Financial Statements
June 30, 2022

Travis Unified School District

TRAVIS UNIFIED
SCHOOL DISTRICT

Reaching beyond the boundaries
to build a community of learners.

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Travis Unified School District
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Independent Auditor's Report

To the Governing Board
Travis Unified School District
Fairfield, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Travis Unified School District (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States *(Government Auditing Standards)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Adoption of New Accounting Standard

As discussed in Note 17 to the financial statements, the District has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022. Accordingly, a restatement has been made to the government-wide net position as of July 1, 2021, to restate beginning net position. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in the District's total OPEB liability and related ratios, schedule of the District's proportionate share of the net OPEB liability – MPP program, schedule of the District's proportionate share of the net pension liability, and schedule of the District's contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, combining non-major governmental fund financial statements, and other supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards, combining non-major governmental fund financial statements, and other supplementary information listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Eide Bailly LLP

Rancho Cucamonga, California
December 15, 2022

TRAVIS UNIFIED SCHOOL DISTRICT

Reaching beyond the boundaries to build a community of learners.

Pamela Conklin
Superintendent

2751 De Ronde Drive
Fairfield, CA 94533
(707) 437-4604

Cambridge Elementary School
100 Cambridge Drive, Vacaville
(707) 446-9494

Center Elementary School
3101 Markeley Lane, Fairfield
(707) 437-4621

Foxboro Elementary School
600 Morning Glory Drive, Vacaville
(707) 447-7883

Golden West Middle School
2651 De Ronde Drive, Fairfield
(707) 437-8240

Scandia Elementary School
100 Broadway Street, Travis AFB
(707) 437-4691

Travis Community Day School
2785 De Ronde Drive, Fairfield
(707) 437-8265

Travis Elementary School
100 Fairfield Avenue, Travis AFB
(707) 437-2070

Travis Education Center
2775 De Ronde Drive, Fairfield
(707) 437-8265

Vanden High School
2951 Markeley Lane, Fairfield
(707) 437-7333

Governing Board
Riitta DeAnda
Ivery Hood
Janet Jackson Forbes
Meghan Thompson
Manveer Sandhu

This section of Travis 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, 2022, with comparative information for the year ended June 30, 2021. Please read it in conjunction with the District's financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Financial Statements

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

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

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

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

The primary unit of the government is the Travis Unified School District.

FINANCIAL HIGHLIGHTS

- The District continues to maintain a three percent Reserve for Economic Uncertainties and has received a positive certification from the County Education Office for the current and next two fiscal years.

- The Governmental Funds balance had a net increase of $4,371,263 for $44,393,141 ending balance as of June 30, 2022.

REPORTING THE DISTRICT AS A WHOLE

The Statement of Net Position and the Statement of Activities

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

These two statements report the District's net position and changes in them. Net position is the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources, which is one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position 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 governing board's responsibility is to provide services to our students and not to generate profit as commercial entities do, one must consider other factors when evaluating the overall health of the District. The quality of the education and the safety of our schools will likely be an important component in this evaluation.

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

Governmental Activities - The District reports all of its services in this category. This includes the education of pre-kindergarten through grade twelve students, the operation of cafeteria 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, finance these activities.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds - 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. and California Department of Education.

Governmental Funds - All 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 the governmental fund financial statements.

THE DISTRICT AS A TRUSTEE

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for funds held on behalf of others. The District's fiduciary activities are reported in the Statement of Net Position – Fiduciary Funds and Statement of Changes in Net Position – Fiduciary Funds. 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.

THE DISTRICT AS A WHOLE

Net Position

The District's net position was $47,833,856 for the fiscal year ended June 30, 2022. Of this amount, $(38,473,368) was unrestricted deficit. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the governing 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

The $(38,473,368) in the unrestricted net deficit of governmental activities represents the accumulated results of all past years' operations.

	Governmental Activities	
	2022	2021 (as restated)
Assets		
Current and other assets	$ 50,740,110	$ 51,435,299
Capital assets	86,888,422	90,622,522
Total assets	137,628,532	142,057,821
Deferred outflows of resources	11,680,371	14,990,288
Liabilities		
Current liabilities	6,707,061	11,852,366
Long-term liabilities	67,901,691	106,225,477
Total liabilities	74,608,752	118,077,843
Deferred inflows of resources	26,866,295	3,605,026
Net Position		
Net investment in capital assets	67,429,468	62,936,785
Restricted	18,877,756	16,300,004
Unrestricted	(38,473,368)	(43,871,549)
Total net position	$ 47,833,856	$ 35,365,240

Changes in Net Position

The results of this year's operations for the District as a whole are reported in the Statement of Activities on page 14. Table 2 takes the information from the Statement, rounds off the numbers, and rearranges them slightly so you can see our total revenues for the year.

Table 2

	Governmental Activities	
	2022	2021*
Revenues		
Program revenues		
Charges for services and sales	$ 4,344,314	$ 4,559,188
Operating grants and contributions	13,842,887	13,585,446
General revenues		
Federal and State aid not restricted	48,282,214	46,127,536
Property taxes	11,002,676	11,232,709
Other general revenues	319,247	2,901,618
Total revenues	77,791,338	78,406,497
Expenses		
Instruction-related	42,718,192	50,738,069
Pupil services	9,247,913	8,386,353
Administration	4,823,084	5,145,852
Plant services	4,946,996	4,664,005
All other services	3,586,537	2,949,203
Total expenses	65,322,722	71,883,482
Change in net position	$ 12,468,616	$ 6,523,015

* The revenues and expenses for fiscal year 2021 were not restated to show the effects of GASB 87 for comparative purposes.

Governmental Activities

As reported in the *Statement of Activities* on page 14, the cost of all of our governmental activities this year was $65,322,722. However, the amount that our taxpayers ultimately financed for these activities through local taxes was only $11,002,676 because the cost was paid by those who benefited from the programs ($4,344,314) or by other governments and organizations who subsidized certain programs with grants and contributions ($13,842,887). We paid for the remaining "public benefit" portion of our governmental activities with $48,282,214 in State and Federal funds and with $319,247 other revenues, like interest and general entitlements.

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

Table 3

	Total Cost of Services		Net Cost of Services	
	2022	2021*	2022	2021*
Instruction-related	$ 42,718,192	$ 50,738,069	$ (33,956,435)	$ (37,768,025)
Pupil services	9,247,913	8,386,353	(5,093,620)	(4,414,150)
Administration	4,823,084	5,145,852	(4,372,863)	(4,876,333)
Plant services	4,946,996	4,664,005	(4,896,757)	(4,327,511)
All other services	3,586,537	2,949,203	1,184,154	(2,352,829)
Total	$ 65,322,722	$ 71,883,482	$ (47,135,521)	$ (53,738,848)

* The total and net cost of services for fiscal year 2021 were not restated to show the effects of GASB 87 for comparative purposes.

THE DISTRICT'S FUNDS

As the District completed this year, our governmental funds reported a combined fund balance of $44,393,141, which is an increase of $4,371,263 from last year (Table 4).

Table 4

	Balances and Activity			
Governmental Fund	June 30, 2021	Revenues and Other Financing Sources	Expenditures and Other Financing Uses	June 30, 2022
General	$ 17,479,749	$ 69,113,416	$ 66,971,627	$ 19,621,538
Capital Facilities	11,691,624	4,353,434	5,938,451	10,106,607
Capital Projects Fund for Blended Component Units	9,283,478	3,538,256	2,664,338	10,157,396
Non-Major Governmental Funds	1,567,027	12,625,684	9,685,111	4,507,600
Total	$ 40,021,878	$ 89,630,790	$ 85,259,527	$ 44,393,141

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2022, the District had $86,888,422 in a broad range of capital assets (net of depreciation), including land, buildings, and furniture and equipment. This amount represents a net decrease (including additions, deductions, and depreciation) of $3,734,100, or 4.12%, from last year (Table 5).

Table 5

	Governmental Activities	
	2022	2021 as restated
Land and construction in progress	$ 12,662,193	$ 39,536,927
Buildings and improvements	71,908,384	47,954,027
Equipment	2,230,129	2,810,144
Leases assets	87,716	321,424
Total	$ 86,888,422	$ 90,622,522

Long-Term Liabilities

At the end of this year, the District had $67,901,691 in long-term liabilities outstanding versus $106,225,477 last year, a decrease of $38,323,786, or 36.08%. The long-term liabilities consisted of:

Table 6

	Governmental Activities	
	2022	2021 as restated
Long-Term Liabilities		
Certificates of participation	$ 16,380,000	$ 22,070,000
Private placement debt issuances	11,342,394	12,319,876
Unamortized premiums	1,717,119	2,257,915
Leases	89,121	321,424
Compensated absences	432,810	448,836
Net OPEB liability	2,004,201	1,597,594
Aggregate net pension liability	35,936,046	67,209,832
Total	$ 67,901,691	$ 106,225,477

ECONOMIC FACTORS AND NEXT YEARS' BUDGETS

In preparing the District budget for 2022-2023 and the multi-year projections through 2023-2024, the following assumptions and criteria were considered:

- The FY 2022-2023 budget includes expenditures sufficient to implement the actions and strategies included in the Local Control Accountability Plan (LCAP).
- Includes the 6.56% COLA for 2022-2023, and projected 5.38% COLA for 2023-2024, 4.02% COLA for 2024-2025
- Includes 19.1% employer cost for STRS for FY 2022-2023 and both out years; 25.37% PERS for FY 2022-2023, 25.2% for 2023-2024, and 24.6% for 2024-2025.
- Decreased enrollment since 2019-2020 affects 2022-2023 and out years.
- 2022-2023 LCFF funded ADA based on average funded ADA of prior three years.
- Increasing special education costs, which increases the local contribution due to inadequate Federal and State funding.
- Removal of one-time State and Federal funding
- Includes $2.58 M in remaining one-time federal COVID funding

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, parents, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. This report once approved by the Board of Trustees will be published to the District website. If you have questions about this report or need additional financial information, please contact Nancy Walker, Director, Fiscal Services, Travis Unified School District, 2751 De Ronde Drive, Fairfield, California 94533.

	Governmental Activities
Assets	
Deposits and investments	$ 47,628,483
Receivables	2,975,262
Prepaid expense	18,911
Stores inventories	117,454
Capital assets not depreciated	12,662,193
Capital assets, net of accumulated depreciation	74,138,513
Right-to-use leased assets, net of accumulated amortization	87,716
Total assets	137,628,532
Deferred Outflows of Resources	
Deferred outflows of resources related to OPEB	106,999
Deferred outflows of resources related to pensions	11,573,372
Total deferred outflows of resources	11,680,371
Liabilities	
Accounts payable	5,562,246
Interest payable	360,092
Unearned revenue	784,723
Long-term liabilities	
Long-term liabilities other than OPEB and pensions due within one year	1,816,986
Long-term liabilities other than OPEB and pensions due in more than one year	28,144,458
Net other postemployment benefits liability (OPEB)	2,004,201
Aggregate net pension liability	35,936,046
Total liabilities	74,608,752
Deferred Inflows of Resources	
Deferred inflows of resources related to OPEB	541,697
Deferred inflows of resources related to pensions	26,324,598
Total deferred inflows of resources	26,866,295
Net Position	
Net investment in capital assets	67,429,468
Restricted for	
Debt service	208
Capital projects	12,945,330
Educational programs	4,496,354
Food Services	1,435,864
Unrestricted	(38,473,368)
Total net position	$ 47,833,856

Functions/Programs	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities
Governmental Activities				
Instruction	$ 36,844,098	$ 65,258	$ 7,427,377	$ (29,351,463)
Instruction-related activities				
Supervision of instruction	1,514,644	39,367	742,054	(733,223)
Instructional library, media, and technology	1,093,512	5,270	9,489	(1,078,753)
School site administration	3,265,938	43,174	429,768	(2,792,996)
Pupil services				
Home-to-school transportation	2,084,249	-	2,192	(2,082,057)
Food services	2,322,235	-	2,961,566	639,331
All other pupil services	4,841,429	-	1,190,535	(3,650,894)
Administration				
Data processing	493,234	-	-	(493,234)
All other administration	4,329,850	-	450,221	(3,879,629)
Plant services	4,946,996	24,189	26,050	(4,896,757)
Ancillary services	794,397	2,430	248,446	(543,521)
Interest on long-term liabilities	1,260,035	-	-	(1,260,035)
Other outgo	1,532,105	4,164,626	355,189	2,987,710
Total governmental activities	$ 65,322,722	$ 4,344,314	$ 13,842,887	(47,135,521)

Travis Unified School District
Statement of Activities
Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities
General Revenues and Subventions				
Property taxes, levied for general purposes				$ 8,673,472
Taxes levied for other specific purposes				2,329,204
Federal and State aid not restricted to specific purposes				48,282,214
Interest and investment earnings				910,482
Miscellaneous				(591,235)
Subtotal, general revenues and subventions				59,604,137
Change in Net Position				12,468,616
Net Position - Beginning, as restated				35,365,240
Net Position - Ending				$ 47,833,856

Travis Unified School District
Balance Sheet – Governmental Funds
June 30, 2022

	General Fund	Capital Facilities Fund	Capital Projects Fund for Blended Component Units	Non-Major Governmental Funds	Total Governmental Funds
Assets					
Deposits and investments	$ 24,917,472	$ 10,113,857	$ 10,157,396	$ 2,439,758	$ 47,628,483
Receivables	2,940,666	-	-	34,596	2,975,262
Due from other funds	66,103	-	-	2,081,899	2,148,002
Prepaid expenditures	18,911	-	-	-	18,911
Stores inventories	68,411	-	-	49,043	117,454
Total assets	$ 28,011,563	$ 10,113,857	$ 10,157,396	$ 4,605,296	$ 52,888,112
Liabilities and Fund Balances					
Liabilities					
Accounts payable	$ 5,523,403	$ 7,250	$ -	$ 31,593	$ 5,562,246
Due to other funds	2,081,899	-	-	66,103	2,148,002
Unearned revenue	784,723	-	-	-	784,723
Total liabilities	8,390,025	7,250	-	97,696	8,494,971
Fund Balances					
Nonspendable	137,322	-	-	49,043	186,365
Restricted	4,312,592	10,106,607	10,157,396	4,458,557	29,035,152
Committed	7,153,652	-	-	-	7,153,652
Assigned	5,917,972	-	-	-	5,917,972
Unassigned	2,100,000	-	-	-	2,100,000
Total fund balances	19,621,538	10,106,607	10,157,396	4,507,600	44,393,141
Total liabilities and fund balances	$ 28,011,563	$ 10,113,857	$ 10,157,396	$ 4,605,296	$ 52,888,112

Total Fund Balance - Governmental Funds		$ 44,393,141
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		
The cost of capital assets is	$ 138,766,228	
Accumulated depreciation is	(51,965,522)	
Net capital assets		86,800,706
Right-to-use leased assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		
The cost of right-to-use leased assets is	321,424	
Accumulated amortization is	(233,708)	
Net right-to-use leased assets		87,716
In governmental funds, unmatured interest on long-term liabilities is recognized in the period when it is due. On the government-wide financial statements, unmatured interest on long-term liabilities is recognized when it is incurred.		(360,092)
Deferred outflows of resources represent a consumption of net position in a future period and is not reported in the governmental funds. Deferred outflows of resources amounted to and related to		
Other postemployment benefits (OPEB)	106,999	
Net pension liability	11,573,372	
Total deferred outflows of resources		11,680,371
Deferred inflows of resources represent an acquisition of net position that applies to a future period and is not reported in the governmental funds. Deferred inflows of resources amount to and related to		
Other postemployment benefits (OPEB)	(541,697)	
Net pension liability	(26,324,598)	
Total deferred inflows of resources		(26,866,295)

Net pension liability is not due and payable in the current period, and is not reported as a liability in the funds.		$ (35,936,046)
The District's OPEB liability is not due and payable in the current period, and is not reported as a liability in the funds.		(2,004,201)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.		
Long-term liabilities at year-end consist of		
Certificates of participation	$ (16,380,000)	
Unamortized debt premiums	(1,717,119)	
Leases	(89,121)	
Compensated absences	(432,810)	
Private placement debt issuances	(11,342,394)	
Total long-term liabilities		(29,961,444)
Total net position - governmental activities		$ 47,833,856

Travis Unified School District

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year Ended June 30, 2022

	General Fund	Capital Facilities Fund	Capital Projects Fund for Blended Component Units	Non-Major Governmental Funds	Total Governmental Funds
Revenues					
Local Control Funding Formula	$ 51,854,142	$ -	$ -	$ -	$ 51,854,142
Federal sources	6,778,382	-	-	2,783,292	9,561,674
Other State sources	8,317,772	-	-	223,492	8,541,264
Other local sources	2,163,120	4,353,434	3,538,256	403,057	10,457,867
Total revenues	69,113,416	4,353,434	3,538,256	3,409,841	80,414,947
Expenditures					
Current					
Instruction	39,272,140	-	-	-	39,272,140
Instruction-related activities					
Supervision of instruction	1,654,229	-	-	-	1,654,229
Instructional library, media, and technology	1,180,416	-	-	-	1,180,416
School site administration	3,561,532	-	-	-	3,561,532
Pupil services					
Home-to-school transportation	1,943,661	-	-	-	1,943,661
Food services	-	-	-	2,117,321	2,117,321
All other pupil services	5,272,824	-	-	-	5,272,824
Administration					
Data processing	508,948	-	-	-	508,948
All other administration	4,267,966	16,300	-	66,103	4,350,369
Plant services	4,908,781	95,835	-	-	5,004,616
Ancillary services	498,298	-	-	216,438	714,736
Other outgo	-	-	-	964	964
Facility acquisition and construction	-	137,986	13,332	-	151,318
Debt service					
Principal	232,303	-	931,079	5,736,403	6,899,785
Interest and other	1,533,391	-	329,552	1,547,882	3,410,825
Total expenditures	64,834,489	250,121	1,273,963	9,685,111	76,043,684
Excess (Deficiency) of Revenues Over Expenditures	4,278,927	4,103,313	2,264,293	(6,275,270)	4,371,263
Other Financing Sources (Uses)					
Transfers in	-	-	-	9,215,843	9,215,843
Transfers out	(2,137,138)	(5,688,330)	(1,390,375)	-	(9,215,843)
Net Financing Sources (Uses)	(2,137,138)	(5,688,330)	(1,390,375)	9,215,843	-
Net Change in Fund Balances	2,141,789	(1,585,017)	873,918	2,940,573	4,371,263
Fund Balance - Beginning	17,479,749	11,691,624	9,283,478	1,567,027	40,021,878
Fund Balance - Ending	$ 19,621,538	$ 10,106,607	$ 10,157,396	$ 4,507,600	$ 44,393,141

See Notes to Financial Statements

Total Net Change in Fund Balances - Governmental Funds		$ 4,371,263
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures; however, for governmental activities, those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation and amortization expenses in the Statement of Activities.		
This is the amount by which depreciation and amortization expenses exceeds capital outlays in the period.		
Depreciation and amortization expenses	$ (3,856,398)	
Capital outlays	122,298	
Net expense adjustment		(3,734,100)
In the Statement of Activities, certain operating expenses, such as compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This amount is the difference between vacation earned and used.		16,026
In the governmental funds, pension costs are based on employer contributions made to pension plans during the year. However, in the Statement of Activities, pension expense is the net effect of all changes in the deferred outflows, deferred inflows and net pension liability during the year.		4,682,495
In the governmental funds, OPEB costs are based on employer contributions made to OPEB plans during the year. However, in the Statement of Activities, OPEB expense is the net effect of all changes in the deferred outflows, deferred inflows, and net OPEB liability during the year.		(386,502)

Governmental funds report the effect of premiums, discounts, and the deferred charge on refunding when the debt is first issued, whereas the amounts are deferred and amortized in the Statement of Activities.	
Premium amortization	$ 540,796
Payment of principal on long-term liabilities is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.	
Certificates of participation	5,690,000
Private placement debt issuances	977,482
Leases	232,303
Interest on long-term liabilities is recorded as an expenditure in the funds when it is due; however, in the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due.	78,853
Change in net position of governmental activities	$ 12,468,616

	Private-Purpose Trust
Assets	
Deposits and investments	$ 7,951
Net Position	
Restricted for individuals, organizations and other governments	$ 7,951

	Private-Purpose Trust
Additions	
Contributions	
Interest	$ (61)
Net Position - Beginning	8,012
Net Position - Ending	$ 7,951

Note 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

Travis Unified School District (the District) was unified on January 30, 1962, under the laws of the State of California. The District operates under a locally elected five member Board form of government and provides educational services to grades K - 12 as mandated by the State and/or Federal agencies. The District operates five elementary schools, one middle school, one high school, one alternative education high school, and one community day school.

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

Component Units

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District, in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete. For financial reporting purposes, the component units described below have a financial and operational relationship which meets the reporting entity definition criteria of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 80, *Blending Requirements For Certain Component Units*, and thus are included in the financial statements of the District. The component units, although legally separate entities, are reported in the financial statements using the blended presentation method as if they were part of the District's operations because the governing board of the component units is essentially the same as the governing board of the District and because their purpose is to finance the construction of facilities to be used for the direct benefit of the District.

The Public Property Financing Corporation of California as represented by the Certificates of Participation, is presented in the financial statements as the Capital Project Fund for Blended Component Units, the COP Capital Projects Fund, and the COP Debt Service Fund. Certificates of participation issued by the Corporation are included as long-term liabilities in the government-wide financial statements.

The Travis Unified School District CFD No. 1 and CFD No. 2 financial activity is presented in the financial statements within the Capital Project Fund for Blended Component Units. Special taxes collected for CFD No. 1 and CFD No. 2 are used to pay the certificates of participation issued by the Public Property Financing Corporation of California included in the Governmental Funds of the District.

Basis of Presentation - Fund Accounting

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

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

Major Governmental Funds

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

Three funds are currently defined, as a special revenue fund in the California State Accounting Manual (CSAM) does not meet the GASB Statement No. 54 special revenue fund definition. Specifically, Fund 14, Deferred Maintenance, Fund 17, Special Reserve Fund for Other Than Capital Outlay Projects and Fund 20, Special Reserve Fund for Postemployment Benefits, are not substantially composed of restricted or committed revenue sources. While these funds are authorized by statute and will remain open for internal reporting purposes, these funds function effectively as an extension of the General Fund, and accordingly have been combined with the General Fund for presentation in these audited financial statements.

As a result, the General Fund reflects an increase in fund balance of $4,106,768.

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

Capital Projects Fund for Blended Component Units The Capital Project Fund for Blended Component Units is used to account for capital projects financed by Mello-Roos Community Facilities Districts and similar entities that are considered blended component units of the District under generally accepted accounting principles (GAAP).

Non-Major Governmental Funds

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

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

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

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

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

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

- **COP Capital Projects Fund** The COP Capital Projects Fund is used to account for capital projects that are considered component units of the District under generally accepted accounting principles.

Debt Service Funds The Debt Service funds are used to account for the accumulation of resources for, and the payment of, principal and interest on general long-term liabilities.

- **COP Debt Service Fund** The COP Debt Service Fund is used to account for the interest and redemption of principal of Certificates of Participation.

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

Trust funds are used to account for resources held by the District under a trust agreement for individuals, private organizations, or other governments. The District's trust fund accounts for scholarship activity.

Basis of Accounting - Measurement Focus

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

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

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

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

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

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

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

Revenues – Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter, to be used to pay liabilities of the current fiscal year. The District considers revenues to be available if they are collected within one year after year-end, except for property taxes, which are considered available if collected within 60 days. The following revenue sources are considered to be both measurable and available at fiscal year-end: State apportionments, interest, certain grants, and other local sources.

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

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

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

Investments

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

Prepaid Expenditures (Expenses)

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

Stores Inventories

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

Capital Assets and Depreciation

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets of the District. The District maintains a capitalization threshold of $5,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized, but are expensed as incurred.

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

Depreciation is computed using the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 20 to 50 years; improvements, 5 to 50 years; equipment, 2 to 15 years.

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

The District records the value of intangible right-to-use assets based on the underlying leased asset in accordance with GASB Statement No. 87, *Leases*. The right-to-use intangible asset is amortized each year for the term of the contract.

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental activities column of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Compensated Absences

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

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

Accrued Liabilities and Long-Term Liabilities

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

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

Debt Issuance Costs, Premiums, and Discounts

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

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

Deferred Outflows/Inflows of Resources

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

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

Pensions

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

Postemployment Benefits Other Than Pensions (OPEB)

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

Leases

The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The District measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the lease term.

Fund Balances - Governmental Funds

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

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

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

Committed - amounts that can be used only for specific purposes determined by a formal action of the governing board. The governing board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions or other action as approved by the governing board.

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

Unassigned - all other spendable amounts.

Spending Order Policy

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

Minimum Fund Balance Policy

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

Net Position

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

position is available. The government-wide financial statements report $18,877,756 of net position restricted by enabling legislation.

Interfund Activity

Transfers between governmental activities in the government-wide financial statements are reported in the same manner as general revenues.

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

Estimates

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

Property Tax

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 13 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County of Solano bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

Change in Accounting Principles

Implementation of GASB Statement No. 87

As of July 1, 2021, the District adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. The standard requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The effect of the implementation of this standard on beginning net position is disclosed in Note 17 and the additional disclosures required by this standard is included in Note 10.

Implementation of GASB Statement No. 92

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of

certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of Statement No. 87, Leases, and Implementation Guide No. 2019-3, Leases, for interim financial reporting
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, to reporting assets accumulated for postemployment benefits
- The applicability of certain requirements of Statement No. 84, Fiduciary Activities, to postemployment benefit arrangements
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments

The requirements of this Statement are effective as follows:

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

The provisions of this Statement have been implemented as of June 30, 2022 and did not have a significant impact on the financial statements.

Implementation of GASB Statement No. 93

In March 2020, the GASB issued Statement No. 93, Replacement of Interbank Offered Rates. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR (Interbank Offered Rate). This Statement achieves that objective by:

- Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment

- Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate
- Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable
- Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap
- Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap
- Clarifying the definition of reference rate, as it is used in Statement 53, as amended
- Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend.

The provisions of this Statement have been implemented as of June 30, 2022 and did not have a significant impact on the financial statements.

Note 2 - Deposits and Investments

Summary of Deposits and Investments

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

Governmental funds	$ 47,628,483
Fiduciary funds	7,951
Total deposits and investments	$ 47,636,434

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

Cash on hand and in banks	$ 183,762
Cash in revolving	50,000
Investments	47,402,672
Total deposits and investments	$ 47,636,434

Policies and Practices

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

Investment in County Treasury - The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (*Education Code* Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

General Authorizations

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

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

Authorized Under Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code. These provisions allow for the acquisition of investment agreements with maturities through the last scheduled payment of the certificates of participation debt.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by investing in the County Pool and having the Pool purchase a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Specific Identification

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuation is provided by the following schedule that shows the distribution of the District's investment by maturity:

Investment Type	Reported Amount	Weighted Average Maturity in Days/ Maturity Date
U.S. Agencies	$ 172	7/1/2022
Money Market Mutual Funds	36	7/1/2022
Solano County Investment Pool	47,402,464	365
Total	$ 47,402,672	

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of the year end for each investment type.

Investment Type	Reported Amount	Minimum Legal Rating	Standard & Poor's Rating	Fitch's Rating
U.S. Agencies	$ 172	N/A	AAAm	AAAmmf
Money Market Mutual Funds	36	N/A	Not Rated	AAAmmf
Solano County Investment Pool	47,402,464	N/A	Aaf/S1	Not Rated
Total	$ 47,402,672			

N/A - Not applicable

Custodial Credit Risk - Deposits

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

Note 3 - Fair Value Measurements

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

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

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

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

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

Investment Type	Reported Amount	Fair Value Measurements Using Level 2 Inputs	Uncategorized
U.S. Agencies	$ 172	$ 172	$ -
Money Market Mutual Funds	36	36	-
Solano County Investment Pool	47,402,464	-	47,402,464
Total	$ 47,402,672	$ 208	$ 47,402,464

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

Note 4 - Receivables

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

	General Fund	Non-Major Governmental Funds	Total
Federal Government			
Categorical aid	$ 1,597,608	$ 32,124	$ 1,629,732
State Government			
Categorical aid	513,104	2,472	515,576
Lottery	544,422	-	544,422
Local Government			
Other local sources	285,532	-	285,532
Total	$ 2,940,666	$ 34,596	$ 2,975,262

Note 5 - Capital Assets

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

	Balance July 1, 2021 as restated	Additions	Deductions	Balance June 30, 2022
Governmental Activities				
Capital assets not being depreciated				
Land	$ 12,548,300	$ -	$ -	$ 12,548,300
Construction in progress	26,988,627	113,893	(26,988,627)	113,893
Total capital assets not being depreciated	39,536,927	113,893	(26,988,627)	12,662,193
Capital assets being depreciated				
Land improvements	15,761,041	-	-	15,761,041
Buildings and improvements	73,273,577	26,988,627	-	100,262,204
Furniture and equipment	10,260,280	8,405	(187,895)	10,080,790
Total capital assets being depreciated	99,294,898	26,997,032	(187,895)	126,104,035
Total capital assets	138,831,825	27,110,925	(27,176,522)	138,766,228
Accumulated depreciation				
Land improvements	(7,732,071)	(751,422)	-	(8,483,493)
Buildings and improvements	(33,348,520)	(2,282,848)	-	(35,631,368)
Furniture and equipment	(7,450,136)	(588,420)	187,895	(7,850,661)
Total accumulated depreciation	(48,530,727)	(3,622,690)	187,895	(51,965,522)
Net depreciable capital assets	50,764,171	23,374,342	-	74,138,513
Right-to-use leased assets being amortized				
Furniture and equipment	321,424	-	-	321,424
Accumulated amortization				
Furniture and equipment	-	(233,708)	-	(233,708)
Net right-to-use leased assets	321,424	(233,708)	-	87,716
Governmental activities capital assets and right-to-use leased assets, net	$ 90,622,522	$ 23,254,527	$ (26,988,627)	$ 86,888,422

Depreciation and amortization expenses were charged as a direct expense to governmental functions as follows:

Governmental Activities	
Instruction	$ 2,716,711
Supervision of instruction	67,972
School site administration	135,462
Home-to-school transportation	226,794
Food services	259,325
All other pupil services	112,499
All other administration	233,734
Plant services	103,901
Total depreciation and amortization expenses governmental activities	$ 3,856,398

Note 6 - Interfund Transactions

Interfund Receivables/Payables (Due To/Due From)

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

	Due From		
Due To	General Fund	Non-Major Governmental Funds	Total
General Fund	$ -	$ 66,103	$ 66,103
Non-Major Governmental Funds	2,081,899	-	2,081,899
Total	$ 2,081,899	$ 66,103	$ 2,148,002

The balance of $66,103 is due to the General Fund from the Cafeteria Non-Major Governmental Fund for indirect costs and postage fees.

A balance of $2,076,373 is due to the Special Reserve Non-Major Governmental Fund for Capital Outlay Projects from the General Fund for capital projects.

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

Operating Transfers

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

The General Fund transferred to the Cafeteria Non-Major Governmental Fund to cover expenditure due to summer meals.	$ 5,526
The General Fund transferred to the Special Reserve Non-Major Governmental Fund for Capital Outlay Projects for capital projects.	2,131,612
The Capital Projects Fund transferred to the COP Debt Service Non-Major Governmental Fund for debt service payments.	5,688,330
The Capital Projects Fund for Blended Component Units transferred to the COP Debt Service Non-Major Governmental Fund for debt service payments.	1,390,375
Total	$ 9,215,843

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

Note 7 - Accounts Payable

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

	General Fund	Capital Facilities Fund	Non-Major Governmental Funds	Total
Vendor payables	$ 2,416,846	$ 7,250	$ 24,621	$ 2,448,717
Salaries and benefits	3,106,557	-	6,972	3,113,529
Total	$ 5,523,403	$ 7,250	$ 31,593	$ 5,562,246

Note 8 - Unearned Revenue

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

	General Fund
Federal financial assistance	$ 384,569
State categorical aid	272,567
Other local	127,587
Total	$ 784,723

Note 9 - Constitutional Advance

In July 2021, the District entered into a constitutional advance loan of $7,147,822 which is based on an advance of local property tax revenues. This amount does not exceed 85% of revenues of the District during the fiscal year. The District was charged an interest rate equal to the rate the County applies to funds of the District on deposit with the County. These funds are to be used to cover one or more cash shortages caused by the delays in receipt of revenues from the State to which the District is lawfully entitled. As of June 30, 2022, the District has paid off the $7,147,822 constitutional advance loan.

Note 10 - Long-Term Liabilities Other than OPEB and Pensions

Summary

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

	Balance July 1, 2021 as restated	Additions	Deductions	Balance June 30, 2022	Due in One Year
Long-Term Liabilities					
Certificates of participation	$ 22,070,000	$ -	$ (5,690,000)	$ 16,380,000	$ 725,000
Private placement debt issuances	12,319,876	-	(977,482)	11,342,394	1,002,865
Unamortized debt premiums	2,257,915	-	(540,796)	1,717,119	-
Leases	321,424	-	(232,303)	89,121	89,121
Compensated absences*	448,836	-	(16,026)	432,810	-
Total	$ 37,418,051	$ -	$ (7,456,607)	$ 29,961,444	$ 1,816,986

Payments on certificates of participation are made in the COP Debt Service Fund. Private placement debt issuance are made in the Capital Projects Fund for Blended Component Units and the Special Reserve Fund for Capital Outlay Projects Fund. Payments on leases are made in the General Fund. The compensated absences will be paid by the fund for which the employee worked.

The District's outstanding certificates of participation of $16,380,000 are secured with collateral of an undeveloped lot zoned for commercial use.

The outstanding certificates of participation from private placements of $11,342,394 contain (1) a provision that in an event of default, the timing of repayment of outstanding amounts become immediately due if pledged revenues during the year are less than 120% of debt service coverage due in the following year and (2) a provision that if the District is unable to make payment, outstanding amounts are due immediately.

Certificates of Participation

2016 Refunding Certificates of Participation

On February 25, 2016, the District issued Certificates of Participation totaling $19,625,000, pursuant to a lease agreement with the District and the Public Property Financing Corporation of California. Interest rates range from 2.00 to 5.00%. At June 30, 2022, the principal balance outstanding was $16,380,000.

2016 Series B Certificates of Participation

On October 1, 2016, the District issued Certificates of Participation totaling $6,170,000, pursuant to a lease agreement with the District and the Public Property Financing Corporation of California. Interest rates range from 2.00 to 4.00%. At June 30, 2022, the remaining outstanding balance has been paid off.

The certificates mature as follows:

Year Ending June 30,	Principal	Interest	Total
2023	$ 725,000	$ 690,694	$ 1,415,694
2024	800,000	656,194	1,456,194
2025	875,000	614,319	1,489,319
2026	945,000	568,819	1,513,819
2027	1,020,000	519,694	1,539,694
2028-2032	6,535,000	1,703,844	8,238,844
2033-2037	5,480,000	326,622	5,806,622
Total	$ 16,380,000	$ 5,080,186	$ 21,460,186

Private Placement Debt Issuance

2017 Series A Public Lease Revenue Bond

On June 5, 2017, the Public Property Financing Corporation of California issued $3,528,794 of a Tax-Exempt Lease with an interest rate of 2.49%. At June 30, 2022, the principal balance outstanding was $2,309,813.

2017 Series B Public Lease Revenue Bond

On June 5, 2017, the Public Property Financing Corporation of California issued $4,230,971 of a Renewable Energy Bond with an interest rate of 4.68%. At June 30, 2022, the principal balance outstanding was $4,230,971.

2017 Refunding Series C Public Lease Revenue Bond

On June 5, 2017, the Public Property Financing Corporation of California issued $7,806,090 of a Refunding Public Lease Revenue Bond with an interest rate of 2.49%. At June 30, 2022, the principal balance outstanding was $4,801,610.

The certificates mature as follows:

Year Ending June 30,	Principal	Interest	Total
2023	$ 1,002,865	$ 368,840	$ 1,371,705
2024	1,033,249	343,680	1,376,929
2025	1,068,063	317,736	1,385,799
2026	1,106,855	290,899	1,397,754
2027	1,149,286	263,074	1,412,360
2028-2032	4,108,109	834,502	4,942,611
2033-2037	1,873,967	253,242	2,127,209
Total	$ 11,342,394	$ 2,671,973	$ 14,014,367

Leases

The District has entered into agreements to lease various facilities and equipment. The District's liability on lease agreements is summarized below:

Lease	Leases Outstanding July 1, 2021 as restated	Addition	Payments	Leases Outstanding June 30, 2022
De Lage Landen Lease	$ 154,603	$ -	$ (115,080)	$ 39,523
Inland Lease	166,821	-	(117,223)	49,598
Total	$ 321,424	$ -	$ (232,303)	$ 89,121

De Lage Landen Lease

The District entered an agreement to lease copiers for four years, beginning November 12, 2018. Under the terms of the lease, the District paid the monthly payments of $9,973, which amounted to total principal and interest costs of $478,727. The annual interest rate charged on the lease is 2.36%. At June 30, 2022, the District has recognized a right-to-use asset of $38,651 and a lease liability of $39,523 related to this agreement. During the fiscal year, the District recorded $115,952 in amortization expense and $4,601 in interest expense for the right-to-use of the copiers.

Inland Lease

The District entered an agreement to lease copiers for four years, beginning December 18, 2018. Under the terms of the lease, the District paid the monthly payments of $9,973, which amounted to total principal and interest costs of $478,727. The annual interest rate charged on the lease is 2.17%. At June 30, 2022, the District has recognized a right-to-use asset of $49,065 and a lease liability of $49,598 related to this agreement. During the fiscal year, the District recorded $117,756 in amortization expense and $2,459 in interest expense for the right-to-use of the copiers. The District also pays $0.007 for black and white and $0.050 for color per each additional copy in excess of the contracted amount, which are not included in the measurement of the lease liability as they are variable in nature. The District did not pay for any additional copies during the year toward those variable costs.

The remaining principal and interest payment requirements for the lease obligation debt as of June 30, 2022 are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	$ 89,121	$ 640	$ 89,761

Compensated Absences

Compensated absences (unpaid employee vacation) for the District at June 30, 2022, amounted to $432,810.

Note 11 - Net Other Postemployment Benefits (OPEB) Liability

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

OPEB Plan	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
District Plan	$ 1,725,685	$ 106,999	$ 541,697	$ 107,986
Medicare Premium Payment (MPP) Program	278,516	-	-	278,516
Total	$ 2,004,201	$ 106,999	$ 541,697	$ 386,502

The details of each plan are as follows:

District Plan

Plan Administration

The District's governing board administers the Postemployment Benefits Plan (the Plan). The Plan is a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for eligible retirees and their spouses. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Plan Membership

At July 1, 2020, the valuation date, the Plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits payments	11
Active employees	533
Total	544

Benefits Provided

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

Benefit Payments

The benefit payment requirements of the Plan members and the District are established and may be amended by the District, the Travis Unified Teachers Association (TUTA), the local California School Employees Association (CSEA), and unrepresented groups. The benefit payment is based on projected pay-as-you-go financing requirements as determined annually through the agreements with the District, TUTA, CSEA, and the unrepresented groups. For the measurement period of June, 2022, the District paid $63,057 in benefits.

Total OPEB Liability of the District

The District's total OPEB liability of $1,725,685 was measured as of June 30, 2022, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of July 1, 2020.

Actuarial Assumptions

The total OPEB liability as of June 30, 2022 was determined by applying updated procedures to the financial reporting actuarial valuation as of July 1, 2020 and rolling forward the total OPEB liability to June 30, 2022. The following assumptions were applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75	percent
Salary increases	3.00	percent, average, including inflation
Discount rate	3.69	percent
Healthcare cost trend rates	5.00	percent for 2022

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

Mortality rates were based on CalSTRS experience analysis (2015-2018) and CalPERS experience study (1997-2015). Mortality rates vary by age and sex. (Unisex mortality rates are not often used as individual OPEB benefits do not depend on the mortality table used.) If employees die prior to retirement, past contributions are available to fund benefits for employees who live to retirement. After retirement, death results in benefit termination or reeducation. Although higher mortality rates reduce service costs, the mortality assumption is not likely to vary from employer to employer.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actual experience study for the period July 1, 2019 to June 30, 2020.

Changes in Total OPEB Liability of the District

	Total OPEB Liability
Balance, June 30, 2021	$ 1,597,594
Service cost	361,589
Interest	37,014
Changes of assumptions	(207,455)
Benefit payments	(63,057)
Net change in total OPEB liability	128,091
Balance, June 30, 2022	$ 1,725,685

There were no changes to benefits noted from the prior evaluation.

Changes of assumptions and other inputs reflect a change in the inflation rate from 3.00% in 2021 to 2.75% in 2022 and discount rate from 2.45% in 2021 to 3.69% in 2022.

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

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

Discount Rate	Total OPEB Liability
1% decrease (2.69%)	$ 1,840,732
Current discount rate (3.69%)	1,725,685
1% increase (4.69%)	1,616,912

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

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

Healthcare Cost Trend Rate	Total OPEB Liability
1% decrease (4.0%)	$ 1,536,004
Current healthcare cost trend rate (5.0%)	1,725,685
1% increase (6.0%)	1,946,517

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended June 30, 2022, the District recognized OPEB expense of $107,986. At June 30, 2022, the District reported deferred outflows of resources and deferred inflow of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	$ 933	$ -
Differences between expected and actual experience	-	376,580
Changes of assumptions	106,066	165,117
Total	$ 106,999	$ 541,697

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

Year Ended June 30,	Deferred Outflows of Resources
2023	$ (108,926)
2024	(128,437)
2025	(140,527)
2026	(57,741)
Total	$ (435,631)

Medicare Premium Payment (MPP) Program

Plan Description

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

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

Benefits Provided

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

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

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

Net OPEB Liability and OPEB Expense

At June 30, 2022, the District reported a liability of $278,516 for its proportionate share of the net OPEB liability for the MPP Program. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB Plan relative to the projected contributions of all participating school districts, actuarially determined. The District's proportionate share for the measurement period June 30, 2021 was 0.0698%.

For the year ended June 30, 2022, the District recognized OPEB expense of $278,516.

Actuarial Methods and Assumptions

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

Measurement Date	June 30, 2021	June 30, 2020
Valuation Date	June 30, 2020	June 30, 2019
Experience Study	July 1, 2015 through June 30, 2018	June 30, 2014 through June 30, 2018
Actuarial Cost Method	Entry age normal	Entry age normal
Investment Rate of Return	2.16%	2.21%
Medicare Part A Premium Cost Trend Rate	4.50%	4.50%
Medicare Part B Premium Cost Trend Rate	5.40%	5.40%

For the valuation as of June 30, 2020, CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among our members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table, issued by the Society of Actuaries.

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

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

Discount Rate

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

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

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

Discount Rate	Total OPEB Liability
1% decrease (1.16%)	$ 307,001
Current discount rate (2.16%)	278,516
1% increase (3.16%)	254,178

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

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

Medicare Costs Trend Rate	Net OPEB Liability
1% decrease (3.5% Part A and 4.4% Part B)	$ 253,277
Current Medicare costs trend rate (4.5% Part A and 5.4% Part B)	278,516
1% increase (5.5% Part A and 6.4% Part B)	207,450

Note 12 - Fund Balances

Fund balances are composed of the following elements:

	General Fund	Capital Facilities Fund	Capital Projects Fund for Blended Component Units	Non-Major Governmental Funds	Total
Nonspendable					
Revolving cash	$ 50,000	$ -	$ -	$ -	$ 50,000
Stores inventories	68,411	-	-	49,043	117,454
Prepaid expenditures	18,911	-	-	-	18,911
Total nonspendable	137,322	-	-	49,043	186,365
Restricted					
Legally restricted programs	4,312,592	-	-	1,619,626	5,932,218
Capital projects	-	10,106,607	10,157,396	2,838,723	23,102,726
Debt services	-	-	-	208	208
Total restricted	4,312,592	10,106,607	10,157,396	4,458,557	29,035,152
Committed					
OPEB Liability	2,080,074	-	-	-	2,080,074
Supplemental grant carryover	2,168,479	-	-	-	2,168,479
Curriculum adoptions	2,000,000	-	-	-	2,000,000
Technology refresh	905,099	-	-	-	905,099
Total committed	7,153,652	-	-	-	7,153,652
Assigned					
Deferred maintenance	1,170,548	-	-	-	1,170,548
OPEB	31,120	-	-	-	31,120
TUTA catastrophic leave	20,000	-	-	-	20,000
Compensated absences	522,734	-	-	-	522,734
Reserve for sustainability	4,173,570	-	-	-	4,173,570
Total assigned	5,917,972	-	-	-	5,917,972
Unassigned					
Remaining unassigned	2,100,000	-	-	-	2,100,000
Total	$ 19,621,538	$ 10,106,607	$ 10,157,396	$ 4,507,600	$ 44,393,141

Note 13 - Risk Management

Description

The District's risk management activities are recorded in the General Fund. Employee health programs are administered by the General Fund through the purchase of commercial insurance. The District participates in the North Bay Schools Insurance Authority (NBSIA) joint powers agency for the workers' compensation, property and liability, and dental and vision programs. Refer to Note 16 for additional information regarding the JPA.

For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year for the three prior years.

Note 14 - Employee Retirement Systems

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

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

Pension Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CalSTRS	$ 21,140,084	$ 8,554,788	$ 20,148,716	$ 1,034,909
CalPERS	14,795,962	3,018,584	6,175,882	1,399,221
Total	$ 35,936,046	$ 11,573,372	$ 26,324,598	$ 2,434,130

The details of each plan are as follows:

California State Teachers' Retirement System (CalSTRS)

Plan Description

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

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

Benefits Provided

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

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

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

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

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

Contributions

Required member District and State of California contributions rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contributions rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1% of applicable member earnings phased over a seven year period. The contribution rates for each plan for the year ended June 30, 2022, are presented above and the District's total contributions were $4,539,738.

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

At June 30, 2022, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support and the total portion of the net pension liability that was associated with the District were as follows:

Total net pension liability, including State share	
Proportionate share of net pension liability	$ 21,140,084
State's proportionate share of the net pension liability	10,636,870
Total	$ 31,776,954

The net pension liability was measured as of June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. The District's proportionate share for the measurement period June 30, 2021 and June 30, 2020, respectively was 0.0465% and 0.0461%, resulting in a net increase in the proportionate share of 0.0004%.

For the year ended June 30, 2022, the District recognized pension expense of $1,034,909. In addition, the District recognized pension expense and revenue of $363,927 for support provided by the State. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 4,539,738	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	966,767	1,176,618
Differences between projected and actual earnings on pension plan investments	-	16,722,352
Differences between expected and actual experience in the measurement of the total pension liability	52,957	2,249,746
Changes of assumptions	2,995,326	-
Total	$ 8,554,788	$ 20,148,716

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

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

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ (4,246,475)
2024	(3,884,137)
2025	(3,980,527)
2026	(4,611,213)
Total	$ (16,722,352)

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

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ 703,428
2024	1,049,200
2025	(313,909)
2026	(229,285)
2027	(343,616)
Thereafter	(277,132)
Total	$ 588,686

Actuarial Methods and Assumptions

Total pension liability for STRP was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2020, and rolling forward the total pension liability to June 30, 2021. The financial reporting actuarial valuation as of June 30, 2020, used the following methods and assumptions, applied to all prior periods included in the measurement:

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant as an input to the process. The actuarial investment rate of return assumption was adopted by the board in January 2020 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS' independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of 20-year geometrically-linked real rates of return and the assumed asset allocation for each major asset class for the year ended June 30, 2021, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Public equity	42%	4.8%
Fixed income	12%	1.3%
Real estate	15%	3.6%
Private equity	13%	6.3%
Risk mitigating strategies	10%	1.8%
Inflation sensitive	6%	3.3%
Cash/liquidity	2%	-0.4%

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return of 7.10% and 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 total pension liability.

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

Discount Rate	Net Pension Liability
1% decrease (6.10%)	$ 43,033,644
Current discount rate (7.10%)	21,140,084
1% increase (8.10%)	2,968,847

California Public Employees Retirement System (CalPERS)

Plan Description

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

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

Benefits Provided

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

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

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

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contributions rates are expressed as percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2022, are presented above and the total District contributions were $2,576,887.

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

As of June 30, 2022, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling $14,795,962. The net pension liability was measured as of June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. The District's proportionate share for the measurement period June 30, 2021 and June 30, 2020, was 0.0728% and 0.0736%, respectively, resulting in a net decrease in the proportionate share of 0.0008%.

For the year ended June 30, 2022, the District recognized pension expense of $1,399,221. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 2,576,887	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	-	462,752
Differences between projected and actual earnings on pension plan investments	-	5,678,250
Differences between expected and actual experience in the measurement of the total pension liability	441,697	34,880
Changes of assumptions	-	-
Total	$ 3,018,584	$ 6,175,882

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

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

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ (1,424,101)
2024	(1,309,588)
2025	(1,365,331)
2026	(1,579,230)
Total	$ (5,678,250)

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

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ 110,692
2024	(93,512)
2025	(66,967)
2026	(6,148)
Total	$ (55,935)

Actuarial Methods and Assumptions

Total pension liability for the SEP was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2020, and rolling forward the total pension liability to June 30, 2021. The financial reporting actuarial valuation as of June 30, 2020, used the following methods and assumptions, applied to all prior periods included in the measurement:

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

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

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

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

Discount Rate

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

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

Discount Rate	Net Pension Liability
1% decrease (6.15%)	$ 24,948,069
Current discount rate (7.15%)	14,795,962
1% increase (8.15%)	6,367,534

On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS in the amount of $2,987,536 (10.828% of annual payroll). Contributions are no longer appropriated in the annual Budget Act for the legislatively mandated benefits to CalPERS. Therefore, there is no on behalf contribution rate for CalPERS. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements.

Note 15 - Commitments and Contingencies

Grants

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

Litigation

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

Construction Commitments

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

Capital Project	Remaining Construction Commitment	Expected Date of Completion
Cambridge/Fox Portables	$ 4,855,701	June 2023

Note 16 - Participation in Joint Power Authority

The District is a member of the North Bay Schools Insurance Authority (NBSIA) joint powers authority (JPA). The District pays an annual premium to the applicable entity for its workers' compensation and property liability coverage. The relationship between the District and the JPA is such that it is not a component unit of the District for financial reporting purposes.

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

During the year ended June 30, 2022, the District made a payment of $1,450,415 to NBSIA for its workers' compensation and property liability coverage.

Note 17 - Restatement of Prior Year Net Position and Fund Balance

As of July 1, 2021, the District adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. The Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Beginning net position was restated to retroactively adopt the provisions of GASB Statement No. 87 as follows:

Government-Wide Financial Statements	
Net Position - Beginning	$ 35,365,240
Right-to-use intangible asset, net of amortization	321,424
Lease liability	(321,424)
Net Position - Beginning as Restated	$ 35,365,240

Required Supplementary Information
June 30, 2022

Travis Unified School District

	Budgeted Amounts			Variances - Positive (Negative)
	Original	Final	Actual	Final to Actual
Revenues				
Local Control Funding Formula	$ 51,330,823	$ 51,854,143	$ 51,854,142	$ (1)
Federal sources	7,743,584	6,778,382	6,778,382	-
Other State sources	7,749,060	8,317,772	8,317,772	-
Other local sources	1,508,629	2,185,818	2,163,120	(22,698)
Total revenues [1]	68,332,096	69,136,115	69,113,416	(22,699)
Expenditures				
Current				
Certificated salaries	29,914,840	28,665,329	28,665,330	(1)
Classified salaries	10,455,935	10,526,268	10,526,268	-
Employee benefits	15,901,996	14,924,590	14,924,588	2
Books and supplies	2,740,010	2,801,123	2,801,123	-
Services and operating expenditures	6,317,214	6,434,886	6,434,887	(1)
Other outgo	1,603,485	1,465,038	(300,656)	1,765,694
Capital outlay	1,601,921	17,255	17,255	-
Debt service				
Debt service - principal	305,000	-	232,303	(232,303)
Debt service - interest and other	180,444	-	1,533,391	(1,533,391)
Total expenditures [1]	69,020,845	64,834,489	64,834,489	-
Excess (Deficiency) of Revenues Over Expenditures	(688,749)	4,301,626	4,278,927	(22,699)
Other Financing Sources (Uses)				
Transfers out	(694,137)	(3,237,138)	(2,137,138)	1,100,000
Net Change in Fund Balances	(1,382,886)	1,064,488	2,141,789	1,077,301
Fund Balance - Beginning	17,479,749	17,479,749	17,479,749	-
Fund Balance - Ending	$ 16,096,863	$ 18,544,237	$ 19,621,538	$ 1,077,301

[1] Due to the consolidation of Fund 14, Deferred Maintenance, Fund 17, Special Reserve Fund for Other Than Capital Outlay Projects and Fund 20 Special Reserve Fund for Postemployment Benefits for reporting purposes into the General Fund, additional revenues and expenditures pertaining to these other funds are included in the Actual (GAAP Basis) revenues and expenditures, however, are not included in the original and final General Fund budgets.

Travis Unified School District

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

Year Ended June 30, 2022

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	$ 361,589	$ -	$ 149,253	$ 140,117	$ 136,036
Interest	37,014	-	64,160	61,931	57,987
Difference between expected and actual experience	-	(611,942)	-	-	
Changes of assumptions	(207,455)	41,057	92,678	62,366	-
Benefit payments	(63,057)	-	(75,794)	(73,416)	(96,537)
Net change in total OPEB liability	128,091	(570,885)	230,297	190,998	97,486
Total OPEB Liability - Beginning	1,597,594	2,168,479	1,938,182	1,747,184	1,649,698
Total OPEB Liability - Ending	$ 1,725,685	$ 1,597,594	$ 2,168,479	$ 1,938,182	$ 1,747,184
Covered Payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Total OPEB Liability as a Percentage of Covered Payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Measurement Date	June 30, 2022	June 30, 2021	July 01, 2020	June 30, 2019	June 30, 2018

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

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

Year ended June 30,	2022
Proportion of the net OPEB liability	0.0698%
Proportionate share of the net OPEB liability	$ 278,516
Covered payroll	N/A[1]
Proportionate share of the net OPEB liability as a percentage of it's covered payroll	N/A[1]
Plan fiduciary net position as a percentage of the total OPEB liability	-0.81%

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

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

Travis Unified School District

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

Year Ended June 30, 2022

	2022	2021	2020	2019	2018
CalSTRS					
Proportion of the net pension liability	0.0465%	0.0461%	0.0463%	0.0443%	0.0450%
Proportionate share of the net pension liability	$ 21,140,084	$ 44,640,231	$ 41,778,041	$ 40,716,743	$ 41,610,073
State's proportionate share of the net pension liability	10,636,870	23,012,044	22,792,711	23,312,240	24,616,167
Total	$ 31,776,954	$ 67,652,275	$ 64,570,752	$ 64,028,983	$ 66,226,240
Covered payroll	$ 25,071,579	$ 24,424,924	$ 25,171,916	$ 22,164,789	$ 21,514,436
Proportionate share of the net pension liability as a percentage of its covered payroll	84.32%	182.77%	165.97%	183.70%	193.41%
Plan fiduciary net position as a percentage of the total pension liability	87%	72%	73%	71%	69%
Measurement Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
CalPERS					
Proportion of the net pension liability	0.0728%	0.0736%	0.0732%	0.0736%	0.0726%
Proportionate share of the net pension liability	$ 14,795,962	$ 22,569,601	$ 21,330,240	$ 19,628,437	$ 17,325,004
Covered payroll	$ 10,533,913	$ 10,676,795	$ 10,174,665	$ 10,200,940	$ 8,856,884
Proportionate share of the net pension liability as a percentage of its covered payroll	140.46%	211.39%	209.64%	192.42%	195.61%
Plan fiduciary net position as a percentage of the total pension liability	81%	70%	70%	71%	72%
Measurement Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017

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

Travis Unified School District

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

Year Ended June 30, 2022

	2017	2016	2015
CalSTRS			
Proportion of the net pension liability	0.0449%	0.0474%	0.0459%
Proportionate share of the net pension liability	$ 36,319,582	$ 31,929,420	$ 26,833,207
State's proportionate share of the net pension liability	20,676,090	16,887,143	16,203,049
Total	$ 56,995,672	$ 48,816,563	$ 43,036,256
Covered payroll	$ 22,761,463	$ 21,292,128	20,865,993
Proportionate share of the net pension liability as a percentage of its covered payroll	159.57%	149.96%	128.60%
Plan fiduciary net position as a percentage of the total pension liability	70%	74%	77%
Measurement Date	June 30, 2016	June 30, 2015	June 30, 2014
CalPERS			
Proportion of the net pension liability	0.0705%	0.0651%	0.0637%
Proportionate share of the net pension liability	$ 13,930,582	$ 9,589,568	$ 7,229,635
Covered payroll	$ 7,462,708	$ 7,239,682	6,675,380
Proportionate share of the net pension liability as a percentage of its covered payroll	186.67%	132.46%	108.30%
Plan fiduciary net position as a percentage of the total pension liability	74%	79%	83%
Measurement Date	June 30, 2016	June 30, 2015	June 30, 2014

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

Travis Unified School District
Schedule of the District's Contributions
Year Ended June 30, 2022

	2022	2021	2020	2019	2018
CalSTRS					
Contractually required contribution	$ 4,539,738	$ 4,049,060	$ 4,176,662	$ 4,097,988	$ 3,198,379
Less contributions in relation to the contractually required contribution	4,539,738	4,049,060	4,176,662	4,097,988	3,198,379
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 26,830,603	$ 25,071,579	$ 24,424,924	$ 25,171,916	$ 22,164,789
Contributions as a percentage of covered payroll	16.92%	16.15%	17.10%	16.28%	14.43%
CalPERS					
Contractually required contribution	$ 2,576,887	$ 2,180,520	$ 2,105,464	$ 1,837,748	$ 1,584,308
Less contributions in relation to the contractually required contribution	2,576,887	2,180,520	2,105,464	1,837,748	1,584,308
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 11,247,870	$ 10,533,913	$ 10,676,795	$ 10,174,665	$ 10,200,940
Contributions as a percentage of covered payroll	22.910%	20.700%	19.720%	18.062%	15.531%

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

	2017	2016	2015
CalSTRS			
Contractually required contribution	$ 2,706,516	$ 2,442,305	$ 1,890,741
Less contributions in relation to the contractually required contribution	2,706,516	2,442,305	1,890,741
Contribution deficiency (excess)	$ -	$ -	$ -
Covered payroll	$ 21,514,436	$ 22,761,463	$ 21,292,128
Contributions as a percentage of covered payroll	12.58%	10.73%	8.88%
CalPERS			
Contractually required contribution	$ 1,230,044	$ 884,107	$ 852,183
Less contributions in relation to the contractually required contribution	1,230,044	884,107	852,183
Contribution deficiency (excess)	$ -	$ -	$ -
Covered payroll	$ 8,856,884	$ 7,462,708	$ 7,239,682
Contributions as a percentage of covered payroll	13.888%	11.847%	11.771%

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

Note 1 - Purpose of Schedules

Budgetary Comparison Schedule

The District employs budget control by object codes and by individual appropriation accounts. Budgets are prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United State of America as prescribed by the Governmental Accounting Standards Board and provisions of the California *Education Code*. The governing board is required to hold a public hearing and adopt an operating budget no later than July 1 of each year. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

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

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

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

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

- *Changes in Benefit Terms* – There were no changes in benefits terms since the previous valuation. *Changes of Assumptions* – The inflation rate was changed from 3.00% to 2.75% and discount rate was changed from 2.45% to 3.69% since the previous valuation.

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

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

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

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

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

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

Schedule of the District's Contributions

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

Supplementary Information
June 30, 2022

Travis Unified School District

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Federal Impact Aid	84.041	10015	$ 4,015,656
Passed Through Solano County Special Education Local Plan Area:			
Special Education Cluster			
Special Education Grants to States - Basic Local Assistance	84.027	13379	978,362
Special Education Grants to States - Mental Health Allocation Plan	84.027	15197	62,125
Special Education Preschool Staff Development, Part B, Sec 619	84.173A	13430	40,730
Total Special Education Cluster			1,081,217
Passed Through California Department of Education (CDE)			
COVID-19 Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	15536	231,320
COVID-19 Expanded Learning Opportunities (ELO) Grant: ESSER II State Reserve	84.425D	15618	194,304
COVID-19 Elementary and Secondary School Emergency Relief III (ESSER III) Fund	84.425U	15559	366,820
COVID-19 Governor's Emergency Education Relief (GEER) Fund	84.425C	15517	285,591
Subtotal			1,078,035
Title I Grants to Local Educational Agencies - Basic Grants Low-Income Neglected	84.010	14329	241,737
Title II, Part A, Supporting Effective Instruction	84.367	14341	17,298
Title III - Limited English Proficient (LEP) Student Program	84.365	14346	6,809
Title IV, Part A, Student Support and Academic Enrichment Grants	84.424	15396	35,949
Total U.S. Department of Education			6,476,701
U.S. Department of Agriculture			
Passed Through California Department of Education			
Child Nutrition Cluster			
National School Lunch Program	10.555	13391	2,214,029
School Breakfast Program - National School Breakfast	10.553	13525	132,921
School Breakfast Program - Especially Needy Breakfast	10.553	13526	318,433
COVID-19 Emergency Operational Costs Reimbursement (ECR)	10.555	15637	32,054
Commodity Supplemental Food	10.555	13391	85,856
Total Child Nutrition Cluster			2,783,293
COVID-19 Pandemic EBT Local Administrative Grant	10.649	15644	3,063
Total U.S. Department of Agriculture			2,786,356
U.S. Department of Defense			
Passed Through Defense Education Activity (DODEA)			
DODEA Open Doors	12.256	[1]	292,617
DODEA Alliance for Science	12.256	[1]	6,000
Subtotal			298,617
Total Financial Assistance			$ 9,561,674

[1] Pass-Through Entity Identifying Number not available

Organization

Travis Unified School District (the District) was established January 30, 1962 and consists of an area comprising approximately 46 square miles. The District operates five elementary schools, one middle school, one high school, one alternative education high school, and one community day school. There were no boundary changes during the year.

GOVERNING BOARD

MEMBER	OFFICE	TERM EXPIRES
Janet Jackson Forbes	President	2022
Manveer Sandhu	Vice President	2024
Meghan Thompson	Clerk	2022
Ivery Hood	Member	2024
Riitta DeAnda	Member	2022

ADMINISTRATION

NAME	TITLE
Pamela Conklin	Superintendent
Gabe Moulaison	Chief Business Officer
Sue Brothers	Assistant Superintendent, Educational Services
Vincent Ruiz	Assistant Superintendent, Human Resources
Nancy Walker	Director, Fiscal Services

Travis Unified School District
Schedule of Average Daily Attendance
Year Ended June 30, 2022

	Final Report	
	Second Period Report	Annual Report
Regular ADA		
Transitional kindergarten through third	1,552.38	1,554.50
Fourth through sixth	1,014.77	1,014.41
Seventh and eighth	691.71	692.12
Ninth through twelfth	1,649.34	1,643.39
Total Regular ADA	4,908.20	4,904.42
Extended Year Special Education		
Transitional kindergarten through third	3.05	3.05
Fourth through sixth	0.86	0.86
Seventh and eighth	0.34	0.34
Ninth through twelfth	0.62	0.62
Total Extended Year Special Education	4.87	4.87
Special Education, Nonpublic, Nonsectarian Schools		
Transitional kindergarten through third	1.93	1.84
Fourth through sixth	1.20	1.95
Seventh and eighth	1.90	1.92
Ninth through twelfth	5.22	4.58
Total Special Education, Nonpublic, Nonsectarian Schools	10.25	10.29
Extended Year Special Education, Nonpublic, Nonsectarian Schools		
Transitional kindergarten through third	0.05	0.15
Fourth through sixth	0.13	0.13
Seventh and eighth	0.09	0.09
Ninth through twelfth	0.32	0.32
Total Extended Year Special Education, Nonpublic, Nonsectarian Schools	0.59	0.69
Community Day School		
Ninth through twelfth	0.33	0.13
Total ADA	4,924.24	4,920.40

Travis Unified School District

Schedule of Instructional Time

Year Ended June 30, 2022

Grade Level	1986-1987 Minutes Requirement	2021-2022 Actual Minutes	Number of Minutes Credited Form J-13A	Total Minutes Offered	Traditional Calendar			Multitrack Calendar			Status
					Number of Actual Days	Number of Days Credited Form J-13A	Total Days Offered	Number of Actual Days	Number of Days Credited Form J-13A	Total Days Offered	
Kindergarten	36,000	53,071	-	53,071	180	-	180	-	-	-	Complied
Grades 1 - 3	50,400										
Grade 1		52,995	-	52,995	180	-	180	-	-	-	Complied
Grade 2		52,995	-	52,995	180	-	180	-	-	-	Complied
Grade 3		52,995	-	52,995	180	-	180	-	-	-	Complied
Grades 4 - 8	54,000										
Grade 4		55,805	-	55,805	180	-	180	-	-	-	Complied
Grade 5		55,805	-	55,805	180	-	180	-	-	-	Complied
Grade 6		55,805	-	55,805	180	-	180	-	-	-	Complied
Grade 7		58,064	-	58,064	180	-	180	-	-	-	Complied
Grade 8		58,064	-	58,064	180	-	180	-	-	-	Complied
Grades 9 - 12	64,800										
Grade 9		66,704	-	66,704	180	-	180	-	-	-	Complied
Grade 10		66,704	-	66,704	180	-	180	-	-	-	Complied
Grade 11		66,704	-	66,704	180	-	180	-	-	-	Complied
Grade 12		66,704	-	66,704	180	-	180	-	-	-	Complied

See Notes to Supplementary Information

There were no adjustments to the Unaudited Actual Financial Report, which required reconciliation to the audited financial statements at June 30, 2022.

	(Budget) 2023 [1]	2022	2021 [1]	2020 [1]
General Fund				
Revenues	$ 67,844,729	$ 69,136,114	$ 65,952,463	$ 62,657,710
Other sources	-	-	-	101,646
Total Revenues and Other Sources	67,844,729	69,136,114	65,952,463	62,759,356
Expenditures	70,868,133	63,303,348	59,715,661	59,661,356
Other uses and transfers out	110,190	4,768,279	1,308,526	2,875,419
Total Expenditures and Other Uses	70,978,323	68,071,627	61,024,187	62,536,775
Increase/(Decrease) in Fund Balance	(3,133,594)	1,064,487	4,928,276	222,581
Ending Fund Balance	$ 12,381,177	$ 15,514,771	$ 14,450,284	$ 9,522,008
Available Reserves[2]	$ 4,381,456	$ 2,100,000	$ 1,830,726	$ 1,876,103
Available Reserves as a Percentage of Total Outgo	6.17%	3.08%	3.00%	3.00%
Long-Term Liabilities	N/A	$ 67,901,691	$ 105,904,053	$ 104,325,048
K-12 Average Daily Attendance at P-2	5,007	4,924	5,274	5,274

The General Fund balance has increased by $5,992,763 over the past two years. The fiscal year 2022-2023 budget projects a decrease of $3,133,594 (20.202%). For a district this size, the State recommends available reserves of at least 3% of total General Fund expenditures, transfers out, and other uses (total outgo).

The District has incurred operating surpluses in all of the past three years and anticipates incurring an operating deficit during the 2022-2023 fiscal year. Total long-term liabilities have decreased by $36,423,357 over the past two years.

Average daily attendance has decreased by 350 over the past two years. Growth of 83 ADA is anticipated during fiscal year 2022-2023.

[1] Financial information for 2023, 2021, and 2020 are included for analytical purposes only and has not been subjected to audit..

[2] Available reserves consist of all unassigned fund balances including all amounts reserved for economic uncertainties contained with the General Fund.

[3] General Fund amounts do not include activity related to the consolidation of Fund 14, Deferred Maintenance, Fund 17, Special Reserve Fund for Other Than Capital Outlay Projects and Fund 20, Special Reserve Fund for Postemployment Benefits as required by GASB Statement No. 54.

Travis Unified School District

Combining Balance Sheet – Non-Major Governmental Funds

June 30, 2022

	Student Activity Fund	Cafeteria Fund	County School Facilities Fund	Special Reserve Fund for Capital Outlay Projects	COP Capital Projects Fund	COP Debt Service Fund	Non-Major Governmental Funds
Assets							
Deposits and investments	$ 183,762	$ 1,493,438	$ 746,376	$ 15,974	$ 172	$ 36	$ 2,439,758
Receivables	-	34,596	-	-	-	-	34,596
Due from other funds	-	5,526	-	2,076,373	-	-	2,081,899
Stores inventories	-	49,043	-	-	-	-	49,043
Total assets	$ 183,762	$ 1,582,603	$ 746,376	$ 2,092,347	$ 172	$ 36	$ 4,605,296
Liabilities and Fund Balances							
Liabilities							
Accounts payable	$ -	$ 31,593	$ -	$ -	-	$ -	$ 31,593
Due to other funds	-	66,103	-	-	-	-	66,103
Total liabilities	-	97,696	-	-	-	-	97,696
Fund Balances							
Nonspendable	-	49,043	-	-	-	-	49,043
Restricted	183,762	1,435,864	746,376	2,092,347	172	36	4,458,557
Total fund balances	183,762	1,484,907	746,376	2,092,347	172	36	4,507,600
Total liabilities and fund balances	$ 183,762	$ 1,582,603	$ 746,376	$ 2,092,347	$ 172	$ 36	$ 4,605,296

	Student Activity Fund	Cafeteria Fund	County School Facilities Fund	Special Reserve Fund for Capital Outlay Projects	COP Capital Projects Fund	COP Debt Service Fund	Non-Major Governmental Funds
Revenues							
Federal sources	$ -	$ 2,783,292	$ -	$ -	$ -	$ -	$ 2,783,292
Other State sources	-	223,492	-	-	-	-	223,492
Other local sources	234,183	86,638	(5,634)	(72)	-	87,942	403,057
Total revenues	234,183	3,093,422	(5,634)	(72)	-	87,942	3,409,841
Expenditures							
Current							
Pupil services							
Food services	-	2,117,321	-	-	-	-	2,117,321
Administration							
All other administration	-	66,103	-	-	-	-	66,103
Ancillary services	216,438	-	-	-	-	-	216,438
Other outgo	-	-	-	-	-	964	964
Debt service							
Principal	-	-	-	46,403	-	5,690,000	5,736,403
Interest and other	-	-	-	63,786	-	1,484,096	1,547,882
Total expenditures	216,438	2,183,424	-	110,189	-	7,175,060	9,685,111
Excess (Deficiency) of Revenues Over Expenditures	17,745	909,998	(5,634)	(110,261)	-	(7,087,118)	(6,275,270)
Other Financing Sources							
Transfers in	-	5,526	-	2,131,612	-	7,078,705	9,215,843
Net Change in Fund Balances	17,745	915,524	(5,634)	2,021,351	-	(8,413)	2,940,573
Fund Balance - Beginning	166,017	569,383	752,010	70,996	172	8,449	1,567,027
Fund Balance - Ending	$ 183,762	$ 1,484,907	$ 746,376	$ 2,092,347	$ 172	$ 36	$ 4,507,600

Note 1 - Purpose of Schedules

Schedule of Expenditures of Federal Awards (SEFA)

Basis of Presentation

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

Summary of Significant Accounting Policies

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

Indirect Cost Rate

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

Food Donation

Nonmonetary assistance is reported in this schedule at the fair market value of the commodities received and disbursed. At June 30, 2022, the District did not have any food commodities in inventory.

Local Education Agency Organization Structure

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

Schedule of Average Daily Attendance (ADA)

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

Schedule of Instructional Time

The District has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day. The District has met its target funding. This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of *Education Code* Sections 46200 through 46207.

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

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

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

Schedule of Financial Trends and Analysis

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

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

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

Independent Auditor's Reports
June 30, 2022

Travis Unified School District

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Governing Board
Travis Unified School District
Fairfield, 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 Travis Unified School District (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 15, 2022.

Adoption of New Accounting Standard

As discussed in Note 17 to the financial statements, the District has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022. Accordingly, a restatement has been made to the government-wide net position as of July 1, 2021, to restate beginning net position. Our opinions are not modified with respect to this matter.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

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

We noted certain matters that we reported to management of the District in a separate letter dated December 15, 2022

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.



Rancho Cucamonga, California
December 15, 2022

EideBailly

CPAs & BUSINESS ADVISORS

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

To the Governing Board
Travis Unified School District
Fairfield, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Travis Unified School District's (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Eide Bailly LLP

Rancho Cucamonga, California
December 15, 2022

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report on State Compliance

To the Governing Board
Travis Unified School District
Fairfield, California

Report on Compliance

Opinion State Compliance

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

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

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States *(Government Auditing Standards)*; and the audit requirements of the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards and the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on state compliance with the compliance requirements subject to audit in the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements listed in the table below has occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements listed in the table below.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state 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 state 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 compliance requirements as identified in the table below that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 laws and regulations applicable to the following items:

	Procedures Performed
LOCAL EDUCATION AGENCIES OTHER THAN CHARTER SCHOOLS	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	Yes
Continuation Education	Yes
Instructional Time	Yes
Instructional Materials	Yes
Ratios of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	No, see below
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	No, see below
Middle or Early College High Schools	No, see below
K-3 Grade Span Adjustment	Yes

	Procedures Performed
Transportation Maintenance of Effort	Yes
Apprenticeship: Related and Supplemental Instruction	No, see below
Comprehensive School Safety Plan	Yes
District of Choice	Yes
SCHOOL DISTRICTS, COUNTY OFFICES OF EDUCATION, AND CHARTER SCHOOLS	
California Clean Energy Jobs Act	No, see below
After/Before School Education and Safety Program	No, see below
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study - Course Based	No, see below
Immunizations	No, see below
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant	Yes
In Person Instruction Grant	Yes
CHARTER SCHOOLS	
Attendance	No, see below
Mode of Instruction	No, see below
Nonclassroom-Based Instruction/Independent Study	No, see below
Determination of Funding for Nonclassroom-Based Instruction	No, see below
Annual Instructional Minutes - Classroom Based	No, see below
Charter School Facility Grant Program	No, see below

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

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

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

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

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

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

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

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

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

The purpose of this report on internal control over state compliance is solely to describe the scope of our testing of internal control over state compliance and the results of that testing based on the requirements of the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

Rancho Cucamonga, California
December 15, 2022

Schedule of Findings and Questioned Costs
June 30, 2022

Travis Unified School District

Financial Statements

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

Federal Awards

Internal control over major program	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a)	No

Identification of major programs

Name of Federal Program or Cluster	Assistance Listing Number
COVID-19 Education Stabilization Fund	84.425C, 84.425D, 84.425U
Child Nutrition Cluster	10.553, 10.555
Dollar threshold used to distinguish between type A and type B programs	$750,000
Auditee qualified as low-risk auditee?	Yes

State Compliance

Internal control over state compliance programs	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for programs	Unmodified

None reported.

None reported.

None reported.

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

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Management
Travis Unified School District
Fairfield, California

In planning and performing our audit of the financial statements of Travis Unified School District (the District) for the year ended June 30, 2022, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit, we noted matters that are opportunities for strengthening internal controls and operating efficiency. The following items represent conditions noted by our audit that we consider important enough to bring to your attention. This letter does not affect our report dated December 15, 2022, on the government-wide financial statements of the District.

Current Year Comments

Golden West Middle School

Cash Disbursements - Approvals

Observation

Approval of six out of nine disbursements in the student council minutes were obtained after the checks were issued.

Recommendation

The site should review the cash disbursement procedures outlined in the Fiscal Crisis and Management Assistance Team's manual titled, *ASB Accounting Manual, Fraud Prevention Guide and Desk Reference.* The manual explains that three signatures, one being a student representative, are required pursuant to California Educational Code Section 48933(5)(b) on all disbursements from a student body account and that documents supporting a disbursement should be kept in organized files with the student body bookkeeper so that they can be easily reviewed should the need arise. The site should ensure all appropriate approval signatures are obtained prior to issuance of the check to ensure all payments meet proper control procedures and policies. The student body and advisors should thoroughly review all payment requests before approving.

Receipts – Supporting Documentation

Observation

Two of six receipts did not have supporting documentation regarding the webstore.

Recommendation

The site should review cash receipts to ensure that documents supporting a receipt should be kept in organized files with the student body bookkeeper so that they can be easily reviewed should the need arise.

Prior Year Comments

Golden West Middle School

Cash Disbursements - Approvals

Observation

Approval of one out of two disbursements in the student council minutes were obtained after the checks were issued.

Current Status

Not implemented. See current year observation.

Cash Disbursements - General

Observation

Check requests do not contain the three required approval signatures.

Current Status

Implemented.

We will review the status of the current year comments during our next audit engagement.

Eide Bailly LLP

Rancho Cucamonga, California
December 15, 2022