# ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT

## FINANCIAL STATEMENTS

June 30, 2026

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ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT

FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2026

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ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT

FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2026
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Crowe LLP
Independent Member Crowe Global

# INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Roseville Joint Union High School District
Roseville, California

## Report on the Audit of the Financial Statements

### *Opinions*

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Roseville Joint Union High School District, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Roseville Joint Union High School 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 Roseville Joint Union High School District, as of June 30, 2026, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*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 Roseville Joint Union High School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### *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 Roseville Joint Union High School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

(Continued)



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***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 Roseville Joint Union High School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Roseville Joint Union High School District's ability to continue as a going concern for a reasonable period of time.

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 to 11 and the General Fund Budgetary Comparison Schedule, the Schedule of the District's Proportionate Share of the Net Pension Liability, and the Schedule of the District's Contributions on pages 47 to 51 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.

(Continued)

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Roseville Joint Union High School District's basic financial statements. The accompanying 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* 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, except for that portion marked "unaudited," 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, that information is fairly stated in all material respects in relation to the basic financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

***Other Information***

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

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated <>, 2026 on our consideration of the Roseville Joint Union High School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Roseville Joint Union High School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Roseville Joint Union High School District's internal control over financial reporting and compliance.

[redacted]

Sacramento, California
<>, 2026

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**
(Client to Provide – Page 4 - 11)

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**BASIC FINANCIAL STATEMENTS**

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ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
June 30, 2026

| | Governmental Activities |
|---|---|
| **ASSETS** | |
| Cash and investments (Note 2) | $ 131,563,681 |
| Receivables | 19,699,716 |
| Stores inventory | 62,847 |
| Prepaid expenses | 1,174,964 |
| Non-depreciable capital assets (Note 4) | 69,431,181 |
| Depreciable capital assets, net of accumulated depreciation and amortization (Note 4) | 467,957,704 |
| Total assets | 689,890,093 |
| **DEFERRED OUTFLOWS OF RESOURCES** | |
| Deferred outflows of resources - pensions (Notes 7 and 8) | 53,180,708 |
| Deferred loss on refunded debt | 930,822 |
| Total deferred outflows of resources | 54,111,530 |
| **LIABILITIES** | |
| Accounts payable | 22,074,883 |
| Unearned revenue | 1,295,954 |
| Long-term liabilities (Note 5) | |
| Due within one year | 10,288,279 |
| Due after one year | 403,517,810 |
| Total liabilities | 437,176,926 |
| **DEFERRED INFLOWS OF RESOURCES** | |
| Deferred inflows of resources - pensions (Notes 7 and 8) | 15,879,000 |
| **NET POSITION** | |
| Net investment in capital assets | 318,286,458 |
| Restricted: | |
| Legally restricted programs | 21,997,175 |
| Capital projects | 12,317,762 |
| Debt service | 16,105,465 |
| Unrestricted | (77,761,163) |
| Total net position | $ 290,945,697 |

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See accompanying notes to financial statements.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2026

| | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Net (Expense) Revenues and Change in Net Position: Governmental Activities |
|---|---|---|---|---|
| Governmental activities: | | | | |
| Instruction | $ 110,758,209 | $ 308,898 | $ 21,089,355 | $ (89,359,956) |
| Instruction-related services: | | | | |
| Supervision of instruction | 6,424,910 | 24,406 | 1,563,239 | (4,837,265) |
| Instructional library, media and technology | 3,400,687 | 26,882 | 38,310 | (3,335,495) |
| School site administration | 14,403,416 | 1,464 | 1,492,451 | (12,909,501) |
| Pupil services: | | | | |
| Home-to-school transportation | 4,942,042 | - | - | (4,942,042) |
| Food services | 9,949,378 | 23,365 | 10,528,029 | 602,016 |
| All other pupil services | 22,029,264 | 175,100 | 3,405,860 | (18,448,304) |
| General administration: | | | | |
| Data processing | 3,678,209 | - | - | (3,678,209) |
| All other general administration | 8,519,722 | 60,048 | 832,243 | (7,627,431) |
| Plant services | 19,773,595 | 9,282,137 | 254,794 | (10,236,664) |
| Ancillary services | 8,988,312 | 770 | 3,396,668 | (5,590,874) |
| Community services | 273,386 | - | 1,042 | (272,344) |
| Enterprise activities | 209,152 | - | - | (209,152) |
| Interest on long-term liabilities | 14,492,415 | - | - | (14,492,415) |
| Other outgo | 4,267,918 | 780,596 | 2,945,686 | (541,636) |
| Total governmental activities | $ 232,110,615 | $ 10,683,666 | $ 45,547,677 | (175,879,272) |
| General revenues: | | | | |
| Taxes and subventions: | | | | |
| Taxes levied for general purposes | | | | 101,928,683 |
| Taxes levied for debt service | | | | 12,368,939 |
| Taxes levied for other specific purposes | | | | 726,136 |
| Federal and state aid not restricted to specific purposes | | | | 53,414,452 |
| Interest and investment earnings | | | | 4,105,075 |
| Interagency revenues | | | | 2,173,951 |
| Miscellaneous | | | | 3,043,102 |
| Total general revenues | | | | 177,760,338 |
| Change in net position | | | | 1,881,066 |
| Net position, July 1, 2025 | | | | 289,064,631 |
| Net position, June 30, 2026 | | | | $ 290,945,697 |

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See accompanying notes to financial statements.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2026

| | General Fund | Building Fund | Capital Facilities Fund | Bond Interest and Redemption Fund | All Non-Major Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| Cash and investments: | | | | | | |
| Cash in County Treasury | $ 26,848,890 | $ 51,796,425 | $ 9,610,472 | $ 16,055,898 | $ 18,333,057 | $ 122,644,742 |
| Cash on hand and in banks | 233,350 | - | - | - | 1,564,994 | 1,798,344 |
| Cash in revolving fund | 10,000 | - | - | - | 100 | 10,100 |
| Cash with fiscal agent | 7,107,561 | - | 2,835 | - | - | 7,110,396 |
| Collections awaiting deposit | - | - | - | - | 99 | 99 |
| Receivables | 16,847,788 | 165,438 | 183,422 | 49,567 | 2,453,501 | 19,699,716 |
| Due from other funds | 1,543,197 | - | - | - | 219,123 | 1,762,320 |
| Prepaid expenditures | 986,418 | - | 175,986 | - | 12,560 | 1,174,964 |
| Stores inventory | - | - | - | - | 62,847 | 62,847 |
| Total assets | $ 53,577,204 | $ 51,961,863 | $ 9,972,715 | $ 16,105,465 | $ 22,646,281 | $ 154,263,528 |
| **LIABILITIES AND FUND BALANCES** | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable | $ 15,256,733 | $ 178,601 | $ 2,579,381 | $ - | $ 806,438 | $ 18,821,153 |
| Unearned revenue | 1,295,954 | - | - | - | - | 1,295,954 |
| Due to other funds | 216,449 | - | - | - | 1,545,871 | 1,762,320 |
| Total liabilities | 16,769,136 | 178,601 | 2,579,381 | - | 2,352,309 | 21,879,427 |
| Fund balances: | | | | | | |
| Nonspendable | 996,418 | - | 175,986 | - | 75,507 | 1,247,911 |
| Restricted | 6,803,617 | 51,783,262 | 7,217,348 | 16,105,465 | 20,218,465 | 102,128,157 |
| Committed | 7,057,561 | - | - | - | - | 7,057,561 |
| Assigned | 5,210,808 | - | - | - | - | 5,210,808 |
| Unassigned | 16,739,664 | - | - | - | - | 16,739,664 |
| Total fund balances | 36,808,068 | 51,783,262 | 7,393,334 | 16,105,465 | 20,293,972 | 132,384,101 |
| Total liabilities and fund balances | $ 53,577,204 | $ 51,961,863 | $ 9,972,715 | $ 16,105,465 | $ 22,646,281 | $ 154,263,528 |

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See accompanying notes to financial statements.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2026

| | | |
|---|---|---|
| Total fund balances - Governmental Funds | | $ 132,384,101 |
| Amounts reported for governmental activities in the statement of net position are different because: | | |
| Capital assets used for governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets is $706,601,162 and the accumulated depreciation and amortization is $169,212,277 (Note 4). | | 537,388,885 |
| 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 June 30, 2026 consisted of (Note 5): | | |
| General Obligation Bonds | $ (202,108,608) | |
| Accreted interest | (20,484,495) | |
| Unamortized premiums | (13,263,283) | |
| Certificates of Participation | (55,770,000) | |
| Lease Liabilities | (674,620) | |
| Net pension liability (Notes 7 and 8) | (114,417,000) | |
| Compensated absences | (7,088,083) | |
| | | (413,806,089) |
| In governmental funds, deferred inflows and deferred outflows of resources resulting from defeasance of debt are not recorded. In governmental activities, for advance refundings resulting in defeasance of debt reported in governmental activities, the difference between reacquisition price and the net carrying amount of the retired debt are reported as deferred inflows or deferred outflows of resources. | | 930,822 |
| In government funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported (Notes 7 and 8). | | |
| Deferred outflows of resources relating to pensions | $ 53,180,708 | |
| Deferred inflows of resources relating to pensions | (15,879,000) | |
| | | 37,301,708 |
| Unmatured interest is not recognized until it is due and, therefore, is not accrued as a payable in governmental funds. | | (3,253,730) |
| Total net position - governmental activities | | $ 290,945,697 |

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See accompanying notes to financial statements.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2026

| | General Fund | Formerly Major Cafeteria Fund | Building Fund | Capital Facilities Fund | Formerly Non-Major Bond Interest and Redemption Fund | All Non-Major Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|---|
| Revenues: | | | | | | | |
| Local Control Funding Formula (LCFF): | | | | | | | |
| State apportionment | $ 63,094,307 | | $ - | $ - | $ - | $ 8,275 | $ 63,102,582 |
| Local sources | 88,088,369 | | - | - | - | - | 88,088,369 |
| Total LCFF | 151,182,676 | | - | - | - | 8,275 | 151,190,951 |
| Federal sources | 3,471,940 | | - | - | - | 3,915,448 | 7,387,388 |
| Other state sources | 21,230,704 | | - | - | 519,494 | 11,293,052 | 33,043,250 |
| Other local sources | 17,241,368 | | 1,974,903 | 10,030,044 | 12,160,000 | 3,977,808 | 45,384,123 |
| Total revenues | 193,126,688 | | 1,974,903 | 10,030,044 | 12,679,494 | 19,194,583 | 237,005,712 |
| Expenditures: | | | | | | | |
| Current: | | | | | | | |
| Certificated salaries | 86,836,852 | | - | - | - | 1,271,891 | 88,108,743 |
| Classified salaries | 30,184,589 | | - | 325,875 | - | 3,937,347 | 34,447,811 |
| Employee benefits | 48,032,532 | | - | 135,545 | - | 1,769,317 | 49,937,394 |
| Books and supplies | 8,187,404 | | - | 277,688 | - | 4,733,183 | 13,198,275 |
| Contract services and operating expenditures | 15,971,012 | | 510,838 | 248,474 | - | 3,001,526 | 19,731,850 |
| Other outgo | 1,712,823 | | - | - | - | 2,555,095 | 4,267,918 |
| Capital outlay | 920,327 | | 753,179 | 37,270,062 | - | 1,271,069 | 40,214,637 |
| Debt service: | | | | | | | |
| Principal retirement | 129,841 | | - | 1,810,000 | 4,481,847 | 204,301 | 6,625,989 |
| Interest | 21,890 | | - | 1,290,144 | 7,596,448 | 23,749 | 8,932,231 |
| Total expenditures | 191,997,270 | | 1,264,017 | 41,357,788 | 12,078,295 | 18,767,478 | 265,464,848 |
| Excess/(deficiency) of revenues over/(under) expenditures | 1,129,418 | | 710,886 | (31,327,744) | 601,199 | 427,105 | (28,459,136) |
| Other financing sources (uses): | | | | | | | |
| Transfers in | 436,759 | | - | 120,000 | - | 1,175,000 | 1,731,759 |
| Transfers out | (295,000) | | - | - | - | (1,436,759) | (1,731,759) |
| Issuance of leases | 213,932 | | - | - | - | - | 213,932 |
| Proceeds from sale of bonds | - | | 55,511,233 | - | - | - | 55,511,233 |
| Deposit to refunding escrow account | - | | (5,135,265) | - | - | - | (5,135,265) |
| Premiums on issuance of bonds | - | | 696,408 | - | 3,783,981 | - | 4,480,389 |
| Total other financing sources (uses) | 355,691 | | 51,072,376 | 120,000 | 3,783,981 | (261,759) | 55,070,289 |
| Net change in fund balances | 1,485,109 | | 51,783,262 | (31,207,744) | 4,385,180 | 165,346 | 26,611,153 |
| Fund balances, July 1, 2025 | 35,322,959 | 11,635,284 | - | 38,601,078 | - | 20,213,627 | 105,772,948 |
| Adjustment - changes to and within the District | - | (11,635,284) | - | - | 11,720,285 | (85,001) | - |
| Fund balances, July 1, 2025 as adjusted | 35,322,959 | - | - | 38,601,078 | 11,720,285 | 20,128,626 | 105,772,948 |
| Fund balances, June 30, 2026 | $ 36,808,068 | | $ 51,783,262 | $ 7,393,334 | $ 16,105,465 | $ 20,293,972 | $ 132,384,101 |

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See accompanying notes to financial statements.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS - TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2026

| | | |
|---|---|---|
| Net change in fund balances - Total Governmental Funds | $ | 26,611,153 |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Acquisition of capital assets is an expenditure in the governmental funds, but increases capital assets in the statement of net position (Note 4). | | 40,237,722 |
| Depreciation and amortization of capital assets is an expense that is not recorded in the governmental funds (Note 4). | | (15,286,581) |
| In governmental funds, the entire proceeds from disposal of capital assets are reported as revenue. In the Statement of Activities, only the resulting gain or loss is reported. The difference between the proceeds from disposal of capital assets and the resulting gain or loss is (Note 4). | | (36,418) |
| In governmental funds the proceeds from debt are recognized as Other Financing Sources. In the government-wide statements proceeds from debt are recorded as increases in liabilities (Note 5). | | (55,725,165) |
| Defeasance of long-term liabilities is an expenditures in governmental funds, but decreases the long-term liabilities in the statement of net position (Note 5). | | 5,135,265 |
| Repayment of principal on long-term liabilities is an expenditure in the governmental funds but decreases the long-term liabilities in the statement of net position (Note 5). | | 6,625,989 |
| Accretion of interest is not recorded in government funds. It increases the long-term liabilities in the Statement of Net Position (Note 5). | | (1,402,253) |
| Amortization of debt issue premium and loss on refunding is recognized in the period incurred in the governmental funds but in the government-wide statements the premium or discount and loss on refunding is amortized as interest over the life of the debt (Note 5). | | (4,104,238) |

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(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS - TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2026

| | | |
|---|---|---|
| Unmatured interest on long-term liabilities is not recognized in the governmental funds until the period it is incurred, but is recognized as an expense in the period it becomes due on the statement of net position. | $ | (576,459) |
| Pensions: In government funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was (Notes 7 and 8). | | 824,438 |
| In the statement of activities, expenses related to compensated absences are measured by the amounts earned during the year. In the governmental funds, expenditures are measured by the amount of financial resources used (Note 5). | | (422,387) |
| Change in net position of governmental activities | $ | 1,881,066 |

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See accompanying notes to financial statements.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
TRUST FUND
June 30, 2026

| | Scholarship Fund |
|---|---|
| **ASSETS** | |
| Cash and investments (Note 2): | |
| Cash in County Treasury | $ 553,016 |
| Receivables | 1,796 |
| Total assets | 554,812 |
| **LIABILITIES** | |
| Accounts payable | 17,500 |
| Total liabilities | 17,500 |
| **NET POSITION** | |
| Net position - restricted | $ 537,312 |

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See accompanying notes to financial statements.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
STATEMENT OF CHANGE IN FIDUCIARY NET POSITION
TRUST FUND
For the Year Ended June 30, 2026

| | Scholarship Fund |
|---|---|
| Additions: | |
| Other local sources | $ 257,790 |
| Deductions: | |
| Contract services and operating expenditures | 284,717 |
| Total deductions | 284,717 |
| Change in net position | (26,927) |
| Net position, July 1, 2025 | 564,239 |
| Net position, June 30, 2026 | $ 537,312 |

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See accompanying notes to financial statements.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Roseville Joint Union High School District (the "District") accounts for its financial transactions in accordance with the policies and procedures of the California Department of Education's *California School Accounting Manual*. The accounting policies of the District conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the more significant policies:

Reporting Entity: The Board of Trustees is the level of government which has governance responsibilities over all activities related to public school education in the District. The Board is not included in any other governmental "reporting entity" as defined by the Governmental Accounting Standards Board since Board members have decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. The District receives funding from local, state and federal governmental sources and must comply with all the requirements of these funding source entities.

The District has reviewed criteria to determine whether other entities with activities that benefit the District should be included within its financial reporting entity. The criteria include, but are not limited to, whether the entity exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), the scope of public service, and a special financing relationship.

The District and the Roseville Joint Union High School District Financing Corporation (the "Corporation") have a financial and operational relationship that meets the reporting entity definition criteria for inclusion of the Corporation as a component unit of the District. Accordingly, the financial activities of the Corporation have been included in the basic financial statements of the District.

The following are those aspects of the relationship between the District and the Corporation which satisfy the inclusion criteria:

*Accountability*

1. The Corporation's Board of Directors were appointed by the District's Board of Trustees.

2. The District is able to impose its will upon the Corporation, based on the following:

    - All major financing arrangements, contracts, and other transactions of the Corporation must have the consent of the District.
    - The District exercises significant influence over operations of the Corporation, as the District is the sole lessee of all facilities owned by the Corporation. Likewise, the District's lease payments are the sole revenue source of the Corporation.

3. The Corporation provides specific financial benefits or imposes specific financial burdens on the District based upon the following:

    - Any deficits incurred by the Corporation will be reflected in the lease payments of the District.
    - Any surpluses of the Corporation revert to the District at the end of the lease period.
    - The District has assumed a "moral obligation," and potentially a legal obligation, for any debt incurred by the Corporation.

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

*Scope of Public Service* – The Corporation is a nonprofit public benefit corporation incorporated under the laws of the State of California and recorded by the Secretary of State in June 1991. The Corporation was formed for the sole purpose of providing financing assistance to the District for construction and acquisition of Woodcreek High School. The District occupies all Corporation facilities under lease-purchase agreements. At the end of the lease term, title to all Corporation property will pass to the District for no additional consideration.

*Financial Presentation* – For financial presentation purposes, the Corporation's financial activity has been blended with the financial data of the District. The basic financial statements present the Corporation's financial activity within the General Fund.

Basis of Presentation – Financial Statements: The basic financial statements include a Management's Discussion and Analysis section providing an analysis of the District's overall financial position and results of operations, financial statements prepared using full accrual accounting for all of the District's activities, including infrastructure, and a focus on the major funds.

Basis of Presentation – Government-Wide Financial Statements: The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. Custodial funds are not included in the government-wide financial statements. Custodial funds are reported only in the Statement of Fiduciary Net Position.

The Statement of Net Position and the Statement of Activities are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of Governmental Accounting Standards Board Codification Section (GASB Cod. Sec.) N50.118-.121.

*Program Revenues* – Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues.

*Allocation of Indirect Expenses* – The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term liabilities is considered an indirect expense and is reported separately on the Statement of Activities.

Basis of Presentation – Fund Accounting: The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

(Continued)



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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

A - Major Funds:

*General Fund:* The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund. For financial reporting purposes, the current year activity and year-end balances of the Special Reserve for Other than Capital Outlay Fund is combined with the General Fund. The Special Reserve for Other than Capital Outlay Fund is used to account for the District's participation in the PARS Public Agencies Pension Trust for the purpose of pre-funding pension obligations.

*Building Fund:* The Building Fund is a capital projects fund used primarily to account separately for proceeds from the sale of bonds *(Education Code Section 15146)* and may not be used for any purposes other than those for which the bonds were issued. Other authorized revenues to the Building Fund are proceeds from the sale or lease-with-option-to-purchase of real property *(Education Code Section 17462)* and revenue from rentals and leases of real property specifically authorized for deposit into the fund by the governing board *(Education Code Section 41003)*.

*Capital Facilities Fund:* The Capital Facilities Fund is used primarily to account separately for moneys received from fees levied on developers or other agencies as a condition of approving a development. The authority for these levies may be county/city ordinances or private agreements between the District and the developer. Interest earned in the Capital Facilities Fund is restricted to that fund.

*Bond Interest and Redemption Fund:* The Bond Interest and Redemption Fund is a debt service fund used for the repayment of general obligation bonds issued for the District *(Education Code 15125-15262)*. The proceeds from the sale of the bonds are deposited in the county treasury to the Building Fund of the District. Any premiums or accrued interest received from the sale of the bonds must be deposited in the Bond Interest and Redemption Fund of the District. The Placer County Auditor and Controller manages the District's Bond Interest and Redemption Fund as a result of the requirement that principal and interest on the bonds be paid by the Placer County Treasurer, from taxes levied by the Placer County Treasurer-Tax Collector, on behalf of the District.

B – Other Funds:

*Special Revenue Funds*: The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. This classification includes the Student Activity, Adult Education, Cafeteria, Deferred Maintenance and Pupil Transportation Equipment Funds.

*Capital Projects Fund*: The Capital Project Funds are used to account for resources used for the acquisition and construction of capital facilities by the District. This classification includes the Special Reserve for Capital Projects Fund.

*Scholarship Fund*: The Scholarship Fund is a trust fund used to account for assets held by the District as Trustee, to provide financial assistance to students of the District.

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Basis of Accounting: Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

Accrual: Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual: The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. “Available” means collectible in the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term liabilities, if any, is recognized when due.

Budgets and Budgetary Accounting: By state law, the Board of Trustees must adopt a final budget by July 1. A public hearing is conducted to receive comments prior to adoption. The Board of Trustees complied with these requirements.

Receivables: Receivables are generally made up of amounts due from the State of California and Categorical programs. The District has determined that no allowance for doubtful accounts was needed as of June 30, 2026.

Stores Inventory: Stores inventory in the Cafeteria Fund is valued at latest invoice cost and consists primarily of consumable supplies. No inventory records are maintained throughout the year. A physical inventory is performed on June 30 and the inventory and expense account balances are adjusted to reflect the physical count at year end.

Capital Assets: Capital assets purchased or acquired, with an original cost of $5,000 or more, are recorded at historical cost or estimated historical cost, except for intangible right-to-use lease assets, the measurement of which is discussed in the “Leases” note below. Contributed assets are reported at acquisition value for the contributed asset. Additions, improvements and other capital outlay that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method over 5 – 50 years depending on asset types.

Leases: The District is a lessee for leases of property and equipment. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The District recognizes lease liabilities with an initial, individual value of $5,000 or more.

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

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

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Interfund Activity: Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Deferred Outflows/Inflows of Resources: In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s), and as such will not be recognized as an outflow of resources (expense/expenditures) until then. The District has recognized a deferred loss on refunding reported, which is in the Statement of Net Position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter life of the refunded or refunding debt. Also, the District has recognized a deferred outflow of resources relate to recognition of the net pension liability reported in the Statement of Net Position.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and as such, will not be recognized as an inflow of resources (revenue) until that time. The District has recognized a deferred inflow of resources related to the recognition of the net pension liability reported which is in the Statement of Net Position.

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State Teachers' Retirement Plan (STRP) and Public Employers Retirement Fund B (PERF B) and additions to/deductions from STRP's and PERF B's fiduciary net position have been determined on the same basis as they are reported by STRP and PERF B. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Certain investments are reported at fair value. The following is a summary of pension amounts in aggregate.

| | STRP | PERF B | Total |
|---|---|---|---|
| Deferred outflows of resources | $ 39,866,253 | $ 13,314,455 | $ 53,180,708 |
| Deferred inflows of resources | $ 11,878,000 | $ 4,001,000 | $ 15,879,000 |
| Net pension liability | $ 72,975,000 | $ 41,442,000 | $ 114,417,000 |
| Pension expense | $ 19,504,510 | $ 7,847,162 | $ 27,351,672 |

Compensated Absences: Compensated absence benefits in the amount of $7,088,083 are recorded as a long-term liability of the District. The liability represents earned but unused vacation and other leave balances which are more likely than not to be paid or used. In accordance with the provision of both STRP and PERF B, when an employee retires, all unused sick leave is added to the creditable service period for the calculation of the employee's retirement benefits.

Unearned Revenues: Revenues from federal, state and local special projects and programs are recognized when qualified expenditures have been incurred. Funds received but not earned are recorded as unearned revenue until earned.

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Net Position: Net position is displayed in three components:

1. Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent bond proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted Net Position – Restrictions of the ending net position indicate the portions of net position not appropriable for expenditure or amounts legally segregated for a specific future use. The restriction for legally restricted programs represents the portion of net position restricted to specific program expenditures. The restriction for capital projects represents the portion of net position restricted for capital projects. The restriction for debt service represents the portion of net position available for the retirement of debt. The restriction for scholarships represents the portion of net position available for the payment of scholarships. It is the District's policy to use restricted net position first when allowable expenditures are incurred.
3. Unrestricted Net Position – All other net position that do not meet the definitions of "restricted" or "net investment in capital assets."

Fund Balance Classifications: Governmental Accounting Standards Board Codification Sections 1300 and 1800, Fund Balance Reporting and Governmental Fund Type Definitions (GASB Cod. Sec. 1300 and 1800) implements a five-tier fund balance classification hierarchy that depicts the extent to which a government is bound by spending constraints imposed on the use of its resources. The five classifications, discussed in more detail below, are nonspendable, restricted, committed, assigned and unassigned.

A - Nonspendable Fund Balance: The nonspendable fund balance classification reflects amounts that are not in spendable form, such as revolving fund cash, prepaid expenditures, and stores inventory.

B - Restricted Fund Balance: The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation. These are the same restrictions used to determine restricted net position as reported in the government-wide and fiduciary trust fund statements.

C - Committed Fund Balance: The committed fund balance classification reflects amounts subject to internal constraints self-imposed by formal action of the Board of Trustees. The constraints giving rise to committed fund balance must be imposed no later than the end of the reporting period. The actual amounts may be determined subsequent to that date but prior to the issuance of the financial statements. Formal action by the Board of Trustees is required to remove any commitment from any fund balance.

D - Assigned Fund Balance: The assigned fund balance classification reflects amounts that the District's Board of Trustees has approved to be used for specific purposes, based on the District's intent related to those specific purposes. The Board of Trustees can designate personnel with the authority to assign fund balances. However, as of June 30, 2026, no such designation has occurred.

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

E - Unassigned Fund Balance: In the General Fund only, the unassigned fund balance classification reflects the residual balance that has not been assigned to other funds and that is not restricted, committed, or assigned to specific purposes.

In any fund other than the General Fund, a positive unassigned fund balance is never reported because amounts in any other fund are assumed to have been assigned, at least, to the purpose of that fund. However, deficits in any fund, including the General Fund that cannot be eliminated by reducing or eliminating amounts assigned to other purposes are reported as negative unassigned fund balance.

Fund Balance Policy: The District has an expenditure policy relating to fund balances. For purposes of fund balance classifications, expenditures are to be spent from restricted fund balances first, followed in order by committed fund balances (if any), assigned fund balances and lastly unassigned fund balances.

While GASB Cod. Sec. 1300 and 1800 do not require districts to establish a minimum fund balance policy or a stabilization arrangement, GASB Cod. Sec. 1300 and 1800 do require the disclosure of a minimum fund balance policy and stabilization arrangements if they have been adopted by the Board of Trustees. At June 30, 2026, the District has not established a minimum fund balance policy nor has it established a stabilization arrangement.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Accordingly, actual results may differ from those estimates.

Property Taxes: Secured property taxes are attached as an enforceable lien on property as of January 1. Taxes are due in two installments on or before November 15 and March 15. Unsecured property taxes are due in one installment on or before August 31. The Counties of Sacramento and Placer bill and collect taxes for the District. Tax revenues are recognized by the District when received.

Encumbrances: Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated at June 30.

Eliminations and Reclassifications: In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

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## NOTE 2 – CASH AND INVESTMENTS

Cash and investments at June 30, 2026 consisted of the following:

| | Governmental Activities | Fiduciary Activities |
|---|---|---|
| Pooled Funds: | | |
| Cash in County Treasury | $ 122,644,742 | $ 553,016 |
| Deposits | | |
| Cash on hand and in banks | 1,798,344 | - |
| Cash with fiscal agent | 7,110,396 | - |
| Revolving cash fund | 10,100 | - |
| Collections awaiting deposit | 99 | - |
| Total | $ 131,563,681 | $ 553,016 |

Pooled Funds: In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the interest-bearing Placer County Treasurer's Pooled Investment Fund. The District is considered to be an involuntary participant in an external investment pool. The fair value of the District's investment in the pool is reported in the financial statements at amounts based upon the District's pro- rata share of the fair value 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.

Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party and the District's share of the pool does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual deposits and investments or related custodial credit risk classifications is required.

In accordance with applicable state laws, the Placer County Treasurer may invest in derivative securities with the State of California. However, at June 30, 2026, the Placer County Treasurer has represented that the Pooled Investment Fund contained no derivatives or other investments with similar risk profiles.

Deposits - Custodial Credit Risk: The District limits custodial credit risk by ensuring uninsured balances are collateralized by the respective financial institution. Cash balances held in banks are insured up to $250,000 by the Federal Deposit Insurance Corporation (FDIC) and are collateralized by the respective financial institution. At June 30, 2026, the carrying amount of the District's accounts was $1,808,543 and the bank balance was $1,838,110, of which $250,000 was fully covered by the FDIC insurance and $1,588,110 was uninsured.

Cash with Fiscal Agent: Cash with Fiscal Agent in the Capital Facilities Fund totaling $2,835 represents cash balances held by Bank of NY Mellon for the proceeds of the issued Certificates of Participation. The cash balances are fully collateralized at June 30, 2026. Cash with Fiscal Agent in the General Fund totaling $7,107,561 represents cash held by third party custodians related to the PARS Pension stabilization trust, and is fully collateralized

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**NOTE 2 – CASH AND INVESTMENTS** (Continued)

Interest Rate Risk: The District does not have a formal investment policy that limits cash and investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2026, the District had no significant interest rate risk related to cash and investments held.

Credit Risk: The District does not have a formal investment policy that limits its investment choices other than the limitations of state law.

Concentration of Credit Risk: The District does not place limits on the amount it may invest in any one issuer. At June 30, 2026, the District had no concentration of credit risk.

**NOTE 3 – INTERFUND TRANSACTIONS**

Interfund Activity: Transactions between funds of the District are recorded as interfund transfers. The unpaid balances at year end, as a result of such transactions, are shown as due to and due from other funds.

Interfund Receivables/Payables: Individual fund interfund receivable and payable balances at June 30, 2026 were as follows:

| Fund | Interfund Receivables | Interfund Payables |
|---|---|---|
| Major Funds: | | |
| General | $ 1,543,197 | $ 216,449 |
| Non-Major Funds: | | |
| Adult Education | 11,236 | 223,339 |
| Cafeteria | 207,887 | 1,322,532 |
| Totals | $ 1,762,320 | $ 1,762,320 |

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

Transfers for the 2025-26 fiscal year were as follows:

| | |
|---|---|
| Transfer from the General Fund to the Pupil Transportation Equipment Fund for payment of leases and other operating costs. | $ 175,000 |
| Transfer from the General Fund to the Capital Facilities Fund for the transfer of redevelopment revenues. | 120,000 |
| Transfer from the Adult Education Fund to the General Fund for indirect costs. | 72,365 |
| Transfer from the Cafeteria Fund to the General Fund for indirect costs. | 364,394 |
| Transfer from the Special Reserve for Capital Projects Fund to the Deferred Maintenance Fund to help defray costs. | 1,000,000 |
| Total | $ 1,731,759 |

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## NOTE 4 – CAPITAL ASSETS

A schedule of changes in capital assets for the year ended June 30, 2026 is shown below:

| | Balance July 1, 2025 | Additions and Transfers | Deletions and Transfers | Balance June 30, 2026 |
|---|---|---|---|---|
| Non-depreciable: | | | | |
| Land | $ 24,422,982 | $ - | $ - | $ 24,422,982 |
| Work-in-process | 11,070,833 | 37,353,018 | 3,415,652 | 45,008,199 |
| Depreciable: | | | | |
| Improvement of sites | 19,479,705 | 2,782,102 | - | 22,261,807 |
| Buildings | 583,459,132 | 1,942,908 | - | 585,402,040 |
| Equipment | 26,148,693 | 1,357,444 | 699,028 | 26,807,109 |
| Totals, at cost | 664,581,345 | 43,435,472 | 4,114,680 | 703,902,137 |
| Less accumulated depreciation: | | | | |
| Improvement of sites | (7,632,624) | (739,998) | - | (8,372,622) |
| Buildings | (129,227,379) | (12,216,894) | - | (141,444,273) |
| Equipment | (15,964,854) | (1,913,054) | (678,371) | (17,199,537) |
| Total accumulated depreciation | (152,824,857) | (14,869,946) | (678,371) | (167,016,432) |
| Lease assets: | | | | |
| Buildings | 17,600 | - | - | 17,600 |
| Furniture and equipment | 2,629,917 | 217,902 | 166,394 | 2,681,425 |
| Totals, at cost | 2,647,517 | 217,902 | 166,394 | 2,699,025 |
| Accumulated lease amortization for buildings | (17,600) | - | - | (17,600) |
| Accumulated lease amortization for furniture and equipment | (1,912,243) | (416,635) | (150,633) | (2,178,245) |
| Total accumulated lease amortization | (1,929,843) | (416,635) | (150,633) | (2,195,845) |
| Total lease assets, net | 717,674 | (198,733) | 15,761 | 503,180 |
| Governmental activities Capital assets, net | $ 512,474,162 | $ 28,366,793 | $ 3,452,070 | $ 537,388,885 |

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**NOTE 4 – CAPITAL ASSETS** (Continued)

Depreciation and amortization expense was charged to governmental activities as follows:

| | | |
|---|---|---|
| Instruction | $ | 8,100,535 |
| Supervision of instruction | | 373,878 |
| Instructional library, media and technology | | 325,252 |
| School site administration | | 1,011,743 |
| Home-to-school transportation | | 369,667 |
| Food services | | 797,818 |
| All other pupil services | | 1,582,997 |
| Ancillary services | | 417,842 |
| Community services | | 19,749 |
| Enterprise activities | | 15,164 |
| All other general administration | | 612,043 |
| Centralized data processing | | 258,534 |
| Plant services | | 1,401,359 |
| Total depreciation and amortization expense | $ | 15,286,581 |

**NOTE 5 – LONG-TERM LIABILITIES**

Bonded Debt: On July 2, 2025, the District issued Election of 2007 General Obligation Bonds, Series E, totaling $50,986,233. A portion of the 2007 Series E bonds were issued as Capital Appreciation Bonds in the amount of $18,126,233, with interest compounding on February 1 and August 1, to maturity. The 2007 Series E Capital Appreciation Bonds bear interest at rates ranging from 3.65% to 5.48% and are scheduled to mature through fiscal year 2051. A portion of the 2007 Series E bonds were issued as Current Interest Term Bonds in the amount of $32,860,000. The 2007 Series E Current Interest Term Bonds bear interest at a rate of 4.625% and are scheduled to mature through fiscal year 2054.

On May 6, 2026, the District issued 2026 General Obligation Refunding bonds, Series C totaling $4,525,000. The 2026 Refunding, Series C bonds were issued to refund certain outstanding maturities of the District's 2016 Refunding Bonds, Series B. The unrefunded 2026 Refunding bonds bear interest at 5.00% and are scheduled to mature through August 1, 2038.

The refunding resulted in the recognition of an accounting loss of $522,409 for the year ended June 30, 2026, but the District in effect reduced its aggregate debt service payments by $247,624 over the next 12 years and obtained an economic gain of $188,552.

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**NOTE 5 – LONG-TERM LIABILITIES** (Continued)

The outstanding debt of the District as of and during June 30, 2026 was as follows:

| Date of Issuance | Interest Rate Percent | Maturity Date | Amount of Original Issuance | Outstanding July 1, 2025 | Issued Current Year | Redeemed Current Year | Outstanding June 30, 2026 |
|---|---|---|---|---|---|---|---|
| Current Interest Bonds: | | | | | | | |
| 2016AR | 2.0 - 4.0 | 2027 | $ 3,800,000 | $ 1,420,000 | $ - | $ 825,000 | $ 595,000 |
| 2016BR | 2.0 - 3.0 | 2039 | 4,430,000 | 3,690,000 | - | 3,415,000 | 275,000 |
| 2016A | 4.0 - 5.0 | 2046 | 50,000,000 | 42,140,000 | - | - | 42,140,000 |
| 2017 | 3.0 - 5.0 | 2047 | 10,000,000 | 9,660,000 | - | - | 9,660,000 |
| 2016B | 5.0 | 2041 | 35,000,000 | 29,920,000 | - | 1,055,000 | 28,865,000 |
| 2007C | 3.0 - 3.5 | 2047 | 15,965,000 | 15,925,000 | - | - | 15,925,000 |
| 2016C | 3.0 - 4.0 | 2041 | 11,000,000 | 9,845,000 | - | 335,000 | 9,510,000 |
| 2007D | 2.24 - 4.25 | 2047 | 5,290,000 | 5,050,000 | - | 200,000 | 4,850,000 |
| 2007E | 4.625 | 2054 | 32,860,000 | - | 32,860,000 | - | 32,860,000 |
| 2026CR | 5.0 | 2039 | 4,525,000 | - | 4,525,000 | - | 4,525,000 |
| Capital Appreciation Bonds: | | | | | | | |
| 2004C | 4.59 - 4.66 | 2032 | 10,622,959 | 9,471,165 | - | 1,155,548 | 8,315,617 |
| 2007D | 2.24 - 2.96 | 2045 | 5,608,249 | 5,608,249 | - | - | 5,608,249 |
| 2016BR | 3.0 -3.22 | 2035 | 1,442,856 | 1,442,856 | - | 1,442,856 | - |
| 2007C | 3.5 -4.4 | 2044 | 22,263,182 | 21,519,808 | - | 666,299 | 20,853,509 |
| 2007E | 3.65 - 5.48 | 2051 | 18,126,233 | - | 18,126,233 | - | 18,126,233 |
| | | | $ 238,930,215 | $ 155,692,078 | $ 55,511,233 | $ 9,094,703 | $ 202,108,608 |

The annual requirements to amortize the general obligation bonds and capital appreciation bonds payable outstanding as of June 30, 2026, are as follows:

| Year Ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2027 | $ 4,626,468 | $ 6,549,226 | $ 11,175,694 |
| 2028 | 4,268,838 | 6,506,138 | 10,774,976 |
| 2029 | 4,674,003 | 6,387,007 | 11,061,010 |
| 2030 | 5,107,085 | 6,254,932 | 11,362,017 |
| 2031 | 5,832,418 | 6,104,257 | 11,936,675 |
| 2032-2036 | 33,361,055 | 27,501,747 | 60,862,802 |
| 2037-2041 | 46,258,737 | 20,969,706 | 67,228,443 |
| 2042-2046 | 40,207,937 | 14,586,750 | 54,794,687 |
| 2047-2051 | 24,912,067 | 8,166,250 | 33,078,317 |
| 2052-2054 | 32,860,000 | 1,580,594 | 34,440,594 |
| | $ 202,108,608 | $ 104,606,607 | $ 306,715,215 |

(Continued)

**NOTE 5 – LONG-TERM LIABILITIES** (Continued)

Certificates of Participation: In July 2020, the District issued 2020 Certificates of Participation, in the amount of $61,150,000. Proceeds were used for financing capital improvements to District sites and facilities. The Certificates of Participation interest and yield vary, ranging from 1.000% to 2.625% and are scheduled to mature through 2050.

The annual requirements to amortize the certificates of participation outstanding as of June 30, 2026, are as follows:

| Year Ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2027 | $ 1,830,000 | $ 1,272,044 | $ 3,102,044 |
| 2028 | 1,850,000 | 1,251,456 | 3,101,456 |
| 2029 | 1,875,000 | 1,228,331 | 3,103,331 |
| 2030 | 1,900,000 | 1,202,550 | 3,102,550 |
| 2031 | 1,930,000 | 1,174,050 | 3,104,050 |
| 2032-2036 | 10,270,000 | 5,237,744 | 15,507,744 |
| 2037-2041 | 11,505,000 | 4,013,588 | 15,518,588 |
| 2042-2046 | 12,980,000 | 2,532,969 | 15,512,969 |
| 2047-2050 | 11,630,000 | 773,063 | 12,403,063 |
| | $ 55,770,000 | $ 18,685,795 | $ 74,455,795 |

Leases: The District holds various lease agreements for equipment including copiers, relocatable classrooms, buses, and vehicles. The leases interest and yield vary, ranging from 2.94% to 8.68% and are scheduled to mature through 2030.

The annual requirements to amortize the leases outstanding as of June 30, 2026, are as follows:

| Year Ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2027 | $ 266,419 | $ 39,308 | $ 305,727 |
| 2028 | 222,591 | 10,188 | 232,779 |
| 2029 | 158,291 | 2,312 | 160,603 |
| 2030 | 27,319 | - | 27,319 |
| | $ 674,620 | $ 51,808 | $ 726,428 |

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(Continued)

**NOTE 5 – LONG-TERM LIABILITIES** (Continued)

Schedule of Changes in Long-Term Liabilities: A schedule of changes in long-term liabilities for the fiscal year ended June 30, 2026 is shown below:

| | Balance July 1, 2025 | Additions | Deletions | Balance June 30, 2026 | Amounts Due Within One Year |
|---|---|---|---|---|---|
| General Obligation Bonds: | | | | | |
| General Obligation Bonds | $ 155,692,078 | $ 55,511,233 | $ 9,094,703 | $ 202,108,608 | $ 4,626,468 |
| Accreted interest | 19,082,242 | 3,030,407 | 1,628,154 | 20,484,495 | 1,808,532 |
| Unamortized premiums | 9,373,640 | 4,480,389 | 590,746 | 13,263,283 | 447,433 |
| Direct Placement: | | | | | |
| Certificates of Participation | 57,580,000 | - | 1,810,000 | 55,770,000 | 1,830,000 |
| Other Long-term Liabilities: | | | | | |
| Lease liabilities | 794,830 | 213,932 | 334,142 | 674,620 | 266,419 |
| Net pension liability (Notes 7 and 8) | 124,987,000 | - | 10,570,000 | 114,417,000 | - |
| Compensated absences | 6,665,696 | 422,387 | - | 7,088,083 | 1,309,427 |
| | $ 374,175,486 | $ 63,658,348 | $ 24,027,745 | $ 413,806,089 | $ 10,288,279 |

Payments on the General Obligation Bonds are made from the Bond Interest and Redemption Fund. Payments on the lease liabilities are made from the General Fund, Cafeteria Fund and the Pupil Transportation Equipment Fund. Payments on the Certificates of Participation are made from the Capital Facilities Fund.

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## NOTE 6 – FUND BALANCES

Fund balances, by category, at June 30, 2026 consisted of the following:

| | General Fund | Building Fund | Capital Facilities Fund | Bond Interest and Redemption Fund | All Non-Major Fund | Total |
|---|---|---|---|---|---|---|
| Nonspendable: | | | | | | |
| Revolving cash fund | $ 10,000 | $ - | $ - | $ - | $ 100 | $ 10,100 |
| Prepaid expenditures | 986,418 | - | 175,986 | - | 12,560 | 1,174,964 |
| Stores inventory | - | - | - | - | 62,847 | 62,847 |
| Subtotal nonspendable | 996,418 | - | 175,986 | - | 75,507 | 1,247,911 |
| Restricted: | | | | | | |
| Legally restricted programs: | | | | | | |
| Grants | 6,803,617 | - | - | - | - | 6,803,617 |
| Student body activities | - | - | - | - | 1,535,775 | 1,535,775 |
| Cafeteria | - | - | - | - | 11,505,450 | 11,505,450 |
| Deferred Maintenance | - | - | - | - | 1,344,222 | 1,344,222 |
| Other | - | - | - | - | 732,604 | 732,604 |
| Capital projects | - | 51,783,262 | 7,217,348 | - | 5,100,414 | 64,101,024 |
| Debt service | - | - | - | 16,105,465 | - | 16,105,465 |
| Subtotal restricted | 6,803,617 | 51,783,262 | 7,217,348 | 16,105,465 | 20,218,465 | 102,128,157 |
| Committed: | | | | | | |
| Pension Trust | 7,057,561 | - | - | - | - | 7,057,561 |
| Assigned: | | | | | | |
| Pension Trust Contribution | 3,000,000 | - | - | - | - | 3,000,000 |
| Categorical and site-base carryover | 2,210,808 | - | - | - | - | 2,210,808 |
| Subtotal assigned | 5,210,808 | - | - | - | - | 5,210,808 |
| Unassigned: | | | | | | |
| Designated for economic uncertainty | 11,564,184 | - | - | - | - | 11,564,184 |
| Undesignated | 5,175,480 | - | - | - | - | 5,175,480 |
| Subtotal unassigned | 16,739,664 | - | - | - | - | 16,739,664 |
| Total fund balances | $ 36,808,068 | $ 51,783,262 | $ 7,393,334 | $ 16,105,465 | $ 20,293,972 | $ 132,384,101 |

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## NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN

*General Information about the State Teachers' Retirement Plan*

Plan Description: Employees of the District performing creditable services are provided with pensions through the State Teachers' Retirement Plan (STRP) – a cost-sharing multiple-employer defined benefit pension plan administered by the California State Teachers' Retirement System (CalSTRS). Teachers' Retirement Law (California Education Code Section 22000 et seq.), as enacted and amended by the California Legislature, established this plan with CalSTRS as the administrator. The benefit terms of the plan may be amended through legislation. CalSTRS issues a publicly available financial report that can be obtained at CalSTRS' website.

Benefits Provided: The STRP Defined Benefit Program has two benefit formulas:

- CalSTRS 2% at 60: Members first hired on or before December 31, 2012, to perform service that could be creditable to CalSTRS.
- CalSTRS 2% at 62: Members first hired on or after January 1, 2013, to perform service that could be creditable to CalSTRS.

The Defined Benefit (DB) Program provides retirement benefits based on members' final compensation, age and years of service credit. In addition, the retirement program provides benefits to members upon disability and to survivors/beneficiaries upon the death of eligible members. There are several differences between the two benefit formulas which are noted below.

*CalSTRS 2% at 60* - CalSTRS 2% at 60 members are eligible for normal retirement at age 60, with a minimum of five years of credited service. The normal retirement benefit is equal to a factor of 2.0% of final compensation multiplied by the number of years of credited service. Early retirement options are available at age 55 with five years of credited service or as early as age 50 with 30 years of credited service. The age factor for retirement after age 60 increases with each quarter year of age to a maximum of 2.4% at age 63 or older. Members who have 30 years or more of credited service receive an additional increase of 0.2% to the age factor, up to the 2.4% maximum.

CalSTRS calculates retirement benefits based on one-year final compensation for members with 25 or more years of credited service, or for classroom teachers with fewer than 25 years of credited service if the employer entered into, extended, renewed or amended an agreement prior to January 1, 2014, to elect to pay the additional benefit cost for all its classroom teachers. One-year final compensation is the member's highest average annual compensation earnable for 12 consecutive months based on the creditable compensation that the member could earn in a school year while employed on a full-time basis. For most members with fewer than 25 years of credited service, final compensation is the highest average annual compensation earnable for any 36 consecutive months based on the creditable compensation that the member could earn in a school year while employed on a full-time basis.

*CalSTRS 2% at 62* - CalSTRS 2% at 62 members are eligible for normal retirement at age 62, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0% of final compensation, multiplied by the number of years of credited service. An early retirement option is available at age 55. The age factor for retirement after age 62 increases with each quarter year of age to 2.4% at age 65 or older.

All CalSTRS 2% at 62 members' final compensation is based on their highest average annual compensation earnable for 36 consecutive months based on the creditable compensation that the member could earn in a school year while employed on a full-time basis.

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**NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN** (Continued)

Contributions: Required member, employer and State contribution rates are set by the California Legislature and the Governor and detailed in Teachers' Retirement Law. Current contribution rates were established by California Assembly Bill 1469 (CalSTRS Funding Plan), which was passed into law in June 2014, and established a schedule of contribution rate increases shared among members, employers, and the State of California to bring CalSTRS toward full funding by 2046.

A summary of statutory contribution rates and other sources of contributions to the DB Program pursuant to the CalSTRS Funding Plan are as follows:

*Members* - Under CalSTRS 2% at 60, the member contribution rate was 10.250% of applicable member earnings for fiscal year 2024-25.

Under CalSTRS 2% at 62, members pay 9% toward the normal cost and an additional 1.205% as per the CalSTRS Funding Plan for a total member contribution rate of 10.205%. The contribution rate for CalSTRS 2% at 62 members is adjusted if the normal cost increases or decreases by more than 1% annually. Based on the June 30, 2024, actuarial valuation adopted by the CalSTRS Board in May 2025, the increase in normal cost was less than 1%. Therefore, the contribution rate for CalSTRS 2% at 62 members did not change effective July 1, 2025.

*Employers* – Employers are required to contribute a base contribution rate set in statute at 8.25%. Pursuant to the CalSTRS Funding Plan, employers also have a supplemental contribution rate to eliminate their share of the CalSTRS unfunded actuarial obligation by 2046. The CalSTRS Funding Plan authorizes the CalSTRS Board to adjust the employer supplemental contribution rate up or down by a maximum of 1% annually for a total rate of no higher than 20.25% and no lower than 8.25%. In May 2025, the CalSTRS Board voted to keep the employer supplemental contribution rate at 10.85% for fiscal year June 30, 2026 for a total employer contribution rate of 19.10%.

The CalSTRS employer contribution rates effective for fiscal year 2025-26 through fiscal year 2046-47 are summarized in the table below:

| Effective Date | Base Rate | Supplemental Rate Per CalSTRS Funding Plan | Total |
|---|---|---|---|
| July 1, 2025 | 8.250% | 10.850% | 19.100% |
| July 1, 2026 to June 30, 2046 | 8.250% | (1) | (1) |
| July 1, 2046 | 8.250% | AB1469 rate increase ends for 2046-47 and beyond | |

(1) The CalSTRS Funding Plan authorizes the Board to adjust the employer contribution rate up or down by up to 1% each year, but no higher than 20.25% total and no lower than 8.25%.

The District contributed $15,793,253 to the STRP during the fiscal year ended June 30, 2026.

*State* – The State is required to contribute 10.828% of the members' creditable compensation from the two fiscal years prior, comprised of the components described below.

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**NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN** (Continued)

The State is required to contribute a base contribution rate set in statute at 2.017%. Pursuant to the CalSTRS Funding Plan, the State also has a supplemental contribution rate, which the Board can increase by no more than 0.5% each fiscal year to help eliminate the State's share of the CalSTRS unfunded actuarial obligation by 2046. In May 2025, the CalSTRS Board voted to keep the State supplemental contribution rate at 6.311% for fiscal year 2025–26.

The total State contribution rate also includes a portion to fund the Supplemental Benefit Maintenance Account (SBMA), which provides inflation protection to CalSTRS members whose current purchasing power has fallen below 85% of the purchasing power of their initial benefit. The SBMA is funded through appropriation from the State's General Fund in an amount equal to 2.5% of the total creditable compensation of the fiscal year ended in the immediately preceding calendar year, reduced by $72.0 million, pursuant to Education Code section 22954.

The CalSTRS State contribution rates effective for fiscal year 2025-26 and beyond are summarized in the table below:

| Effective Date | Base Rate | Supplemental Rate Per CalSTRS Funding Plan | SBMA Funding(1) | Total |
|---|---|---|---|---|
| July 01, 2025 | 2.017% | 6.311% | 2.50% | 10.828% |
| July 01, 2026 to June 30, 2046 | 2.017% | (1) | 2.50% | (1) |
| July 01, 2046 | 2.017% | (2) | 2.50% | (2) |

(1) The CalSTRS Board has limited authority to adjust the State contribution rate annually through June 2046 to eliminate the remaining unfunded actuarial obligation. The CalSTRS Board cannot increase the supplemental rate by more than 0.5% in a fiscal year, and if there is no unfunded actuarial obligation, the supplemental contribution rate imposed would be reduced to 0%.

(2) From July 1, 2046, and thereafter, the CalSTRS Board has limited authority to adjust the state contribution rate to fund the normal cost deficit or the unfunded obligation. The CalSTRS Board cannot adjust the supplemental rate by more than 0.25% per year, and the supplemental rate may not exceed 1.505% in total. If there is neither an unfunded obligation nor a normal cost deficit, the supplemental contribution rate would be reduced to 0%.

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

At June 30, 2026, 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 is as follows:

| | |
|---|---|
| District's proportionate share of the net pension liability | $ 72,975,000 |
| State's proportionate share of the net pension liability associated with the District | 35,466,000 |
| Total | $ 108,441,000 |

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**NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN** (Continued)

The net pension liability was measured as of June 30, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024, updated and rolled forward to June 30, 2025. The District's proportion of the net pension liability was based on the District's share of contributions to the STRP relative to the contributions of all participating contributing employers and the State. At June 30, 2026, the District's proportion was 0.114%, which was a decrease of 0.003% from its proportion at June 30, 2025.

For the year ended June 30, 2026, the District recognized pension expense of $19,504,510 and revenue of $4,893,402 for support provided by the State. At June 30, 2026, 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 |
|---|---|---|
| Difference between expected and actual experience | $ 13,576,000 | $ 2,079,000 |
| Changes of assumptions | 168,000 | 4,377,000 |
| Net differences between projected and actual earnings on investments | - | 1,953,000 |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 10,329,000 | 3,469,000 |
| Contributions made subsequent to measurement date | 15,793,253 | - |
| Total | $ 39,866,253 | $ 11,878,000 |

$15,793,253 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending June 30, | |
|---|---|
| 2027 | $ 6,725,865 |
| 2028 | 484,867 |
| 2029 | 1,390,367 |
| 2030 | 2,081,367 |
| 2031 | 687,867 |
| 2032 | 824,667 |

Differences between expected and actual experience and changes in assumptions are amortized over a closed period equal to the average remaining service life of plan members, which is 7 years as of the June 30, 2025 measurement date. Deferred outflows and deferred inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed 5-year period.

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**NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN** (Continued)

Actuarial Methods and Assumptions: The total pension liability for the STRP was determined by applying update procedures to the actuarial valuation as of June 30, 2024, and rolling forward the total pension liability to June 30, 2025. The actuarial valuation as of June 30, 2024 used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

| | |
|---|---|
| Valuation Date | June 30, 2024 |
| Experience Study | July 1, 2007 through June 30, 2022 |
| Actuarial Cost Method | Entry age actuarial cost method |
| Investment Rate of Return | 7.10% |
| Consumer Price Inflation | 2.75% |
| Wage Growth | 3.50% |
| Post-retirement Benefit Increases | 2.00% simple, maintain 85% purchasing power level |

Discount Rate: The discount rate used to measure the total pension liability was 7.10%, which was unchanged from the prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates in accordance with the rate increases per the CalSTRS Funding Plan. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return of 7.10% and assume that contributions, benefit payments, and administrative expense occur midyear.

Based on those assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was calculated using a building-block approach. This method involves developing best-estimate ranges of 20- to 30-year geometrically linked expected future real rates of return for each major asset class. These expected returns are net of pension plan investment expenses and inflation. The best-estimate ranges were created using capital market assumptions provided by CalSTRS investment staff and investment consultants.

The actuarial investment rate of return assumption was adopted by the CalSTRS Board in January 2024 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS independent consulting actuary reviews the return assumption for reasonableness based on the most current capital market assumptions. The assumed asset allocation and best estimates of the expected rates of return for each major asset class/strategy as of June 30, 2025, are summarized in the following table:

| Asset Class | Assumed Asset Allocation | Long-Term* Expected Real Rate of Return |
|---|---|---|
| Public Equity | 38.0% | 5.25% |
| Real Estate | 15.0 | 4.05 |
| Private Equity | 14.0 | 6.75 |
| Fixed Income | 14.0 | 2.45 |
| Risk Mitigating Strategies | 10.0 | 2.25 |
| Inflation Sensitive | 7.0 | 3.65 |
| Cash / Liquidity | 2.0 | 0.05 |

* 20- to 30-year geometric average

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**NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN** (Continued)

Mortality: CalSTRS uses a generational mortality assumption, based on generational mortality tables that reflect expected future improvements in mortality and includes a base table and a projection table. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among its members. The projection table reflects the expected annual reduction in mortality rates at each age. The current mortality assumption uses a base year of 2023, and projected improvement is based on the MP-2021 Ultimate Projection Scale issued by the Society of Actuaries.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.10%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10%) or 1-percentage-point higher (8.10%) than the current rate:

| | 1% Decrease (6.10%) | Current Discount Rate (7.10%) | 1% Increase (8.10%) |
|---|---|---|---|
| District's proportionate share of the net pension liability | $ 136,770,000 | $ 72,975,000 | $ 19,713,000 |

Pension Plan Fiduciary Net Position: Detailed information about the pension plan's fiduciary net position is available in the separately issued CalSTRS annual comprehensive financial report available on the CalSTRS website.

**NOTE 8 – NET PENSION LIABILITY – PUBLIC EMPLOYER'S RETIREMENT FUND B**

*General Information about the Public Employer's Retirement Fund B*

Plan Description: The schools' cost-sharing multiple-employer defined benefit pension plan Public Employer's Retirement Fund B (PERF B) is administered by the California Public Employees' Retirement System (CalPERS). Plan membership consists of non-teaching and non-certified employees of public schools (K-12), community college districts, offices of education, charter and private schools (elective) in the State of California.

The Plan was established to provide retirement, death and disability benefits to non-teaching and non- certified employees in schools. The benefit provisions for Plan employees are established by statute. CalPERS issues a publicly available financial report that can be obtained on CalPERS' website.

Benefits Provided: The benefits for the defined benefit plan are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Members become fully vested in their retirement benefits earned to date after five years (10 years for State Second Tier members) of credited service. All non-state Second Tier members are eligible to receive cost-of-living adjustments (COLA) up to a maximum of 2% compounded annually (up to 5% maximum as a contract option for retired members of local agencies). State Second Tier members are eligible for a fixed COLA of 3% compounded annually.

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**NOTE 8 – NET PENSION LIABILITY – PUBLIC EMPLOYER'S RETIREMENT FUND B** (Continued)

Contributions: The benefits for the defined benefit pension plan are funded by contributions from members, employers, non-employers, and earnings from investments. Member and employer contributions are a percentage of applicable member compensation. Member contribution rates are defined by law and depend on the respective employer's benefit formulas. In some circumstances, contributions are made by the employer to satisfy member contribution requirements. Member and employer contribution rates are determined by periodic actuarial valuations or by State statute. Actuarial valuations are based on the benefit formulas and employee groups of each employer.

The required contribution rates of most active plan members are based on a percentage of salary in excess of a base compensation amount ranging from zero dollars to $863 monthly.

The Public Employees' Pension Reform Act of 2013 (PEPRA) became effective in January 2013 and changed how benefits are applied as well as placed compensation limits on certain members as listed below. Members which do not fall into the definitions below, are generally be considered "classic" members in PERF B:

- Members joining on or after January 1, 2013, with no prior membership in another California public retirement system.
- Members joining before January 1, 2013, who are hired by a different CalPERS employer after January 1, 2013, and have a break in service greater than six months.
- Members joining on or after January 1, 2013, who are ineligible for reciprocity with another California public retirement system.

Required contribution rates for active plan members and employers as a percentage of payroll for the year ended June 30, 2026 were as follows:

*Members* - The classic member contribution rate was 7.0% of applicable member earnings for fiscal year 2025-26. The PEPRA member contribution rate was 8.0% of applicable member earnings for fiscal year 2025-26.

*Employers* - The employer contribution rate was 26.81% of applicable member earnings for fiscal year 2025-26.

The District contributed $7,489,455 to the plan for the fiscal year ended June 30, 2026.

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

At June 30, 2026, the District reported a liability of $41,442,000 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024, updated and rolled forward to June 30, 2025. The District's proportion of the net pension liability was based on the District's share of contributions to the PERF B plan relative to the contributions of all participating school districts. At June 30, 2026, the District's proportion was 0.126%, which was a decrease of 0.003% from its proportion at June 30, 2025.

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**NOTE 8 – NET PENSION LIABILITY – PUBLIC EMPLOYER'S RETIREMENT FUND B** (Continued)

For the year ended June 30, 2026, the District recognized pension expense of $7,847,162. At June 30, 2026, 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 |
|---|---|---|
| Difference between expected and actual experience | $ 5,398,000 | $ - |
| Net differences between projected and actual earnings on investments | - | 3,154,000 |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 427,000 | 847,000 |
| Contributions made subsequent to measurement date | 7,489,455 | - |
| Total | $ 13,314,455 | $ 4,001,000 |

$7,489,455 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending June 30, | |
|---|---|
| 2027 | $ 3,939,333 |
| 2028 | $ 139,333 |
| 2029 | $ (1,026,166) |
| 2030 | $ (1,228,500) |

Differences between expected and actual experience, changes in assumptions and changes in proportion and differences between District contributions and proportionate share of contributions are amortized over a closed period equal to the expected average remaining service life of plan members, which was 3.9 years in the June 30, 2025 measurement. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed 5-year period.

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**NOTE 8 – NET PENSION LIABILITY – PUBLIC EMPLOYER'S RETIREMENT FUND B** (Continued)

Actuarial Methods and Assumptions: The total pension liability for the Plan was determined by applying update procedures to the actuarial valuation as of June 30, 2024 and rolling forward the total pension liability to June 30, 2025. The actuarial valuation as of June 30, 2024 used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

| | |
|---|---|
| Valuation Date | June 30, 2024 |
| Experience Study | June 30, 2000 through June 30, 2019 |
| Actuarial Cost Method | Entry age normal |
| Investment Rate of Return | 6.90% |
| Consumer Price Inflation | 2.30% |
| Wage Growth | Varies by entry age and service |
| Post-retirement Benefit Increases | Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power Applies, 2.30% thereafter |

The mortality table used was developed based on CalPERS-specific data. The table includes mortality improvements using 80% of scale MP2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report that can be found on the CalPERS website.

All other actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period from 2000 to 2019, including updates to salary increase, mortality and retirement rates. Further details of the Experience Study can be found at CalPERS' website.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

| Asset Class | Assumed Asset Allocation | Expected Real Rates of Return Years 1-10 (1, 2) |
|---|---|---|
| Public Equity | 37.00% | 4.56% |
| Private Equity | 17.00% | 5.56% |
| Fixed Income | 28.00% | 2.53% |
| Real Assets | 15.00% | 3.03% |
| Private Debt | 8.00% | 4.93% |
| Strategic Leverage | (5.00%) | 1.40% |

(1) An expected inflation rate of 2.30% used for this period.
(2) Figures are based on the 2024 Asset Liability Management mid-cycle review.

Discount Rate: The discount rate used to measure the total pension liability was 6.90 percent. The PERF B fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Plan. The results of the crossover testing for the Plan are presented in a detailed report that can be obtained at CalPERS' website.

(Continued)



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**NOTE 8 – NET PENSION LIABILITY – PUBLIC EMPLOYER'S RETIREMENT FUND B** (Continued)

In determining the long-term expected rate of return, CalPERS took into account its 20-year market return expectations as well as the expected cash flows of the PERF B fund. Estimated returns and associated risks for each asset class were used to model long-term compound returns. The discount rate used to determine PERF B the pension liability was derived from this long-term projected portfolio return.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

| | 1% Decrease (5.90%) | Current Discount Rate (6.90%) | 1% Increase (7.90%) |
|---|---|---|---|
| District's proportionate share of the net pension liability | $ 65,027,000 | $ 41,442,000 | $ 21,975,000 |

Pension Plan Fiduciary Net Position: Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report.

**NOTE 9 – JOINT POWERS AGREEMENTS**

Schools Insurance Group: The District is a member of a Joint Powers Authority, Schools Insurance Group (SIG), for the operation of a common risk management and insurance program. The Authority is governed by a Governing Board consisting of representatives of member districts. The Governing Board controls the operations of SIG, including selections of management and approval of operating budgets. The JPA provide first dollar coverage and insure risk up to statutory limits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage from coverage in the prior year.

Condensed financial information for SIG for the year ended June 30, 2025 (most recent information available):

| | |
|---|---|
| Total assets | $ 149,393,242 |
| Deferred outflows of resources | $ 563,979 |
| Total liabilities | $ 41,970,206 |
| Deferred inflows of resources | $ 829,044 |
| Total net position | $ 107,157,971 |
| Total revenues | $ 131,279,191 |
| Total expenditures | $ 124,299,618 |
| Change in net position | $ 6,979,573 |

(Continued)



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**NOTE 9 – JOINT POWERS AGREEMENTS** (Continued)

The District is a member of a Joint Powers Authority, Northern California Regional Liability Excess Fund (NCReLiEF), for the operation of a common risk management and insurance program. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage from coverage in the prior year.

The following is a summary of financial information for NCReLiEF as of June 30, 2025 (the most recent information available):

| | |
|---|---|
| Total assets | $ 67,025,845 |
| Total liabilities | $ 37,337,514 |
| Total net position | $ 29,688,331 |
| Total revenues | $ 117,241,135 |
| Total expenditures | $ 114,087,165 |
| Change in net position | $ 3,153,970 |

The relationship between the District and the two Joint Powers Authorities is such that the Joint Powers Authorities are not component units of the District for financial reporting purposes.

**NOTE 10 – CONTINGENCIES**

The District is subject to legal proceedings and claims which arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to these actions will not materially affect the financial position or results of operations of the District.

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

Construction Commitments: As of June 30, 2026, the District has $12,971,560 in outstanding commitments on construction contracts.

**NOTE 11 – SUBSEQUENT EVENTS**

In November 2026, the District issued $63,835,000 of 2026 Refunding Bonds, Series A, to refund certain portions of the Election of 2016 General Obligation Bonds, Series A, and the Election of 2016 General Obligation Bonds, Series B. The bonds bear interest at 5.00% and mature through 2038.

In November 2026, the District issued $37,280,000 of 2026 Refunding Bonds, Series B, to refund certain portions of the Election of 2007 General Obligation Bonds, Series 2017, and the Election of 2007 General Obligation Bonds, Series C. The bonds bear interest at 5.00% and mature through 2046.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2026

| | Budget | | Variance: Original Budget over (under) | | Variance: Final Budget over (under) |
|---|---|---|---|---|---|
| | Original | Final | Final Budget | Actual | Actual Amounts |
| Revenues: | | | | | |
| Local Control Funding Formula: | | | | | |
| State apportionment | $ 69,294,808 | $ 63,653,715 | $ (5,641,093) | $ 63,094,307 | $ (559,408) |
| Local sources | 81,407,308 | 87,781,566 | 6,374,258 | 88,088,369 | 306,803 |
| Total LCFF | 150,702,116 | 151,435,281 | 733,165 | 151,182,676 | (252,605) |
| Federal sources | 3,948,354 | 5,045,819 | 1,097,465 | 3,471,940 | (1,573,879) |
| Other state sources | 20,348,180 | 21,130,411 | 782,231 | 21,230,704 | 100,293 |
| Other local sources | 14,910,510 | 20,043,174 | 5,132,664 | 17,241,368 | (2,801,806) |
| Total revenues | 189,909,160 | 197,654,685 | 7,745,525 | 193,126,688 | (4,527,997) |
| Expenditures: | | | | | |
| Current: | | | | | |
| Certificated salaries | 84,390,579 | 85,938,015 | (1,547,436) | 86,836,852 | (898,837) |
| Classified salaries | 29,687,583 | 29,156,184 | 531,399 | 30,184,589 | (1,028,405) |
| Employee benefits | 48,730,329 | 48,013,076 | 717,253 | 48,032,532 | (19,456) |
| Books and supplies | 9,763,105 | 12,812,790 | (3,049,685) | 8,187,404 | 4,625,386 |
| Contract services and operating expenditures | 24,521,774 | 25,398,594 | (876,820) | 15,971,012 | 9,427,582 |
| Other outgo | 1,510,000 | 1,827,463 | (317,463) | 1,712,823 | 114,640 |
| Capital outlay | 883,197 | 1,015,255 | (132,058) | 920,327 | 94,928 |
| Debt service: | | | | | |
| Principal retirement | 161,126 | 177,076 | (15,950) | 129,841 | 47,235 |
| Interest | 5,500 | 7,249 | (1,749) | 21,890 | (14,641) |
| Total expenditures | 199,653,193 | 204,345,702 | (4,692,509) | 191,997,270 | 12,348,432 |
| (Deficiency) excess of revenues (under) over expenditures | (9,744,033) | (6,691,017) | 3,053,016 | 1,129,418 | 7,820,435 |
| Other financing sources (uses): | | | | | |
| Transfers in | 452,896 | 491,540 | 38,644 | 436,759 | (54,781) |
| Transfers out | (295,000) | (295,000) | - | (295,000) | - |
| Issuance of leases | - | 51,412 | 51,412 | 213,932 | 162,520 |
| Total other financing sources (uses) | 157,896 | 247,952 | 90,056 | 355,691 | 107,739 |
| Net change in fund balance | (9,586,137) | (6,443,065) | 3,143,072 | 1,485,109 | 7,928,174 |
| Fund balance, July 1, 2025 | 35,322,959 | 35,322,959 | - | 35,322,959 | - |
| Fund balance, June 30, 2026 | $ 25,736,822 | $ 28,879,894 | $ 3,143,072 | $ 36,808,068 | $ 7,928,174 |

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See accompanying note to required supplementary information.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
For the Year Ended June 30, 2026

State Teachers' Retirement Plan
Last 10 Fiscal Years

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
|---|---|---|---|---|---|---|---|---|---|---|
| District's proportion of the net pension liability | 0.100% | 0.097% | 0.100% | 0.102% | 0.098% | 0.093% | 0.097% | 0.115% | 0.117% | 0.114% |
| District's proportionate share of the net pension liability | $ 81,100,000 | $ 89,826,000 | $ 91,626,000 | $ 92,503,000 | $ 95,330,000 | $ 42,213,000 | $ 67,141,000 | $ 87,539,000 | $ 78,735,000 | $ 72,975,000 |
| State's proportionate share of the net pension liability associated with the District | 46,173,000 | 53,140,000 | 52,460,000 | 50,467,000 | 52,097,000 | 25,116,000 | 37,950,000 | 41,943,000 | 36,124,000 | 35,466,000 |
| Total net pension liability | $127,273,000 | $142,966,000 | $144,086,000 | $142,970,000 | $147,427,000 | $ 67,329,000 | $105,091,000 | $129,482,000 | $114,859,000 | $108,441,000 |
| District's covered payroll | $ 49,972,000 | $ 51,275,000 | $ 53,323,000 | $ 55,034,000 | $ 56,602,000 | $ 58,940,000 | $ 63,877,000 | $ 69,381,000 | $ 76,766,000 | $ 78,364,000 |
| District's proportionate share of the net pension liability as a percentage of its covered payroll | 162.29% | 175.18% | 171.83% | 168.08% | 168.42% | 71.62% | 105.11% | 126.17% | 102.56% | 93.12% |
| Plan fiduciary net position as a percentage of the total pension liability | 70.04% | 69.46% | 70.99% | 72.56% | 71.82% | 87.21% | 81.20% | 80.62% | 83.55% | 85.31% |

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

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ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
For the Year Ended June 30, 2026

Public Employer's Retirement Fund B
Last 10 Fiscal Years

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
|---|---|---|---|---|---|---|---|---|---|---|
| District's proportion of the net pension liability | 0.104% | 0.104% | 0.105% | 0.106% | 0.116% | 0.122% | 0.125% | 0.130% | 0.129% | 0.126% |
| District's proportionate share of the net pension liability | $ 20,563,000 | $ 24,715,000 | $ 28,031,000 | $ 31,032,000 | $ 35,521,000 | $ 24,907,000 | $ 43,137,000 | $ 46,208,000 | $ 46,252,000 | $ 41,442,000 |
| District's covered payroll | $ 12,491,000 | $ 13,200,000 | $ 13,875,000 | $ 14,755,000 | $ 16,693,000 | $ 17,505,000 | $ 19,231,000 | $ 22,204,000 | $ 25,887,000 | $ 26,607,000 |
| District's proportionate share of the net pension liability as a percentage of its covered payroll | 164.62% | 187.23% | 202.03% | 210.32% | 212.79% | 142.29% | 224.31% | 208.11% | 178.67% | 155.76% |
| Plan fiduciary net position as a percentage of the total pension liability | 73.89% | 71.87% | 70.85% | 70.05% | 70.00% | 80.97% | 69.76% | 69.96% | 72.29% | 76.21% |

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

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See accompanying note to required supplementary information.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
For the Year Ended June 30, 2026

State Teachers' Retirement Plan
Last 10 Fiscal Years

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
|---|---|---|---|---|---|---|---|---|---|---|
| Contractually required contribution | $ 6,507,001 | $ 7,694,523 | $ 8,959,470 | $ 9,678,887 | $ 9,518,764 | $ 10,807,954 | $ 13,251,734 | $ 14,662,254 | $ 14,967,577 | $ 15,793,253 |
| Contributions in relation to the contractually required contribution | (6,507,001) | (7,694,523) | (8,959,470) | (9,678,887) | (9,518,764) | (10,807,954) | (13,251,734) | (14,662,254) | (14,967,577) | (15,793,253) |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| District's covered payroll | $ 51,275,000 | $ 53,323,000 | $ 55,034,000 | $ 56,602,000 | $ 58,940,000 | $ 63,877,000 | $ 69,381,000 | $ 76,766,000 | $ 78,364,000 | $ 82,687,000 |
| Contributions as a percentage of covered payroll | 12.69% | 14.43% | 16.28% | 17.10%* | 16.15%** | 16.92%*** | 19.10% | 19.10% | 19.10% | 19.10% |

* This rate reflects the original employer contribution rate of 18.13 percent under AB1469, reduced for the 1.03 percentage points to be paid on behalf of employers pursuant to SB 90.

** This rate reflects the original employer contribution rate of 19.10 percent under AB1469, reduced for the 2.95 percentage points to be paid on behalf of employers pursuant to SB 90.

*** This rate reflects the original employer contribution rate of 19.10 percent under AB1469, reduced for the 2.18 percentage points to be paid on behalf of employers pursuant to SB 90.

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ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
For the Year Ended June 30, 2026

Public Employer's Retirement Fund B
Last 10 Fiscal Years

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
|---|---|---|---|---|---|---|---|---|---|---|
| Contractually required contribution | $ 1,833,247 | $ 2,154,937 | $ 2,665,105 | $ 3,291,961 | $ 3,623,440 | $ 4,405,818 | $ 5,633,188 | $ 6,906,751 | $ 7,197,163 | $ 7,489,455 |
| Contributions in relation to the contractually required contribution | (1,833,247) | (2,154,937) | (2,665,105) | (3,291,961) | (3,623,440) | (4,405,818) | (5,633,188) | (6,906,751) | (7,197,163) | (7,489,455) |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| District's covered payroll | $ 13,200,000 | $ 13,875,000 | $ 14,755,000 | $ 16,693,000 | $ 17,505,000 | $ 19,231,000 | $ 22,204,000 | $ 25,887,000 | $ 26,607,000 | $ 27,935,000 |
| Contributions as a percentage of covered payroll | 13.89% | 15.53% | 18.06% | 19.72% | 20.70% | 22.91% | 25.37% | 26.68% | 27.05% | 26.81% |

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See accompanying note to required supplementary information.

## 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 States of America as prescribed by the Governmental Accounting Standards Board. The budgets are revised during the year by the Board of Education to provide for revised priorities. Expenditures cannot legally exceed appropriations by major object code. The originally adopted and final revised budgets for the General Fund are presented as Required Supplementary Information. The basis of budgeting is the same as GAAP. The District has included explanations of significant variances below:

Actual Budget Results:

| | Original Budget | Final Budget | Variance: Original Budget over (under) Final Budget | Explanation |
|---|---|---|---|---|
| Revenue: | | | | |
| Federal sources | 3,948,354 | 5,045,819 | 1,097,465 | Increase in federal revenue is due to actual carryover balances as well as 25-26 CSI funding. |
| Other local sources | 14,910,510 | 20,043,174 | 5,132,664 | Increase in local revenue is due to: new awards received during the year, increased SELPA funding, and increased contribution to the Pension plan based on prior year savings. |
| Expenditures: | | | | |
| Certificated salaries | 84,390,579 | 85,938,015 | (1,547,436) | Increase in certificated salaries is mostly due to an increase of 14 FTE compared to adopted. |
| Books and supplies | 9,763,105 | 12,812,790 | (3,049,685) | Increase in books and supplies is due to actual carryover balances as well as new 25-26 funding. |

Actual Results:

| | Final Budget | Actual Amounts | Variance: Final Budget over (under) Actual Amounts | Explanation |
|---|---|---|---|---|
| Revenues: | | | | |
| Federal sources | 5,045,819 | 3,471,940 | (1,573,879) | Decrease in federal revenues is due to grants not being fully spent in 25-26. These grants will carryover into 26-27. |
| Other local sources | 20,043,174 | 17,241,368 | (2,801,806) | Decrease in local revenues is due to grants not being fully spent in 25-26. These grants will carryover into 26-27. |
| Expenditures: | | | | |
| Certificated salaries | 85,938,015 | 86,836,852 | (898,837) | Increase in certificated salaries was due to our 26-27 AB1200 settlement being paid out in 25-26. |
| Classified salaries | 29,156,184 | 30,184,589 | (1,028,405) | Increase in classified salaries was due to our 26-27 AB1200 settlement being paid out in 25-26. |
| Books and supplies | 12,812,790 | 8,187,404 | 4,625,386 | Decrease in books and supplies is due to grants and entitlements not being fully spent in 25-26. These grants will carryover into 26-27. |

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(Continued)

**NOTE 1 – PURPOSE OF SCHEDULES** (Continued)

Actual Results (Continued):

| | Final Budget | Actual Amounts | Variance: Final Budget over (under) Actual Amounts | Explanation |
|---|---|---|---|---|
| Contract services and operating expenditures | 25,398,594 | 15,971,012 | 9,427,582 | Decrease in services and operating expenditures is due to grants and entitlements not being fully spent in 25-26. These grants will carryover into 26-27. |

Schedule of the District's Proportionate Share of the Net Pension Liability: The Schedule of the District's Proportionate Share of the Net Pension Liability is presented to illustrate the elements of the District's Net Pension Liability. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Schedule of the District's Contributions: The Schedule of District Contributions is presented to illustrate the District's required contributions relating to the pensions. There is a requirement to show information for 10 years. However, until a full 10- year trend is compiled, governments should present information for those years for which information is available.

Changes of Benefit Terms: There are no changes in benefit terms reported in the Required Supplementary Information.

Changes of Assumptions:

The following are the assumptions for the Public Employer's Retirement Fund B (PERF B) Plan:

| | Measurement Period | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Assumption | As of June 30, 2025 | As of June 30, 2024 | As of June 30, 2023 | As of June 30, 2022 | As of June 30, 2021 | As of June 30, 2020 | As of June 30, 2019 | As of June 30, 2018 | As of June 30, 2017 | As of June 30 2016 |
| Inflation rate | 2.38% | 2.30% | 2.30% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% |
| Discount rate | 6.90% | 6.90% | 6.90% | 7.15% | 7.15% | 7.15% | 7.15% | 7.65% | 7.65% | 7.50% |

The following are the assumptions for State Teachers' Retirement Plan:

| | Measurement Period | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Assumption | As of June 30, 2025 | As of June 30, 2024 | As of June 30, 2023 | As of June 30, 2022 | As of June 30, 2021 | As of June 30, 2020 | As of June 30, 2019 | As of June 30, 2018 | As of June 30, 2017 | As of June 30, 2016 |
| Consumer price inflation | 2.75% | 2.75% | 2.75% | 2.75% | 2.75% | 2.75% | 2.75% | 2.75% | 3.00% | 3.00% |
| Investment rate of return | 7.10% | 7.10% | 7.10% | 7.10% | 7.10% | 7.10% | 7.10% | 7.10% | 7.60% | 7.60% |
| Wage growth | 3.50% | 3.50% | 3.50% | 3.50% | 3.50% | 3.50% | 3.50% | 3.50% | 3.75% | 3.75% |

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**SUPPLEMENTARY INFORMATION**

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ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NON-MAJOR FUNDS
June 30, 2026

| | Student Activity Special Revenue Fund | Adult Education Fund | Cafeteria Fund | Deferred Maintenance Fund | Pupil Transportation Equipment Fund | Special Reserve for Capital Projects Fund | Total |
|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | |
| Cash in County Treasury | $ - | $ 903,626 | $ 10,800,194 | $ 1,433,577 | $ 110,330 | $ 5,085,330 | $ 18,333,057 |
| Cash on hand and in banks | 1,548,701 | 11,387 | 4,906 | - | - | - | 1,564,994 |
| Cash in revolving fund | - | 100 | - | - | - | - | 100 |
| Collections awaiting deposit | 99 | - | - | - | - | - | 99 |
| Receivables | - | 254,486 | 2,177,638 | 4,745 | 361 | 16,271 | 2,453,501 |
| Due from other fund | - | 11,236 | 207,887 | - | - | - | 219,123 |
| Stores inventory | - | - | 62,847 | - | - | - | 62,847 |
| Prepaid expenditures | - | 3,109 | 9,451 | - | - | - | 12,560 |
| Total assets | $ 1,548,800 | $ 1,183,944 | $ 13,262,923 | $ 1,438,322 | $ 110,691 | $ 5,101,601 | $ 22,646,281 |
| **LIABILITIES AND FUND BALANCES** | | | | | | | |
| Liabilities: | | | | | | | |
| Accounts payable | $ 13,025 | $ 325,679 | $ 362,643 | $ 94,100 | $ 9,804 | $ 1,187 | $ 806,438 |
| Due to other funds | - | 223,339 | 1,322,532 | - | - | - | 1,545,871 |
| Total liabilities | 13,025 | 549,018 | 1,685,175 | 94,100 | 9,804 | 1,187 | 2,352,309 |
| Fund balances: | | | | | | | |
| Nonspendable | - | 3,209 | 72,298 | - | - | - | 75,507 |
| Restricted | 1,535,775 | 631,717 | 11,505,450 | 1,344,222 | 100,887 | 5,100,414 | 20,218,465 |
| Total fund balance | 1,535,775 | 634,926 | 11,577,748 | 1,344,222 | 100,887 | 5,100,414 | 20,293,972 |
| Total liabilities and fund balances | $ 1,548,800 | $ 1,183,944 | $ 13,262,923 | $ 1,438,322 | $ 110,691 | $ 5,101,601 | $ 22,646,281 |

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ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES
ALL NON-MAJOR FUNDS
For the Year Ended June 30, 2026

| | Student Activity Special Revenue Fund | Adult Education Fund | Formerly Major Cafeteria Fund | Deferred Maintenance Fund | Pupil Transportation Equipment Fund | Special Reserve for Capital Projects Fund | Formerly Non-major Bond Interest and Redemption Fund | Total |
|---|---|---|---|---|---|---|---|---|
| Revenues: | | | | | | | | |
| Local Control Funding Formula: | | | | | | | | |
| State apportionment | $ - | $ 8,275 | $ - | $ - | $ - | $ - | | $ 8,275 |
| Federal sources | - | 757,779 | 3,157,669 | - | - | - | | 3,915,448 |
| Other state sources | - | 4,415,757 | 6,877,295 | - | - | - | | 11,293,052 |
| Other local sources | 3,232,106 | 193,553 | 346,381 | 21,411 | 5,381 | 178,976 | | 3,977,808 |
| Total revenues | 3,232,106 | 5,375,364 | 10,381,345 | 21,411 | 5,381 | 178,976 | | 19,194,583 |
| Expenditures: | | | | | | | | |
| Current: | | | | | | | | |
| Certificated salaries | 17,116 | 1,254,775 | - | - | - | - | | 1,271,891 |
| Classified salaries | 8,262 | 309,694 | 3,619,391 | - | - | - | | 3,937,347 |
| Employee benefits | - | 574,670 | 1,194,647 | - | - | - | | 1,769,317 |
| Books and supplies | 865,014 | 81,216 | 3,786,953 | - | - | - | | 4,733,183 |
| Contract services & operating expenditures | 2,312,865 | 190,812 | 363,008 | 35,900 | 52,295 | 46,646 | | 3,001,526 |
| Other outgo | - | 2,555,095 | - | - | - | - | | 2,555,095 |
| Capital outlay | - | - | 1,055,688 | 162,036 | 53,345 | - | | 1,271,069 |
| Debt services: | | | | | | | | |
| Principal retirement | - | - | 54,800 | - | 149,501 | - | | 204,301 |
| Interest | - | - | - | - | 23,749 | - | | 23,749 |
| Total expenditures | 3,203,257 | 4,966,262 | 10,074,487 | 197,936 | 278,890 | 46,646 | | 18,767,478 |
| Excess (deficiency) of revenues over (under) expenditures | 28,849 | 409,102 | 306,858 | (176,525) | (273,509) | 132,330 | | 427,105 |
| Other financing (uses) sources: | | | | | | | | |
| Transfers in | - | - | - | 1,000,000 | 175,000 | - | | 1,175,000 |
| Transfers out | - | (72,365) | (364,394) | - | - | (1,000,000) | | (1,436,759) |
| Total other financing (uses) sources | - | (72,365) | (364,394) | 1,000,000 | 175,000 | (1,000,000) | | (261,759) |
| Net change in fund balances | 28,849 | 336,737 | (57,536) | 823,475 | (98,509) | (867,670) | | 165,346 |
| Fund balances, July 1, 2025 | 1,506,926 | 298,189 | - | 520,747 | 199,396 | 5,968,084 | 11,720,285 | 20,213,627 |
| Adjustment - changes to and within the District | - | - | 11,635,284 | - | - | - | (11,720,285) | (85,001) |
| Fund balances, July 1, 2025 as adjusted | 1,506,926 | 298,189 | 11,635,284 | 520,747 | 199,396 | 5,968,084 | - | 20,128,626 |
| Fund balances, June 30, 2026 | $ 1,535,775 | $ 634,926 | $ 11,577,748 | $ 1,344,222 | $ 100,887 | $ 5,100,414 | | $ 20,293,972 |

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ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE
June 30, 2026

| | Original Second Period Report | Audited Revised Second Period Report* | Original Annual Report |
|---|---|---|---|
| Certificate # | DCFD298C | DC94A2E6 | 870B95F4 |
| Secondary: | | | |
| Regular Classes | 10,610 | 10,619 | 10,539 |
| Special Education | 14 | 14 | 14 |
| ADA totals | 10,624 | 10,633 | 10,553 |

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* The Audited Revised Second Period Report reflects internal changes in ADA determined by the District.

See accompanying notes to supplementary information.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME
For the Year Ended June 30, 2026

| Grade Level | Statutory Minutes Requirements | 2025-2026 Actual Minutes Offered | Credited Minutes Per Approved Form J-13A* | 2025-2026 Total Reported Minutes | 2025-2026 Actual Days Offered | Credited Days Per Approved Form J-13A* | Number of Days Traditional Calendar | Status |
|---|---|---|---|---|---|---|---|---|
| Grade 9 | 64,800 | 65,000 | 0 | 65,000 | 179 | 1 | 180 | In Compliance |
| Grade 10 | 64,800 | 65,000 | 0 | 65,000 | 179 | 1 | 180 | In Compliance |
| Grade 11 | 64,800 | 65,000 | 0 | 65,000 | 179 | 1 | 180 | In Compliance |
| Grade 12 | 64,800 | 65,000 | 0 | 65,000 | 179 | 1 | 180 | In Compliance |

*During the audit year, the District closed Oakmont High School for one day (December 3, 2025) in response to a police matter in the neighborhood. A Form J-13A waiver was requested to receive credit for the one day and the instructional minutes by grade span as listed above. The District received approval for its Form J-13A waiver request on September 15, 2026. All other District sites remained open for the originally planned instructional minutes and days for the 2025-26 year. Excluding the one-day closure, other sites of the District offered lower minutes than those offered by the effected site; therefore, the credited minutes are not presented in the above Schedule of Instructional Time. However, the table below presents the site effected by the closure, and the corresponding instructional time credited by the approved Form J-13A waiver:

| School Site | Grade Level | Number of Credited Days | Number of Credited Minutes |
|---|---|---|---|
| Oakmont High School | Grade 9 | 1 | 320 |
| | Grade 10 | 1 | 320 |
| | Grade 11 | 1 | 320 |
| | Grade 12 | 1 | 320 |

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See accompanying notes to supplementary information.

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2026

| Assistance Listing Number | Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Pass-Through Entity Identifying Number | Federal Expenditures |
|---|---|---|---|
| U.S. Department of Education - Passed through California Department of Education | | | |
| | Adult Education Programs: | | |
| 84.002A | Adult Basic Education: English Literacy & Civics Education - Local Grant | 14109 | $ 437,976 |
| 84.002 | Adult Secondary Education (Section 231) | 13978 | 173,657 |
| 84.002A | Adult Education: Adult Basic Education & ESL (Section 231) | 14508 | 146,146 |
| | Subtotal Adult Education Programs | | 757,779 |
| | Special Education Cluster: | | |
| 84.027 | IDEA Basic Local Assistance Entitlement, Part B, Section 611 | 13379 | 1,420,283 |
| 84.027A | IDEA Mental Health Services, Part B, Sec 611 | 14468 | 121,841 |
| | Subtotal Special Education Cluster | | 1,542,124 |
| | Title I Programs: | | |
| 84.010 | ESEA: Title I, Part A, Basic Grants Low-Income and Neglected | 14329 | 787,016 |
| 84.010 | ESEA: ESSA School Improvement (CSI) Funding for LEAs | 15438 | 326,797 |
| | Subtotal Title I Programs | | 1,113,813 |
| 84.367 | ESEA: Title II, Part A, Improving Teacher Quality Local Grants | 14341 | 211,973 |
| | Title III Programs: | | |
| 84.365A | ESEA: Title III: Limited English Proficiency (LEP) | 14346 | 91,018 |
| 84.365 | ESEA (ESSA): Title III: Immigrant Student Program | 15146 | 29,024 |
| | Subtotal Title III Programs | | 120,042 |
| 84.424 | ESEA: Title IV, Part A, Student Support and Academic Enrichment Grants | 15396 | 54,740 |
| 84.048 | Carl D. Perkins Career and Technical Education: Secondary, Section 131 (Vocational Education) | 14894 | 185,086 |
| 84.126A | We Can Work | N/A | 73,838 |
| | Total U.S. Department of Education | | 4,059,395 |

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(Continued)

ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2026

| Assistance Listing Number | Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Pass-Through Entity Identifying Number | Federal Expenditures |
|---|---|---|---|
| U.S. Department of Agriculture - Passed through California Department of Education | | | |
| | Child Nutrition Cluster: | | |
| 10.553 | Child Nutrition: School Programs (School Breakfast Basic) | 13390 | 3,157,669 |
| | Total U.S. Department of Agriculture | | 3,157,669 |
| U.S. Department of Justice - Passed through California Department of Education | | | |
| 16.839 | STOP Violence | N/A | 170,323 |
| | Total U.S. Department of Justice | | 170,323 |
| | Total Federal Programs | | $ 7,387,387 |

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See accompanying notes to supplementary information.

There were no audit adjustments proposed to any funds of the District.

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ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
For the Year Ended June 30, 2026
(UNAUDITED)

| | (Budgeted) 2027 | 2026 | 2025 | 2024 |
|---|---|---|---|---|
| General Fund | | | | |
| Revenues and other financing sources | $ 213,406,613 | $ 193,777,379 | $ 179,918,273 | $ 176,949,558 |
| Expenditures | 212,958,746 | 191,997,270 | 180,278,448 | 176,080,212 |
| Other uses and transfers out | 620,000 | 295,000 | 220,000 | 420,000 |
| Total outgo | 213,578,746 | 192,292,270 | 180,498,448 | 176,500,212 |
| Change in fund balance | $ (172,133) | $ 1,485,109 | $ (580,175) | $ 449,346 |
| Ending fund balance | $ 36,635,935 | $ 36,808,068 | $ 35,322,959 | $ 35,903,134 |
| Available reserves | $ 23,154,973 | $ 16,739,664 | $ 18,445,836 | $ 17,565,951 |
| Designated for economic uncertainties | $ 12,994,724 | $ 11,564,184 | $ 10,851,636 | $ 10,643,860 |
| Undesignated fund balance | $ 10,160,249 | $ 5,175,480 | $ 7,594,200 | $ 6,922,091 |
| Available reserves as percentages of total outgo | 10.84% | 8.71% | 10.22% | 9.95% |
| Total long-term liabilities | $ 403,517,810 | $ 413,806,089 | $ 374,175,486 | $ 383,604,862 |
| Average daily attendance at P-2, excluding classes for adults | 10,937 | 10,633 | 10,366 | 10,142 |

The General Fund fund balance has increased by $1,354,280 over the past three years. The District projects a deficit of $172,133 for the fiscal year ending June 30, 2027. For a district this size, the State of California recommends available reserves of at least three percent of total General Fund expenditures, transfers out and other uses. The District maintains reserves in excess of recommended levels.

The District has incurred an operating surplus in two of the past three years, and anticipates incurring an operating deficit during the 2026-27 fiscal year.

Total long-term liabilities have increased by $30,201,227 over the past two years.

Average daily attendance has increased by 491 over the past two years and is anticipated to increase by 304 from June 30, 2026 to the year ending June 30, 2027.

See accompanying notes to supplementary information.

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ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOLS
For the Year Ended June 30, 2026

| Charter Schools Chartered by District | Charter # | Included in District Financial Statements, or Separate Report |
|---|---|---|
| John Adams Academy, Roseville | 2061 | Separate Report |
| New Pacific School, Roseville | 2128 | Separate Report |

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See accompanying notes to supplementary information.

## NOTE 1 – PURPOSE OF SCHEDULES

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

Schedule of Instructional Time: The District has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day. 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 46201 through 46206.

Schedule of Expenditures of Federal Awards: The Schedule of Expenditures of Federal Awards includes the federal award activity of Roseville Joint Union High School District, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Expenditures are recognized following, the cost principles in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The District has elected not to use the 15-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements: This schedule provides the information necessary to reconcile the Unaudited Actual Financial Report to the audited financial statements.

Schedule of Financial Trends and Analysis – Unaudited: This schedule provides information on the District's financial condition over the past three years and its anticipated condition for the 2026-27 fiscal year, as required by the State Controller's Office. The information in this schedule has been derived from audited information.

Schedule of Charter Schools: This schedule provides information for the California Department of Education to monitor financial reporting by Charter Schools.

## NOTE 2 – EARLY RETIREMENT INCENTIVE PROGRAM

Education Code Section 14502 requires certain disclosures in the financial statements of districts which adopt Early Retirement Incentive Programs pursuant to Education Code Sections 22714 and 44929. For the fiscal year ended June 30, 2026, the District did not adopt such a program.

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**OTHER INFORMATION**

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ROSEVILLE JOINT UNION HIGH SCHOOL DISTRICT
ORGANIZATION
June 30, 2026

Roseville Joint Union High School District was established in 1912 and is comprised of an area of approximately 108 square miles in Placer and Sacramento Counties. There were no changes in the boundaries of the District during the current year. The District is a political subdivision of the State of California. The District is currently operating six high schools, one continuation education school, one adult education school, and an independent study program.

GOVERNING BOARD

| Name | Office | Term Expires |
|---|---|---|
| Heidi J. Hall | President | November 2028 |
| Marla Franz | Vice President | November 2026 |
| Tiffany Coleman | Clerk | November 2028 |
| Pete Constant | Member | November 2026 |
| Bill Schuetz | Member | November 2028 |

ADMINISTRATION

John Becker
Superintendent

Joe Landon
Assistant Superintendent, Business Services

Rob Hasty *
Assistant Superintendent, Human Resources

Amy Black **
Assistant Superintendent, Education Services

Dr. Melanie Dopson
Assistant Superintendent, Student Services

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* Brad Basham retired June 30, 2026. Rob Hasty was appointed Assistant Superintendent, Human Resources on July 1, 2026.

** Dr. Tu Moua Carroz retired June 30, 2026. Amy Black was appointed Assistant Superintendent, Education Services on July 1, 2026.

Crowe LLP
Independent Member Crowe Global

# INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE FOR STATE PROGRAMS

Board of Trustees
Roseville Joint Union High School District
Roseville, California

## Report on Compliance

### *Opinion on State Compliance*

We have audited Roseville Joint Union High School District's (the District) compliance with the requirements specified in the State of California *2025-26 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, 2026.

In our opinion, the District complied, in all material respects, with the compliance requirements that are applicable to the laws and regulations of the state programs noted in the table below for the year ended June 30, 2026.

### *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, and the *2025-26 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards and the *2025-26 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 the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the District's compliance with the compliance requirements noted in the table below.

### *Responsibilities of Management for Compliance*

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

(Continued)

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements noted in the table below 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 *2025-26 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements noted in the table below is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *2025-26 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 noted in the table below and performing such other procedures as we consider necessary in the circumstances.

- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *2025-26 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, but not for the purpose of expressing an opinion on the effectiveness of the District's internal controls over compliance. Accordingly, we express no such opinion; and

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

| 2025-26 K-12 Audit Guide Procedures | Procedures Performed |
|---|---|
| *Local Education Agencies Other than Charter Schools*: | |
| A. Attendance | Yes |
| B. Teacher Certification and Misassignments | Yes |
| D. Independent Study | Yes |
| E. Continuation Education | N/A, see below |
| F. Instructional Time | Yes |
| G. Instructional Materials | Yes |
| H. Ratio of Administrative Employees to Teachers | Yes |
| I. Classroom Teacher Salaries | Yes |
| J. Early Retirement Incentive Program | N/A, see below |
| K. Gann Limit Calculation | Yes |
| L. School Accountability Report Card | Yes |
| M. Juvenile Court Schools | N/A, see below |
| N. Middle or Early College High Schools | Yes |
| O. K-3 Grade Span Adjustment | N/A, see below |
| Q. Apprenticeship: Related and Supplemental Instruction | N/A, see below |
| S. District of Choice | N/A, see below |
| TT. Home to School Transportation Reimbursement | Yes |

(Continued)

| 2025-26 K-12 Audit Guide Procedures (continued) | Performed |
|---|---|
| *School Districts, County Offices of Education, and Charter Schools:* | |
| T. Proposition 28 Arts and Music in Schools | Yes |
| U. After/Before School Education and Safety Program | N/A, see below |
| V. Proper Expenditure of Education Protection Account Funds | Yes |
| W. Unduplicated Local Control Funding Formula Pupil Counts | Yes |
| X. Local Control and Accountability Plan | Yes |
| Y. Independent Study – Course-Based | N/A, see below |
| Z. Immunizations | N/A, see below |
| AZ. Educator Effectiveness | Yes |
| CZ. Career Technical Education Incentive Grant | Yes |
| DZ. Expanded Learning Opportunities Program | N/A, see below |
| EZ. Transitional Kindergarten | N/A, see below |
| FZ. Kindergarten Continuance | N/A, see below |
| GZ. Comprehensive School Safety Plan | Yes |
| HZ. Attendance Recovery | N/A, see below |
| *Charter Schools:* | |
| AA. Attendance | N/A, see below |
| BB. Mode of Instruction | N/A, see below |
| CC. Nonclassroom-Based Instruction/Independent Study | N/A, see below |
| DD. Determination of Funding for Nonclassroom-Based Instruction | N/A, see below |
| EE. Annual Instructional Minutes-Classroom Based | N/A, see below |
| FF. Charter School Facility Grant Program | N/A, see below |

The District did not operate elementary schools; therefore, we did not perform any testing of Kindergarten Continuance, K-3 Grade Span Adjustment, Expanded Learning Opportunities Program or Transitional Kindergarten.

We did not perform any procedures related to Continuation Education programs, because the District's reported ADA for Continuation Education was below the level that requires testing in the current audit year.

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.

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

The District is not reported as a District of Choice per the California Department of Education; therefore, we did not perform any procedures related to District of Choice.

We did not perform After/Before School Education and Safety Program procedures because the program is not offered by the District.

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 included on the listing provided by California Department of Education; therefore, we did not perform any procedures related to Immunizations.

The District did not offer any Attendance Recovery program during the current year; therefore, we did not perform procedures related to Attendance Recovery.

The District does not have any charter schools reported in its annual audit report which are subject to state compliance testing or evaluation; therefore, we did not perform any procedures related to charter schools.

(Continued)

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 s*ignificant 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.

**Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the *2025-26 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

[redacted]

Sacramento, California
<>, 2026

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# 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*

Board of Trustees
Roseville Joint Union High School District
Roseville, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Roseville Joint Union High School District as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise Roseville Joint Union High School District's basic financial statements, and have issued our report thereon dated <>, 2026.

**Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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.

(Continued)

**Report on Compliance and Other Matters**

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

**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.

[redacted]

Sacramento, California
<>, 2026

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Crowe LLP
Independent Member Crowe Global

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

Board of Trustees
Roseville Joint Union High School District
Roseville, California

## Report on Compliance for the Major Federal Program

### *Opinion on the Major Federal Program*

We have audited Roseville Joint Union High School District's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on Roseville Joint Union High School District's major federal program for the year ended June 30, 2026. Roseville Joint Union High School District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Roseville Joint Union High School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2026.

### *Basis for Opinion on the 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 Roseville Joint Union High School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of Roseville Joint Union High School District's compliance with the compliance requirements referred to above.

### *Responsibilities of Management for Compliance*

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

(Continued)

***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 Roseville Joint Union High School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Roseville Joint Union High School District's compliance with the requirements of the 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 Roseville Joint Union High School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Roseville Joint Union High School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Roseville Joint Union High School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

**Report on Internal Control Over Compliance**

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

(Continued)



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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.

**Purpose of this Report**

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

[redacted]

Sacramento, California
<>, 2026

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# FINDINGS AND RECOMMENDATIONS

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## SECTION I - SUMMARY OF AUDITOR'S RESULTS

### FINANCIAL STATEMENTS

| | | | |
|---|---|---|---|
| Type of auditor's report issued: | Unmodified | | |
| Internal control over financial reporting: | | | |
| Material weakness(es) identified? | ____ Yes | X No | |
| Significant deficiency(ies) identified not considered to be material weakness(es)? | ____ Yes | X None reported | |
| Noncompliance material to financial statements noted? | ____ Yes | X No | |

### FEDERAL AWARDS

| | | | |
|---|---|---|---|
| Internal control over major programs: | | | |
| Material weakness(es) identified? | ____ Yes | X No | |
| Significant deficiency(ies) identified not considered to be material weakness(es)? | ____ Yes | X 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 2 CFR 200.516(a)? | ____ Yes | X No | |

Identification of major programs:

| AL Number(s) | Name of Federal Program or Cluster |
|---|---|
| 10.553 | Child Nutrition Cluster |

| | | | |
|---|---|---|---|
| Dollar threshold used to distinguish between Type A and Type B programs: | $1,000,000 | | |
| Auditee qualified as low-risk auditee? | X Yes | ____ No | |

### STATE AWARDS

| | |
|---|---|
| Type of auditor's report issued on compliance for state programs: | Unmodified |

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(Continued)

## SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

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(Continued)

## SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

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(Continued)

## SECTION IV - STATE AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

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**STATUS OF PRIOR YEAR**

**FINDINGS AND RECOMMENDATIONS**

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**2025-001 DEFICIENCY – STATE COMPLIANCE – INDEPENDENT STUDY (40000)**

Condition: For a sample of student agreements selected for testing of independent study, attendance was claimed for which supporting documentation indicated the following issues:

Independence High School (long-term) –
- One required signer did not sign the independent study agreement until after commencement.

Woodcreek High School (short-term) –
- The independent study agreement for one student was missing the required elements of the manner, time, and frequency for submitting assignments, the methods used to evaluate the student, and the number of course credits to be earned upon completion.

Recommendation and Identification as Repeat Finding: This is a repeat finding of Finding 2024-001 identified during the audit of the year ending June 30, 2024. We recommend for the District to ensure all required signatures are obtained prior to claiming ADA as well as documentation of the manner, time and frequency for submitting assignments, the methods used to evaluate the student, and the number of course credits to be earned upon completion are in compliance with the state requirements.

Current Status: Implemented.

District Explanation in Not Implemented: Not Applicable.

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