,577.
- Expenditures were reduced to reflect declining enrollment; the District continues to modify expenditures to "right size" the District.
- The District continues to focus on the improvement of budget process and procedures.
- The District continues to engage stakeholders for the purpose of increasing awareness, transparency and knowledge of the budget process through the Local Control Funding Formula committee.

**MOORPARK UNIFIED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2020**

**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 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 TRUSTEE**

**Reporting the District's Fiduciary Responsibilities**

The District is the trustee, or fiduciary, for funds held on behalf of others, like our funds for associated student body activities, scholarships, employee retiree benefits, and pensions. The District's fiduciary activities are reported in the statement of fiduciary net position. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**MOORPARK UNIFIED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2020**

**THE DISTRICT AS A WHOLE**

**Net Position**

The District's net position (deficit) was \$(49,527,075) for the fiscal year ended June 30, 2020. Of this amount, \$(70,099,729) 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.

**Table 1: Net Position**

	Governmental Activities	
	June 30, 2020	June 30, 2019
<b>ASSETS</b>		
Current and Other Assets	\$ 23,568,083	\$ 24,739,386
Capital Assets, Net	85,155,007	85,376,351
Total Assets	108,723,090	110,115,737
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Charge on Refunding	754,504	871,502
Deferred Outflows - OPEB	2,312,002	291,439
Deferred Outflows - Pensions	17,038,164	18,961,302
Total Deferred Outflows of Resources	20,104,670	20,124,243
<b>LIABILITIES</b>		
Current Liabilities	5,169,463	3,934,544
Long-Term Debt Outstanding	163,813,144	161,618,571
Total Liabilities	168,982,607	165,553,115
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Inflows - OPEB	229,342	270,296
Deferred Inflows - Pensions	9,142,886	9,933,746
Total Deferred Outflows of Resources	9,372,228	10,204,042
<b>NET POSITION</b>		
Net Investment in Capital Assets	13,083,333	13,161,389
Restricted	7,489,321	8,954,720
Unrestricted	(70,099,729)	(67,633,286)
Total Net Position	\$ (49,527,075)	\$ (45,517,177)

**MOORPARK UNIFIED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2020**

**THE DISTRICT AS A WHOLE (CONTINUED)**

**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.

**Table 2: Changes in Net Position**

	Governmental Activities	
	<u>June 30, 2020</u>	<u>June 30, 2019</u>
<b>REVENUES</b>		
Program Revenues:		
Charges for Services	\$ 1,136,172	\$ 698,826
Operating Grants and Contributions	11,754,597	13,549,820
General Revenues:		
Property Taxes	27,276,041	27,145,187
Federal and State Aid	36,356,864	36,930,493
Other General Revenues	<u>758,641</u>	<u>1,089,965</u>
Total Revenues	<u>77,282,315</u>	<u>79,414,291</u>
<b>EXPENSES</b>		
Instruction	42,463,212	43,313,491
Instruction-Related Services	8,758,503	8,564,303
Pupil Services	6,659,325	6,541,117
Ancillary Services	71,070	138,155
General Administration	5,384,597	5,404,837
Plant Services	7,853,396	6,958,495
Other Outgo and Interest on Long-Term Debt	6,616,086	6,335,561
Depreciation	<u>3,486,024</u>	<u>3,356,446</u>
Total Expenses	<u>81,292,213</u>	<u>80,612,405</u>
<b>CHANGE IN NET POSITION</b>	(4,009,898)	(1,198,114)
Net Position - Beginning of Year	<u>(45,517,177)</u>	<u>(44,319,063)</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ (49,527,075)</u>	<u>\$ (45,517,177)</u>

**MOORPARK UNIFIED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2020**

**THE DISTRICT AS A WHOLE (CONTINUED)**

**Governmental Activities**

As reported in the statement of activities, the cost of all of our governmental activities this year was \$81,292,213. However, the amount that our taxpayers paid for these activities was \$27,276,041 because the cost was paid by those who benefited from the programs \$1,136,172, or by other governments and organizations who subsidized certain programs with grants and contributions \$11,754,597. We paid for the remaining "public benefit" portion of our governmental activities with \$37,115,505 in federal and state funds and other revenues, like interest and general entitlements.

**THE DISTRICT'S FUNDS**

As the District completed this year, our governmental funds reported a combined fund balance of \$18,672,616, which is a decrease of \$2,447,893 from last year (Table 3).

**Table 3: Fund Balance**

	Fund Balance		
	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>Difference</u>
<b>GOVERNMENTAL FUNDS</b>			
General Fund	\$ 6,592,809	\$ 7,488,518	\$ (895,709)
Building Fund	6,013,559	6,932,908	(919,349)
Bond Interest and Redemption Fund	4,839,091	5,310,782	(471,691)
Adult Education Fund	196,072	180,275	15,797
Child Development Fund	104,873	121,897	(17,024)
Cafeteria Fund	331,050	29,916	301,134
Capital Facilities Fund	595,162	1,056,213	(461,051)
	<u>\$ 18,672,616</u>	<u>\$ 21,120,509</u>	<u>\$ (2,447,893)</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 9, 2020. (A schedule showing the District's original and final budget amounts compared with amounts actually paid and received is provided on page 53)

- The declining enrollment trend continued at about 45 ADA.
- State sources increased due to Special Education Early Intervention, COVID-19 Response and Special Education Out of Home Care funds that were not originally expected.
- Increase in health insurance costs.
- Step and column adjustments maintained.

**MOORPARK UNIFIED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2020**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At June 30, 2020, the District had \$85,155,007 in a broad range of capital assets (net of depreciation), including land, buildings, and furniture and equipment.

**Table 4: Capital Assets (Net of Depreciation)**

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Land	\$ 18,254,739	\$ 18,254,739
Construction in Progress	3,231,241	-
Land Improvements	4,876,474	4,876,474
Buildings and Improvements	118,465,647	118,465,647
Furniture and Equipment	<u>4,917,300</u>	<u>4,883,861</u>
Total	149,745,401	146,480,721
Less: Accumulated Depreciation	<u>(64,590,394)</u>	<u>(61,104,370)</u>
 Capital Assets, Net	 <u>\$ 85,155,007</u>	 <u>\$ 85,376,351</u>

**Long-Term Liabilities**

At the end of this year, the District had \$163,813,144 in long-term liabilities.

**Table 5: Long-Term Liabilities**

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
General Obligation Bonds	\$ 75,560,654	\$ 76,375,246
Certificates of Participation (COPS)	3,279,083	3,644,126
Compensated Absences	206,932	137,082
PARS Supplementary Retirement Plan	862,990	1,294,485
Total Other Postemployment Benefits (OPEB) Liability	15,750,047	13,721,077
Net Pension Liability	<u>68,153,438</u>	<u>66,446,555</u>
 Total Long-Term Liabilities	 <u>\$ 163,813,144</u>	 <u>\$ 161,618,571</u>

**MOORPARK UNIFIED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2020**

**FUTURE EVENTS AND BUDGET ISSUES**

The largest impact for the District's annual budget is dependent on the California economic and political condition. In addition, the potential volatile increases in health insurance can make significant impacts. The unfunded liability for retiree benefits will continue to be addressed on an on-going basis as it relates to GASB Statement No. 75, and increased funding required under GASB 68 for net pension costs. The following is a summary of the 2020-2021 major budgeted revenues and expenditures as of First Interim:

**Revenues**

- Local Control Funding Formula of total revenue of \$55.7 million in the General Fund budget to increase by approximately \$4.2 million compared to Adopted Budget
- ADA in current year of 5,858.78
- Carryover 2019-2020 reserves

**Expenditures**

- Normal step and column increase for all employees averaged raises of approximately 1.5% for all employees.
- Health insurance budget at 5% increase.

**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, 2020**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash in County Treasury	\$ 14,863,324
Cash and Cash Equivalents	5,000
Accounts Receivable	7,869,694
Stores	60,003
Prepaid Expenses	770,062
Land	18,254,739
Construction in Progress	3,231,241
Depreciable Assets, Net	<u>63,669,027</u>
Total Assets	108,723,090
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Charge on Refunding	754,504
Deferred Outflows - OPEB	2,312,002
Deferred Outflows - Pensions	<u>17,038,164</u>
Total Deferred Outflows of Resources	20,104,670
 <b>LIABILITIES</b>	
Accounts Payable	4,616,108
Accrued Interest	273,996
Unearned Revenue	279,359
Current Portion of Long-Term Liabilities	6,013,297
Noncurrent Portion of Long-Term Liabilities	<u>157,799,847</u>
Total Liabilities	168,982,607
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Inflows - OPEB	229,342
Deferred Inflows - Pensions	<u>9,142,886</u>
Total Deferred Inflows of Resources	9,372,228
 <b>NET POSITION</b>	
Net Investment in Capital Assets	13,083,333
Restricted for:	
Capital Projects	595,162
Debt Service	4,565,095
Educational Programs	1,923,834
Other Purposes	405,230
Unrestricted	<u>(70,099,729)</u>
Total Net Position	<u><u>\$ (49,527,075)</u></u>

See accompanying Notes to Financial Statements.

**MOORPARK UNIFIED SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2020**

Functions	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Governmental Activities
<b>GOVERNMENTAL ACTIVITIES</b>				
Instruction	\$ 42,463,212	\$ 311,221	\$ 7,194,147	\$ (34,957,844)
Instruction - Related Services	8,758,503	63,519	1,061,927	(7,633,057)
Pupil Services	6,659,325	569,874	2,004,500	(4,084,951)
Ancillary Services	71,070	10,521	14,145	(46,404)
General Administration	5,384,597	6,056	425,121	(4,953,420)
Plant Services	7,853,396	11,247	267,863	(7,574,286)
Other Outgo	2,160,398	163,734	786,894	(1,209,770)
Debt Service - Interest	4,455,688	-	-	(4,455,688)
Depreciation (Unallocated)	3,486,024	-	-	(3,486,024)
Total Governmental Activities	<u>\$ 81,292,213</u>	<u>\$ 1,136,172</u>	<u>\$ 11,754,597</u>	(68,401,444)
<b>GENERAL REVENUES</b>				
Property Taxes Levied for:				
General Purposes				22,736,004
Debt Service				4,540,037
Federal and State Aid not Restricted to Specific Purposes				36,356,864
Interest and Investment Earnings				312,253
Miscellaneous				446,388
Total General Revenues				<u>64,391,546</u>
<b>CHANGE IN NET POSITION</b>				(4,009,898)
Net Position - Beginning of Year				<u>(45,517,177)</u>
<b>NET POSITION - END OF YEAR</b>				<u>\$ (49,527,075)</u>

See accompanying Notes to Financial Statements.

**MOORPARK UNIFIED SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2020**

	<u>General Fund</u>	<u>Building Fund</u>	<u>Bond Interest and Redemption Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash in County Treasury	\$ 2,441,035	\$ 6,149,521	\$ 4,816,196	\$ 1,456,572	\$ 14,863,324
Cash and Cash Equivalents	5,000	-	-	-	5,000
Accounts Receivable	7,561,813	41,006	22,895	243,980	7,869,694
Due from Other Funds	364,915	-	-	-	364,915
Stores	29,310	-	-	30,693	60,003
Prepaid Expenditures	770,062	-	-	-	770,062
<b>Total Assets</b>	<b><u>\$ 11,172,135</u></b>	<b><u>\$ 6,190,527</u></b>	<b><u>\$ 4,839,091</u></b>	<b><u>\$ 1,731,245</u></b>	<b><u>\$ 23,932,998</u></b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 4,418,686	\$ 176,968	\$ -	\$ 20,454	\$ 4,616,108
Due to Other Funds	-	-	-	364,915	364,915
Unearned Revenue	160,640	-	-	118,719	279,359
<b>Total Liabilities</b>	<b><u>4,579,326</u></b>	<b><u>176,968</u></b>	<b><u>-</u></b>	<b><u>504,088</u></b>	<b><u>5,260,382</u></b>
<b>FUND BALANCES</b>					
Nonspendable	804,372	-	-	30,693	835,065
Restricted	1,780,177	6,013,559	4,839,091	1,144,049	13,776,876
Assigned	2,016,863	-	-	52,415	2,069,278
Unassigned	1,991,397	-	-	-	1,991,397
<b>Total Fund Balances</b>	<b><u>6,592,809</u></b>	<b><u>6,013,559</u></b>	<b><u>4,839,091</u></b>	<b><u>1,227,157</u></b>	<b><u>18,672,616</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 11,172,135</u></b>	<b><u>\$ 6,190,527</u></b>	<b><u>\$ 4,839,091</u></b>	<b><u>\$ 1,731,245</u></b>	<b><u>\$ 23,932,998</u></b>

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, 2020**

Total Fund Balances - Governmental Funds \$ 18,672,616

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	
Construction in Progress	3,231,241	
Depreciable Assets, Net	<u>63,669,027</u>	85,155,007

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	(75,560,654)	
Certificates of Participation (COPS)	(3,279,083)	
Compensated Absences	(206,932)	
PARS Supplementary Retirement Plan	(862,990)	
Other Postemployment Benefits Other than Pensions (OPEB)	(15,750,047)	
Net Pension Liability	<u>(68,153,438)</u>	(163,813,144)

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	754,504	
Deferred Outflows - OPEB	2,312,002	
Deferred Outflows - Pensions	17,038,164	
Deferred Inflows - OPEB	(229,342)	
Deferred Inflows - Pensions	<u>(9,142,886)</u>	10,732,442

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, 2020, consists of:

(273,996)

Total Net Position - Governmental Activities

\$ (49,527,075)

**MOORPARK UNIFIED SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2020**

	General Fund	Building Fund	Bond Interest and Redemption Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Local Control Funding Formula (LCFF):					
State Apportionments	\$ 35,143,606	\$ -	\$ -	\$ -	\$ 35,143,606
Local Sources	21,055,836	-	-	-	21,055,836
Total LCFF	56,199,442	-	-	-	56,199,442
Federal Sources	1,950,370	-	-	1,199,084	3,149,454
Other State Sources	5,948,172	-	27,721	1,071,030	7,046,923
Other Local Sources	4,683,681	1,159,921	4,578,074	823,574	11,245,250
Total Revenues	68,781,665	1,159,921	4,605,795	3,093,688	77,641,069
<b>EXPENDITURES</b>					
Instruction	40,792,727	-	-	698,436	41,491,163
Instruction - Related Services	7,969,820	-	-	352,301	8,322,121
Pupil Services	4,799,261	-	-	1,555,180	6,354,441
Ancillary Services	71,070	-	-	-	71,070
General Administration	5,423,746	-	-	79,396	5,503,142
Plant Services	8,430,038	2,079,270	-	117,323	10,626,631
Other Outgo	2,160,398	-	-	-	2,160,398
Debt Service	15,855	-	5,077,486	466,655	5,559,996
Total Expenditures	69,662,915	2,079,270	5,077,486	3,269,291	80,088,962
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	(881,250)	(919,349)	(471,691)	(175,603)	(2,447,893)
<b>OTHER FINANCING SOURCES (USES)</b>					
Interfund Transfers In	22	-	-	14,481	14,503
Interfund Transfers Out	(14,481)	-	-	(22)	(14,503)
Total Other Financing Sources (Uses)	(14,459)	-	-	14,459	-
<b>NET CHANGES IN FUND BALANCE</b>	(895,709)	(919,349)	(471,691)	(161,144)	(2,447,893)
Fund Balances - Beginning of Year	7,488,518	6,932,908	5,310,782	1,388,301	21,120,509
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 6,592,809</u>	<u>\$ 6,013,559</u>	<u>\$ 4,839,091</u>	<u>\$ 1,227,157</u>	<u>\$ 18,672,616</u>

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, 2020**

Net Change in Fund Balances - Total Governmental Funds \$ (2,447,893)

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 expense.

Capital Outlay	\$ 3,264,680	
Depreciation Expense	(3,486,024)	
Deficiency of Capital Outlay over Depreciation Expense		(221,344)

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.

Repayment of general obligation bond principal and accreted interest due	4,400,000	
Repayment of COPS Principal	365,043	4,765,043

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:

(2,839,161)

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:

32,547

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	(116,998)	
Net Decrease in Accrued Interest	41,671	
Increase in Accreted Interest	(3,680,989)	
Amortization of Premium on General Obligation Bonds	95,581	
Increase in Compensated Absences	(69,850)	
Decrease in PARS Supplementary Retirement Plan	431,495	(3,299,090)

Change in Net Position of Governmental Activities \$ (4,009,898)

**MOORPARK UNIFIED SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2020**

	<u>Associated Student Body Funds</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 472,865
Total Assets	<u>472,865</u>
<b>LIABILITIES</b>	
Due to Student Groups	472,865
Total Liabilities	<u>\$ 472,865</u>

See accompanying Notes to Financial Statements.

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**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 (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. Fiduciary activities are excluded from the basic financial statements and are reported separately in the fiduciary fund statements.

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. Fiduciary funds are excluded.

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

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 fiduciary funds are reported by type.

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

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

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

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

**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.

The fiduciary fund expenses are presented by natural classification.

**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.

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Accounting (Continued)**

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.

**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.

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

**Governmental Funds – Nonmajor**

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

*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, committed or assigned for the acquisition and/or construction of major governmental general fixed assets.

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

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fiduciary Funds**

**Associated Student Body Fund:** used to account for raising and expending money to promote the general welfare, morale, and educational experiences of the student body.

**Basis of Accounting**

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

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

**Cash and Cash Equivalents**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash in the county treasury is recorded at cost, which approximates fair value.

**Receivables**

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

**Prepaid Expenses/Expenditures**

Payments made to vendors for goods or services that will benefit periods beyond June 30, 2020, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense/expenditure is reported in the year in which goods or services are consumed.

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**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 fixed assets are recorded at their acquisition values as of the date received. The District maintains a capitalization threshold of \$5,000. The District does not own any infrastructure as defined by GASB. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

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

Buildings	20 to 50 Years
Improvements	5 to 50 Years
Equipment	5 to 15 Years

**Deferred Outflows of Resources**

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

**Deferred 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 – OPEB:** The deferred outflows of resources related to OPEB benefits results from changes in assumptions. The deferred outflows – OPEB will be deferred and amortized as detailed in Note 12 to the financial statements.

**Deferred Outflows – Pensions:** The deferred outflows of resources related to pensions resulted from District contributions to employee pension plans subsequent to the measurement date of the actuarial valuations for the pension plans and the effects of actuarially-determined changes to the pension plan. These amounts are deferred and amortized as detailed in Note 13 to the financial statements.

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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.

**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.

**Long-Term Obligations**

The District reports long-term debt of governmental funds at face value in the government-wide financial statements.

Bond premiums are deferred and amortized over the life of the bonds using the straight-line method. General obligation bonds are reported net of the applicable bond premium.

In the fund financial statements, governmental fund types recognize bond premiums, 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.

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Inflows of Resources**

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

**Deferred Inflows – OPEB:** The deferred inflows of resources related to OPEB benefits results from changes in assumptions. These amounts are deferred and amortized as detailed in Note 12 to the financial statements.

**Deferred Inflows – Pensions:** The deferred inflows of resources related to pensions resulted from the effects of actuarially-determined changes to the pension plan. These amounts are deferred and amortized as detailed in Note 13 to the financial statements.

**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.

**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.

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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.

**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 have been accrued in the government-wide financial statements.

**On-Behalf Payments**

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

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Estimates**

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

**Reporting Entity**

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

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

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

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

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

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Reporting Entity (Continued)**

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

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

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

**Ivy Tech Charter School:** The charter school is approved by the District's board of education and is a separate nonprofit corporation. The charter's governing board is elected independent of any District board of education's appointments and is responsible for approving their own budgets and accounting related activities. Separate financial statements for the charter school may be obtained through the District.

**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 GAAP.

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

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

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**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, 2020, \$247,330 of the District's bank balance of \$497,330 was exposed to credit risk.

**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, 2020 is measured at 100.41% 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 of reverse repurchase agreements. The funds maintained by the county are either secured by federal depository insurance or are collateralized. The county investment pool is not required to be rated. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

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

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

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 4 ACCOUNTS RECEIVABLE**

Accounts receivable consists of the following as of June 30, 2020:

<u>Accounts Receivable</u>	<u>General Fund</u>	<u>Building Fund</u>	<u>Bond Interest and Redemption Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Federal and State	\$ 7,253,960	\$ -	\$ -	\$ 238,658	\$ 7,492,618
Miscellaneous	307,853	41,006	22,895	5,322	377,076
Total Accounts Receivable	<u>\$ 7,561,813</u>	<u>\$ 41,006</u>	<u>\$ 22,895</u>	<u>\$ 243,980</u>	<u>\$ 7,869,694</u>

**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, 2020:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Fund:		
General Fund	\$ 364,915	\$ -
Nonmajor Governmental Funds:		
Adult Education Fund	-	13,484
Child Development Fund	-	65,912
Cafeteria Fund	-	285,519
Total	<u>\$ 364,915</u>	<u>\$ 364,915</u>

**Interfund Transfers**

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

Interfund transfers for the 2019-20 fiscal year are as follows:

Transfer from the General Fund to the Cafeteria Fund to Contribute to Cover the Stores of the Cafeteria Program	\$ 14,481
Transfer from the Adult Education Fund to the General Fund for Correction of a Donation.	<u>22</u>
Total	<u>\$ 14,503</u>

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 6 FUND BALANCES**

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

	General Fund	Building Fund	Bond Interest and Redemption Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Nonspendable:</b>					
Cash in Revolving Fund	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
Stores	29,310	-	-	30,693	60,003
Prepaid Expenditures	770,062	-	-	-	770,062
<b>Total Nonspendable</b>	<b>804,372</b>	<b>-</b>	<b>-</b>	<b>30,693</b>	<b>835,065</b>
<b>Restricted:</b>					
Legally Restricted Programs	1,780,177	-	-	548,887	2,329,064
Construction Projects	-	6,013,559	-	595,162	6,608,721
Debt Service	-	-	4,839,091	-	4,839,091
<b>Total Restricted</b>	<b>1,780,177</b>	<b>6,013,559</b>	<b>4,839,091</b>	<b>1,144,049</b>	<b>13,776,876</b>
<b>Assigned:</b>					
Technology	500,000	-	-	-	500,000
Supplemental Instruction	300,000	-	-	-	300,000
COVID-19	1,216,631	-	-	-	1,216,631
Deferred Maintenance	232	-	-	-	232
Adult Education	-	-	-	52,415	52,415
<b>Total Assigned</b>	<b>2,016,863</b>	<b>-</b>	<b>-</b>	<b>52,415</b>	<b>2,069,278</b>
<b>Unassigned:</b>					
Economic Uncertainties	1,991,397	-	-	-	1,991,397
Unassigned	-	-	-	-	-
<b>Total Unassigned</b>	<b>1,991,397</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,991,397</b>
<b>Total Fund Balance</b>	<b>\$ 6,592,809</b>	<b>\$ 6,013,559</b>	<b>\$ 4,839,091</b>	<b>\$ 1,227,157</b>	<b>\$ 18,672,616</b>

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 7 CAPITAL ASSETS AND DEPRECIATION – SCHEDULE OF CHANGES**

Capital asset activity is shown below for the year ended June 30, 2020:

	Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020
Capital Assets not Being Depreciated:				
Land	\$ 18,254,739	\$ -	\$ -	\$ 18,254,739
Construction in Progress	-	3,231,241	-	3,231,241
Total Capital Assets not Being Depreciated	18,254,739	3,231,241	-	21,485,980
Capital Assets Being Depreciated:				
Land Improvements	4,876,474	-	-	4,876,474
Buildings and Improvements	118,465,647	-	-	118,465,647
Furniture and Equipment	4,883,861	33,439	-	4,917,300
Total Capital Assets Being Depreciated	128,225,982	33,439	-	128,259,421
Less: Accumulated Depreciation for:				
Land Improvements	2,387,887	270,235	-	2,658,122
Buildings and Improvements	54,691,063	2,993,404	-	57,684,467
Furniture and Equipment	4,025,420	222,385	-	4,247,805
Total Accumulated Depreciation	61,104,370	3,486,024	-	64,590,394
Depreciable Assets, Net	67,121,612	(3,452,585)	-	63,669,027
Capital Assets, Net	<u>\$ 85,376,351</u>	<u>\$ (221,344)</u>	<u>\$ -</u>	<u>\$ 85,155,007</u>

**NOTE 8 LONG-TERM DEBT – SCHEDULE OF CHANGES**

A schedule of changes in long-term debt is shown below for the year ended June 30, 2020:

	Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020	Amount Due in One Year
General Obligation (GO) Bonds	\$ 45,703,319	\$ -	\$ 2,533,568	\$ 43,169,751	\$ 2,681,874
Direct Placement GO Bonds	3,954,888	-	1,455,000	2,499,888	799,888
Accreted Interest	26,012,334	3,680,989	411,432	29,281,891	528,126
Premium on GO Bonds	704,705	-	95,581	609,124	-
Total GO Bonds	76,375,246	3,680,989	4,495,581	75,560,654	4,009,888
Certificates of Participation (COPS)	3,644,126	-	365,043	3,279,083	371,627
Compensated Absences	137,082	69,850	-	206,932	-
PARS Supplementary Retirement Plan	1,294,485	-	431,495	862,990	431,495
Total OPEB Liability	13,721,077	2,028,970	-	15,750,047	1,200,287
Net Pension Liability	66,446,555	1,706,883	-	68,153,438	-
Total	<u>\$ 161,618,571</u>	<u>\$ 7,486,692</u>	<u>\$ 5,292,119</u>	<u>\$ 163,813,144</u>	<u>\$ 6,013,297</u>

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, PARS supplementary retirement plan, total OPEB liability, and net pension liability are liquidated by the fund recording the associated salary expenses.

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 9 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.

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 \$71,936 was recognized during 2019-20.

**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.

The outstanding general obligation bonded debt of the District at June 30, 2020 is:

General Obligation (GO) Bonds	Date of Issue	Date of Final Maturity	Interest Rate Percent	Amount of Original Issue	Outstanding June 30, 2020
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
Series C	6/29/2006	8/1/2016	4.0 - 4.4%	1,971,510	-
Refunding Bonds					
2013	12/12/2013	8/1/2024	2.0 - 5.0%	5,305,000	3,115,000
2015	5/5/2015	8/1/2028	3.38%	14,965,000	9,755,000
Total Measure R				53,269,870	16,108,360
Measure S:					
Series A	2/25/2009	8/1/2033	3.9 - 6.6%	11,000,537	8,911,815
Series B	10/20/2011	8/1/2042	2.0 - 6.6%	19,999,576	18,149,576
Series C	12/12/2013	8/1/2017	2.0 - 4.0%	3,000,000	-
Direct Placements:					
Series D	5/25/2016	8/1/2019	3.25%	3,000,000	-
Series E	3/20/2019	8/1/2022	3.50%	2,499,888	2,499,888
Subtotal: Direct Placements				5,499,888	2,499,888
Total Measure S				39,500,001	29,561,279
Total GO Bonds				\$ 92,769,871	\$ 45,669,639

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 9 GENERAL OBLIGATION BONDS (CONTINUED)**

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

<u>Year Ending June 30,</u>	<u>General Obligation Bonds</u>			<u>General Obligation Bonds from Direct Placements</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Accreted Interest</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 2,681,874	\$ 504,627	\$ 528,126	\$ 799,888	\$ 73,498
2022	2,856,001	422,147	628,999	885,000	44,012
2023	3,041,545	332,310	733,455	815,000	14,263
2024	2,478,275	234,730	841,725	-	-
2025	1,689,927	187,230	2,725,073	-	-
2026-2030	10,077,018	1,299,713	15,985,806	-	-
2031-2035	7,147,875	1,861,650	24,365,260	-	-
2036-2040	9,014,462	558,495	33,873,136	-	-
2041-2043	4,182,774	-	24,844,016	-	-
Total	<u>\$ 43,169,751</u>	<u>\$ 5,400,902</u>	<u>\$ 104,525,596</u>	<u>\$ 2,499,888</u>	<u>\$ 131,773</u>

**NOTE 10 CERTIFICATES OF PARTICIPATION**

The District originally entered into a long-term lease agreement to provide for the financing of certain capital projects in December 2003. The agreement is between the District as the “lessee” and the California School Boards Association Finance Corporation, as the “lessor” 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 June 2009, the California School Boards Association Finance Corporation issued Refunding Certificates of Participation in the amount of \$6,900,000 with interest rates ranging from 2.5% to 5.9%. The proceeds were used to pay off the 2003 Certificates of Participation.

On June 1, 2017, the California School Boards Association Finance Corporation issued Refunding Certificates of Participation in the amount of \$4,356,836 with a stated interest rate of 2.86%. The refunding proceeds were issued to advance refund the 2009 Refunding 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 \$45,062 was recognized during 2019-20.

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 10 CERTIFICATES OF PARTICIPATION (CONTINUED)**

The annual debt service requirements to maturity for the certificates outstanding are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 371,627	\$ 91,125	\$ 462,752
2022	381,822	80,424	462,246
2023	395,643	69,405	465,048
2024	403,296	58,034	461,330
2025	414,699	46,419	461,118
2026-2029	1,311,996	66,385	1,378,381
Total	<u>\$ 3,279,083</u>	<u>\$ 411,792</u>	<u>\$ 3,690,875</u>

**NOTE 11 PARS SUPPLEMENTARY RETIREMENT PLAN**

In April 2017, the District offered a supplemental retirement plan to qualified employees under a qualified plan of Section 401(b) of the Internal Revenue Code. There were 35 employees participating in this plan. \$431,495 is due annually beginning July 2017 through July 2021. The District's liability for the plan as of June 30, 2020 is \$862,990.

**NOTE 12 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 Moorpark Unified School District. The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Membership of the Plan consists of 46 retirees and beneficiaries currently receiving benefits, and 466 active Plan members.

The Plan does not issue a separate financial report.

**Funding Policy**

The District currently finances benefits on a pay-as-you-go basis. As of June 30, 2020, 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, 2020, the District contributed \$1,360,161 to the plan for current year premiums, including an implicit rate subsidy.

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 12 POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)**

**Total Other Postemployment Benefits (OPEB) Liability**

	Total OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Retiree Health Plan	\$ 15,750,047	\$ 2,312,002	\$ 229,342	\$ 1,327,614

**Actuarial Methods and Assumptions**

Actuarial Assumptions

The total OPEB liability was determined based on an actuarial valuation as of July 1, 2019. The following assumptions used in the July 1, 2019 valuation applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	July 1, 2019
Measurement Date	June 30, 2020
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 (1997-2015).

Actuarial assumptions used in the July 1, 2019 valuation were based on a review of plan experience during the period July 1, 2017 to June 30, 2019.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.45%. 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, 2020**

**NOTE 12 POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)**

**Changes in the Total OPEB Liability**

<u>Total OPEB Liability</u>	<u>2020</u>
Beginning Balance	<u>\$ 13,721,077</u>
Changes for the Year	
Service Cost	503,668
Interest Cost	481,722
Differences Between Expected and Actual Experience	1,131,056
Changes in Assumptions	1,272,685
Benefit Payments	<u>(1,360,161)</u>
Net Change in Total OPEB Liability	<u>2,028,970</u>
Ending Balance	<u><u>\$ 15,750,047</u></u>

**Sensitivity**

The following presents the District's total OPEB liability calculated using the discount rate of 2.45%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.45%) or 1 percentage point higher (3.45%) than the current rate:

<u>Discount Rate</u>	<u>Total OPEB Liability</u>
1% Decrease	\$ 16,596,087
Current Discount Rate	15,750,047
1% Increase	14,926,266

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 1 percentage point lower (4.00%) or 1 percentage point higher (6.00%) than the current rate:

<u>Healthcare Trend Rate</u>	<u>Total OPEB Liability</u>
1% Decrease	\$ 14,456,314
Current Healthcare Trend Rate	15,750,047
1% Increase	17,205,483

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 12 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	\$ 1,342,525	\$ 229,342
Differences Between Expected and Actual Experience	969,477	-
Total	\$ 2,312,002	\$ 229,342

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, 2020 measurement period was 7.0 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:

Year Ending June 30,	Amortization
2021	\$ 342,224
2022	342,224
2023	342,224
2024	342,224
2025	342,224
Thereafter	371,540
Total	\$ 2,082,660

**NOTE 13 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).

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 13 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

As of June 30, 2020, 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)	\$ 43,351,680	\$ 11,748,894	\$ 7,639,636	\$ 7,873,203
CalPERS (Schools Pool Plan)	24,801,758	5,289,270	1,503,250	4,503,492
Total	<u>\$ 68,153,438</u>	<u>\$ 17,038,164</u>	<u>\$ 9,142,886</u>	<u>\$ 12,376,695</u>

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.

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 13 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

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

**Benefits Provided (Continued)**

The STRP provisions and benefits in effect at June 30, 2020 are summarized as follows:

<u>Provisions and Benefits</u>	<u>STRP Defined Benefit Program and Supplement Program</u>	
	<u>On or Before December 31, 2012</u>	<u>On or After January 1, 2013</u>
Hire Date		
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	17.10%	17.10%
Required State Contribution Rate	10.328%	10.328%

**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, 2020 are presented above and the total District contributions were \$4,314,000.

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

At June 30, 2020, 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
	<u>June 30, 2020</u>
District Proportionate Share of the Net Pension Liability	\$ 43,351,680
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>23,651,427</u>
Total	<u><u>\$ 67,003,107</u></u>

The net pension liability was measured as of June 30, 2019. 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, 2019, the District's proportion was 0.0480% which is an increase of 0.0010% from its proportion measured as of June 30, 2018.

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 13 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)**

For the year ended June 30, 2020, the District recognized pension expense of \$4,934,451. In addition, the District recognized revenue and corresponding expense of \$2,938,752 for support provided by the state. At June 30, 2020, 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	\$ 4,314,000	\$ -
Differences Between Expected and Actual Experience	109,440	1,221,600
Changes of Assumptions	5,483,040	-
Changes in Proportion	1,842,414	4,748,116
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	1,669,920
Total	\$ 11,748,894	\$ 7,639,636

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, 2021. 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, 2019 measurement date is seven years.

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

Year Ending June 30,	Amortization
2021	\$ 471,203
2022	(686,077)
2023	(113,959)
2024	487,905
2025	(354,630)
2026	(9,184)
Total	\$ (204,742)

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 13 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

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

**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, 2018, and rolling forward the total pension liability to June 30, 2019. 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, 2018 used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Experience Study	July 1, 2010 through June 30, 2015
Actuarial Cost Method	Entry Age Normal
Discount Rate	7.10%
Investment Rate of Return	7.10%
Consumer Price Inflation	2.75%
Wage Growth	3.50%

CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among its members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2016) table, issued by the Society of Actuaries.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant and adopted by the CalSTRS Board in February 2017. The assumed asset allocation is based on board policy for target asset allocation in effect on February 2017, the date the current experience study was approved by the board. Best estimates of 20-year geometric real rates of return and the assumed asset allocation for each major asset class used as input to develop the actuarial investment rate of return are summarized in the following table:

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 13 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

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

Actuarial Methods and Assumptions (Continued)

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	47 %	4.80 %
Private Equity	13	6.30
Real Estate	13	3.60
Fixed Income	12	1.30
Risk Mitigating Strategies	9	1.80
Inflation Sensitive	4	3.30
Cash/Liquidity	2	(0.40)

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed 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 (7.10%) and assuming that contributions, benefit payments, and administrative expense occurred midyear. Based on these assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the 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:

<u>Discount Rate</u>	<u>Net Pension Liability</u>
1% Decrease (6.10%)	\$ 64,554,240
Current Discount Rate (7.10%)	43,351,680
1% Increase (8.10%)	25,770,720

Plan Fiduciary Net Position

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

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 13 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**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.

The CalPERS provisions and benefits in effect at June 30, 2020, 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		
Benefit Formula	2% at 55	2% at 62
Benefit Vesting Schedule	5 Years of Service	5 Years of Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	55	62
Monthly Benefits as a Percentage of Eligible Compensation	1.1% - 2.5%	1.0% - 2.5%
Required Employee Contribution Rate	7.00%	7.00%
Required Employer Contribution Rate	19.721%	19.721%

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 13 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**California Public Employees Retirement System (CalPERS) (Continued)**

**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, 2020 are as presented above and the total District contributions were \$2,307,026.

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

As of June 30, 2020, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling \$24,801,758. The net pension liability was measured as of June 30, 2019. 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, 2019, the District's proportion was 0.0851% which is a decrease of 0.0021% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized pension expense of \$4,503,492. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 2,307,026	\$ -
Differences Between Expected and Actual Experience	1,801,603	-
Changes of Assumptions	1,180,641	-
Changes in Proportion	-	1,273,209
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	230,041
Total	\$ 5,289,270	\$ 1,503,250

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 13 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)**

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, 2021. 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, 2019 measurement date is 4.1 years.

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

Year Ending June 30,	Amortization
2021	\$ 1,329,759
2022	(42,449)
2023	108,742
2024	82,942
Total	\$ 1,478,994

**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, 2018, and rolling forward the total pension liability to June 30, 2019. 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, 2018 used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Experience Study	July 1, 1997 through June 30, 2015
Actuarial Cost Method	Entry Age Normal
Discount Rate	7.15%
Investment Rate of Return	7.15%
Consumer Price Inflation	2.50%
Wage Growth	Varies by Entry Age and Service

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 revised rates include 15 years of mortality improvements using 90% of scale MP 2016 published by the Society of Actuaries.

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 13 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**California Public Employees Retirement System (CalPERS) (Continued)**

Actuarial Methods and Assumptions (Continued)

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	50 %	5.98 %
Fixed Income	28	2.62
Real Assets	13	4.93
Private Equity	8	7.23
Liquidity	1	(0.92)

Discount Rate

The discount rate used to measure the total pension liability was 7.15% and 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 assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 13 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**California Public Employees Retirement System (CalPERS) (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 (6.15%)	\$ 35,750,103
Current Discount Rate (7.15%)	24,801,758
1% Increase (8.15%)	15,719,349

**Plan Fiduciary Net Position**

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

**NOTE 14 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.

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 14 JOINT POWERS AGREEMENTS (CONTINUED)**

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:

<u>JPA Condensed Financial Information</u>	VCSSFA (Audited) 6/30/2020	CVT (Audited) 9/30/2019	ACSIG (Audited) 6/30/2020
Total Assets and Deferred Outflows of Resources	\$ 129,538,133	\$ 161,910,543	\$ 62,729,396
Total Liabilities and Deferred Inflows of Resources	58,925,189	11,997,568	18,018,518
Net Position	<u>\$ 70,612,944</u>	<u>\$ 149,912,975</u>	<u>\$ 44,710,878</u>
Total Revenues	30,584,037	788,536,838	145,229,686
Total Expenditures	35,205,446	781,706,552	132,905,323
Change in Net Position	<u>\$ (4,621,409)</u>	<u>\$ 6,830,286</u>	<u>\$ 12,324,363</u>

**NOTE 15 COMMITMENTS AND CONTINGENCIES**

**State and Federal Allowances, Awards, and Grants**

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

**Litigation**

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

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 15 COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**COVID-19**

The Coronavirus Disease 2019 (COVID-19) has recently affected global markets, supply chains, employees of companies and our communities. Potential impacts to the District associated with the COVID-19 pandemic include, but are not limited to, challenges to delivery of public education, increasing costs, disruption to cash flow associated with state apportionment deferrals and lost revenue for fee generating programs.

In response to the COVID-19 pandemic, the District has staggered employee shifts, enabled certain employees to telecommute and implemented distance learning in response to health requirements. In addition, the District has certified acceptance of CARES act funding appropriated for distribution to school districts in the 2020-21 California State Budget.

The COVID-19 pandemic is ongoing, and the duration and severity of the pandemic and the economic and other actions that may be taken by governmental authorities to contain the pandemic or to treat its impact are uncertain. The ultimate impact of COVID-19 on the operations and finances of the District is unknown at this time. The District continues to actively monitor revenues, expenses and collection of receivables so that any further impacts can be anticipated.

The District does not currently expect that the COVID-19 pandemic will have a material adverse effect on the District's ability to pay general obligation bonds. The source for debt service payments is tax assessments; the County Auditor-Controller's Office has not communicated a reduction in tax levies or receipts that would negatively affect the District's ability to make debt service payments.

**REQUIRED SUPPLEMENTARY INFORMATION**

**MOORPARK UNIFIED SCHOOL DISTRICT  
SCHEDULE OF BUDGETARY COMPARISON FOR THE GENERAL FUND  
YEAR ENDED JUNE 30, 2020**

	Budgetary Amounts General Fund		Actual Amounts	Fund Basis to GAAP (a)	Actual Amounts
	Original	Final	General Fund		GAAP Basis
<b>REVENUES</b>					
Local Control Funding Formula (LCFF):					
State Apportionments	\$ 37,522,328	\$ 36,990,640	\$ 35,143,606	\$ -	\$ 35,143,606
Local Sources	18,693,890	19,332,380	21,055,836	-	21,055,836
Total LCFF	56,216,218	56,323,020	56,199,442	-	56,199,442
Federal Sources	1,899,217	2,142,084	1,950,370	-	1,950,370
Other State Sources	1,850,325	2,671,183	5,948,172	-	5,948,172
Other Local Sources	3,793,372	4,245,731	4,683,681	-	4,683,681
Total Revenues	63,759,132	65,382,018	68,781,665	-	68,781,665
<b>EXPENDITURES</b>					
Certificated Salaries	26,633,191	26,509,326	26,193,426	-	26,193,426
Classified Salaries	11,146,878	11,048,851	10,819,899	-	10,819,899
Employee Benefits	16,971,207	17,391,355	20,296,099	-	20,296,099
Books and Supplies	1,421,262	1,661,223	1,259,454	-	1,259,454
Services and Other Operating Expenditures	7,484,524	8,479,264	6,908,166	-	6,908,166
Capital Outlay	382,493	266,611	2,089,014	-	2,089,014
Other Outgo/Indirect Costs	2,043,070	2,047,887	2,096,857	-	2,096,857
Total Expenditures	66,082,625	67,404,517	69,662,915	-	69,662,915
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>					
	(2,323,493)	(2,022,499)	(881,250)	-	(881,250)
<b>OTHER FINANCING SOURCES (USES)</b>					
Interfund Transfers In	-	-	22	-	22
Interfund Transfers Out	-	-	(14,481)	-	(14,481)
Total Other Financing Sources (Uses)	-	-	(14,459)	-	(14,459)
<b>NET CHANGES IN FUND BALANCE</b>					
	<u>\$ (2,323,493)</u>	<u>\$ (2,022,499)</u>	(895,709)	-	(895,709)
Fund Balance - Beginning of Year			7,488,286	232	7,488,518
<b>FUND BALANCE - END OF YEAR</b>					
			<u>\$ 6,592,577</u>	<u>\$ 232</u>	<u>\$ 6,592,809</u>

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

**MOORPARK UNIFIED SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS  
YEAR ENDED JUNE 30, 2020**

Total OPEB Liability - Retiree Health Plan	2020	2019	2018
Beginning Balance	\$ 13,721,077	\$ 13,906,932	\$ 15,155,376
Changes for the Year			
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)
Benefit Payments	<u>(1,360,161)</u>	<u>(1,384,514)</u>	<u>(1,752,747)</u>
Net Changes	<u>2,028,970</u>	<u>(185,855)</u>	<u>(1,248,444)</u>
Ending Balance	<u>\$ 15,750,047</u>	<u>\$ 13,721,077</u>	<u>\$ 13,906,932</u>
 District's Covered Payroll	 \$ 38,333,131	 \$ 40,081,210	 \$ 38,267,100
 Total OPEB Liability as a Percentage of its Covered Payroll	 41%	 34%	 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  
MEASUREMENT PERIODS ENDED JUNE 30,**

CalSTRS - STRP	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Pension Liability	0.0480%	0.0470%	0.0500%	0.0560%	0.0574%	0.0519%
District's Proportionate Share of the Net Pension Liability	\$ 43,351,680	\$ 43,196,290	\$ 46,240,000	\$ 45,293,360	\$ 38,621,990	\$ 30,328,638
State's Proportionate Share of the Net Pension Liability Associated with the District	23,651,427	24,732,017	27,355,416	25,788,498	20,426,776	18,313,741
Total	\$ 67,003,107	\$ 67,928,307	\$ 73,595,416	\$ 71,081,858	\$ 59,048,766	\$ 48,642,379
District's Covered Payroll	\$ 26,210,000	\$ 25,270,000	\$ 26,590,000	\$ 28,510,000	\$ 26,390,000	\$ 23,120,000
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	165%	171%	174%	159%	146%	131%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73%	71%	69%	70%	74%	77%
CalPERS - Schools Pool Plan	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Pension Liability	0.0851%	0.0872%	0.0926%	0.1026%	0.1073%	0.1083%
District's Proportionate Share of the Net Pension Liability	\$ 24,801,758	\$ 23,250,265	\$ 22,106,064	\$ 20,263,563	\$ 15,816,210	\$ 12,297,532
District's Covered Payroll	\$ 11,670,000	\$ 11,410,000	\$ 11,690,000	\$ 12,320,000	\$ 11,850,000	\$ 11,370,000
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	213%	204%	189%	164%	133%	108%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70%	71%	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.

The amounts are reported as of the previous fiscal year to align with the measurement date of the net pension liability.

See accompanying notes to the required supplementary information.

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

CalSTRS - STRP	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 4,314,000	\$ 4,266,919	\$ 3,646,513	\$ 3,344,836	\$ 3,058,970	\$ 2,343,289
Contributions in Relation to the Contractually Required Contribution	4,314,000	4,266,919	3,646,513	3,344,836	3,058,970	2,343,289
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 25,280,000	\$ 26,210,000	\$ 25,270,000	\$ 26,590,000	\$ 28,510,000	\$ 26,390,000
Contributions as a Percentage of Covered Payroll	17.10%	16.28%	14.43%	12.58%	10.73%	8.88%
CalPERS - Schools Pool Plan	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 2,307,026	\$ 2,106,899	\$ 1,771,214	\$ 1,624,239	\$ 1,459,590	\$ 1,394,720
Contributions in Relation to the Contractually Required Contribution	2,307,026	2,106,899	1,771,214	1,624,239	1,459,590	1,394,720
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 11,700,000	\$ 11,670,000	\$ 11,410,000	\$ 11,690,000	\$ 12,320,000	\$ 11,850,000
Contributions as a Percentage of Covered Payroll	19.72%	18.06%	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, 2020**

**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 generally accepted accounting principles (GAAP).

**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:

2019-20

The District applied a new discount decreasing the rate from 3.13% to 2.45%.

As of June 30, 2020, 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:

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%.

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2020**

**NOTE 1 PURPOSE OF SCHEDULES (CONTINUED)**

**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 *	\$ 2,904,744
Capital Outlay	1,822,403
Other Outgo/Indirect Costs	48,970

\* The excess of expenditures over appropriations for employee benefits occurred primarily due to the exclusion of the STRS on-behalf payments made by the state of California of \$3,297,498 that was not budgeted.

**SUPPLEMENTARY INFORMATION**

**MOORPARK UNIFIED SCHOOL DISTRICT  
HISTORY AND ORGANIZATION  
YEAR ENDED JUNE 30, 2020**

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, 2020 were as follows:

**BOARD OF EDUCATION**

<b><u>Member</u></b>	<b><u>Office</u></b>	<b><u>Term Expires</u></b>
Mr. Nathan Sweet	President	November 2022
Mr. Robert Perez	Vice President	November 2022
Mr. Jeff Donabedian	Clerk	November 2020
Mr. Scott Dettorre	Member	November 2020
Ms. Ute Van Dam	Member	November 2020

**DISTRICT ADMINISTRATORS**

Dr. Kelli Hays	Superintendent
Ms. Latasha Jamal	Assistant Superintendent, Business Services
Ms. Donna Welch	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, 2020**

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 are as follows for the fiscal year ended June 30, 2020:

	Second Period Certificate # 4C2DA414	Annual Certificate # 26EB6DE3
Grades Transitional Kindergarten through Third:		
Regular ADA	1,791.48	1,791.48
Extended Year Special Education	4.48	4.48
Extended Year Special Education - Nonpublic, Nonsectarian Schools	0.09	0.09
Total Grades Transitional Kindergarten through Third ADA	1,796.05	1,796.05
Grades Four through Six:		
Regular ADA	1,255.60	1,255.60
Extended Year Special Education	2.17	2.17
Special Education - Nonpublic, Nonsectarian Schools	1.43	1.43
Extended Year Special Education - Nonpublic, Nonsectarian Schools	0.10	0.10
Total Grades Four through Six ADA	1,259.30	1,259.30
Grades Seven and Eight:		
Regular ADA	935.29	935.29
Extended Year Special Education	1.03	1.03
Total Grades Seven and Eight ADA	936.32	936.32
Grades Nine through Twelve:		
Regular ADA	1,860.70	1,860.64
Extended Year Special Education	1.71	1.71
Special Education - Nonpublic, Nonsectarian Schools	4.38	4.38
Extended Year Special Education - Nonpublic, Nonsectarian Schools	0.32	0.32
Total Grades Nine through Twelve ADA	1,867.11	1,867.05
Total ADA	5,858.78	5,858.72

See accompanying notes to the supplementary information.

**MOORPARK UNIFIED SCHOOL DISTRICT  
SCHEDULE OF INSTRUCTIONAL TIME  
YEAR ENDED JUNE 30, 2020**

<u>Grade Level</u>	<u>Minutes Requirement</u>	<u>Minutes Offered *</u>	<u>Days Offered Traditional</u>	<u>Days Covered by Closure</u>	<u>Status</u>
Kindergarten	36,000	46,550	180	55	In Compliance
Grade 1	50,400	50,640	180	55	In Compliance
Grade 2	50,400	50,640	180	55	In Compliance
Grade 3	50,400	50,640	180	55	In Compliance
Grade 4	54,000	54,195	180	55	In Compliance
Grade 5	54,000	54,195	180	55	In Compliance
Grade 6	54,000	56,755	180	55	In Compliance
Grade 7	54,000	56,755	180	55	In Compliance
Grade 8	54,000	56,755	180	55	In Compliance
Grade 9	64,800	65,280	180	55	In Compliance
Grade 10	64,800	65,280	180	55	In Compliance
Grade 11	64,800	65,280	180	55	In Compliance
Grade 12	64,800	65,280	180	55	In Compliance

\* The planned minutes covered by the COVID-19 School Closure Certification were included in the minutes offered column but were not actually offered due to the COVID-19 school closure.

See accompanying notes to the supplementary information.

**MOORPARK UNIFIED SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2020**

Program Name	Federal Catalog Number	Pass-Through Entity Identifying Number	Total Program Expenditures	Amounts Passed Through to Subrecipients
<b>United States Department of Agriculture</b>				
Pass-Through Program From California Department of Education:				
Child Nutrition Cluster:				
National School Lunch Program	10.555	13524	\$ 558,537	\$ -
Seamless Summer Food Option	10.555	13524	209,577	-
Commodities	10.555	13524	179,770	-
Meal Supplements	10.555	13755	5,744	-
Subtotal: CFDA #10.555			<u>953,628</u>	<u>-</u>
Especially Needy School Breakfast Program	10.553	13526	116,475	-
Seamless Summer Food Option	10.553	13526	128,982	-
Subtotal: CFDA #10.553			<u>245,457</u>	<u>-</u>
Subtotal: Child Nutrition Cluster			<u>1,199,085</u>	<u>-</u>
Total: United States Department of Agriculture			<u>1,199,085</u>	<u>-</u>
<b>United States Department of Education</b>				
Pass-Through Program From California Department of Education:				
Special Education Cluster:				
IDEA Basic Local Assistance Entitlement	84.027	13379	1,192,612	-
IDEA Federal Preschool Grants	84.173	13430	37,214	-
Subtotal: Special Education Cluster			<u>1,229,826</u>	<u>-</u>
Every Student Succeeds Act:				
Title I, Part A - Basic Grants	84.010	14329	411,314	-
Title II, Part A - Supporting Effective Instruction	84.367	14341	69,161	-
Title III - Limited English Proficiency	84.365	14346	84,846	-
Career and Technical Education - Secondary	84.048	14894	35,899	-
Total: United States Department of Education			<u>1,831,046</u>	<u>-</u>
<b>United States Department of Health and Human Services</b>				
Pass-Through Program From California Department of Education:				
Medi-Cal	93.778	NA	66,123	-
Total: United States Department of Health and Human Services			<u>66,123</u>	<u>-</u>
Total Federal Programs			<u>\$ 3,096,254</u>	<u>\$ -</u>
<b>Reconciliation to Federal Revenue</b>				
Total Federal Program Expenditures			\$ 3,096,254	
Revenues in Excess of Expenditures Related to Federal Entitlements:				
Medi-Cal	93.778	NA	53,200	
			<u>\$ 3,149,454</u>	

The District is the recipient of a federal award program that does not result in cash receipts or disbursements. The District was granted \$179,770 of commodities under the National School Lunch Program (CFDA 10.555) which is included in the total reported above for this program.

See accompanying notes to the supplementary information.

**MOORPARK UNIFIED SCHOOL DISTRICT  
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS  
YEAR ENDED JUNE 30, 2020**

	2021 (Budgeted)	2020	2019	2018
Total Revenues	\$ 59,994,228	\$ 68,781,665	\$ 71,888,056	\$ 67,466,831
Total Expenditures	65,687,212	69,662,915	70,982,440	66,323,045
Total Other Financing Sources (Uses)	-	(14,459)	(3,047)	-
Change in Fund Balance	(5,692,984)	(895,709)	902,569	1,143,786
Ending Fund Balance	<u>\$ 899,593</u>	<u>\$ 6,592,577</u>	<u>\$ 7,488,286</u>	<u>\$ 6,585,717</u>
Available Reserve	<u>\$ 1,970,617</u>	<u>\$ 1,991,397</u>	<u>\$ 2,025,146</u>	<u>\$ 1,927,000</u>
Available Reserve %	3.00%	3.00%	3.06%	3.01%
ADA	<u>5,788</u>	<u>5,859</u>	<u>5,903</u>	<u>6,015</u>
Total Long-Term Debt	<u>\$157,799,847</u>	<u>\$163,813,144</u>	<u>\$161,618,571</u>	<u>\$162,708,785</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, 2020, the District has met this requirement.

All percentages are of total expenditures.

The 2021 budget is the original budget adopted on June 30, 2020.

**MOORPARK UNIFIED SCHOOL DISTRICT  
SCHEDULE OF CHARTER SCHOOLS  
YEAR ENDED JUNE 30, 2020**

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

See accompanying notes 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, 2020**

There were no differences between the fund balances reported on the June 30, 2020 Annual Financial and Budget Report for the governmental funds and the audited financial statements.

See accompanying notes to the supplementary information.

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTE TO THE SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2020**

**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 governmental for the year ended June 30, 2020. 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, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The District did not use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Payments to Subrecipients**

The District did not make any payments to subrecipients.

**Schedule of Financial Trends and Analysis**

The *2019-20 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  
YEAR ENDED JUNE 30, 2020**

**NOTE 1 PURPOSE OF SCHEDULES (CONTINUED)**

**Schedule of Charter Schools**

The *2019-20 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, 2020**

	Adult Education Fund	Child Development Fund	Cafeteria Fund	Capital Facilities Fund	Total Nonmajor Governmental Funds
<b>ASSETS</b>					
Cash in County Treasury	\$ 186,938	\$ 291,041	\$ 387,771	\$ 590,822	\$ 1,456,572
Accounts Receivable	25,646	1,858	212,136	4,340	243,980
Stores	-	-	30,693	-	30,693
<b>Total Assets</b>	<b><u>\$ 212,584</u></b>	<b><u>\$ 292,899</u></b>	<b><u>\$ 630,600</u></b>	<b><u>\$ 595,162</u></b>	<b><u>\$ 1,731,245</u></b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 3,028	\$ 3,395	\$ 14,031	\$ -	\$ 20,454
Due to Other Funds	13,484	65,912	285,519	-	364,915
Unearned Revenue	-	118,719	-	-	118,719
<b>Total Liabilities</b>	<b><u>16,512</u></b>	<b><u>188,026</u></b>	<b><u>299,550</u></b>	<b><u>-</u></b>	<b><u>504,088</u></b>
<b>FUND BALANCES</b>					
Nonspendable	-	-	30,693	-	30,693
Restricted	143,657	104,873	300,357	595,162	1,144,049
Assigned	52,415	-	-	-	52,415
<b>Total Fund Balances</b>	<b><u>196,072</u></b>	<b><u>104,873</u></b>	<b><u>331,050</u></b>	<b><u>595,162</u></b>	<b><u>1,227,157</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 212,584</u></b>	<b><u>\$ 292,899</u></b>	<b><u>\$ 630,600</u></b>	<b><u>\$ 595,162</u></b>	<b><u>\$ 1,731,245</u></b>

See accompanying notes 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, 2020**

	Adult Education Fund	Child Development Fund	Cafeteria Fund	Capital Facilities Fund	Total Nonmajor Governmental Funds
<b>REVENUES</b>					
Federal Sources	\$ -	\$ -	\$ 1,199,084	\$ -	\$ 1,199,084
Other State Sources	295,763	696,015	79,252	-	1,071,030
Other Local Sources	56,477	109,326	569,217	88,554	823,574
Total Revenues	<u>352,240</u>	<u>805,341</u>	<u>1,847,553</u>	<u>88,554</u>	<u>3,093,688</u>
<b>EXPENDITURES</b>					
Instruction	144,435	554,001	-	-	698,436
Instruction - Related Services	149,849	202,452	-	-	352,301
Pupil Services	-	-	1,555,180	-	1,555,180
General Administration	13,484	65,912	-	-	79,396
Plant Services	28,653	-	5,720	82,950	117,323
Debt Service	-	-	-	466,655	466,655
Total Expenditures	<u>336,421</u>	<u>822,365</u>	<u>1,560,900</u>	<u>549,605</u>	<u>3,269,291</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	15,819	(17,024)	286,653	(461,051)	(175,603)
<b>OTHER FINANCING SOURCES</b>					
Interfund Transfers In	-	-	14,481	-	14,481
Interfund Transfers Out	(22)	-	-	-	(22)
Total Other Financing Sources	<u>(22)</u>	<u>-</u>	<u>14,481</u>	<u>-</u>	<u>14,459</u>
<b>NET CHANGES IN FUND BALANCE</b>	15,797	(17,024)	301,134	(461,051)	(161,144)
Fund Balances - Beginning of Year	<u>180,275</u>	<u>121,897</u>	<u>29,916</u>	<u>1,056,213</u>	<u>1,388,301</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 196,072</u>	<u>\$ 104,873</u>	<u>\$ 331,050</u>	<u>\$ 595,162</u>	<u>\$ 1,227,157</u>

See accompanying notes to the optional supplementary information.

**MOORPARK UNIFIED SCHOOL DISTRICT  
NOTE TO THE OPTIONAL SUPPLEMENTARY INFORMATION  
JUNE 30, 2020**

**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' REPORT**



**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 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, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 8, 2021.

**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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.


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

**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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control 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  
February 8, 2021



**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**

We have audited Moorpark Unified School District's (the District) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (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, 2020. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

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

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

**Opinion on Each Major Federal Program**

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

**Report on Internal Control Over Compliance**

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Purpose of this Report**

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  
February 8, 2021



## INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Board of Education  
Moorpark Unified School District  
Moorpark, California

We have audited the Moorpark Unified School District's (the District) compliance with the types of compliance requirements described in the *2019-20 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, 2020. The District's state compliance requirements are identified in the table provided.

### ***Management's Responsibility***

Management is responsible for compliance with the state laws and regulations as identified below.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on the District's compliance based on our audit of the types of compliance requirements referred to below. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2019-20 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the specific areas listed below has occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on state compliance. However, our audit does not provide a legal determination of the District's compliance.

**Compliance Requirements Tested**

In connection with the audit referred to above, we selected and tested transactions and records to determine the District’s compliance with the 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	No <sup>1</sup>
Continuation Education	No <sup>1</sup>
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
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
Charter Schools:	
Attendance	No <sup>2</sup>
Mode of Instruction	No <sup>2</sup>
Nonclassroom Based Instruction/Independent Study	No <sup>2</sup>
Determination of Funding for Nonclassroom Based Instruction	No <sup>2</sup>
Annual Instructional Minutes – Classroom Based	No <sup>2</sup>
Charter School Facility Grant Program	No <sup>2</sup>

<sup>1</sup> We did not perform testing for independent study or continuation education because the independent study and continuation education ADA were under the level which requires testing.

<sup>2</sup> Testing for Charter Schools was done by each school’s respective auditor.

Board of Trustees  
Moorpark Unified School District

***Opinion on State Compliance***

In our opinion, the District complied with the laws and regulations of the state programs referred to above in all material respects for the year ended June 30, 2020.

**Purpose of this Report**

The purpose of this report on state compliance is solely to describe the results of testing based on the requirements of the *2019-20 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Glendora, California  
February 8, 2021

## **FINDINGS AND QUESTIONED COSTS**

**MOORPARK UNIFIED SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2020**

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**Section I – Summary of Auditors’ Results**

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**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**

**CFDA Number(s)**

84.027, 84.173

**Name of Federal Program or Cluster**

Special Education Cluster

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

\$ 750,000

Auditee qualified as low-risk auditee?

  x   yes      \_\_\_\_\_ no

**MOORPARK UNIFIED SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2020**

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

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**Section II – Financial Statement Findings**

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

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**Section III – Findings and Questioned Costs – Major Federal Programs**

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

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**Section IV – Findings and Questioned Costs – State Compliance**

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Our audit did not disclose any matters required to be reported in accordance with the *2019-20 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*.

**MOORPARK UNIFIED SCHOOL DISTRICT  
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2020**

There were no prior year findings and questioned costs related to the basic financial statements, federal awards, or state awards for the prior year.

