

**Richmond Board of Trustees**  
Regular Meeting  
**Thursday, January 11, 2024**  
Open Session 6:00 P.M.  
The meeting will be held in the **Resource Room**.

The Board of Trustees of the Richmond School District welcomes you to this meeting. Members of the public may be heard on any item on the Board's agenda. Comments of the public on an item that appears on the agenda will be allowed during consideration of that item by the Board. While not required, the Board would appreciate it if you would identify yourself with your name and your address when addressing the Board.

1. **Open Session**      **Call to Order at 6:00 p.m.**
  - 1.1    Flag Salute
2. **Public Comments**

This is an opportunity for any member of the public to address the Governing Board on any matter not on the agenda but which is within the jurisdiction of the Board.
3. **Approval of Agenda**
4. **Reports from Richmond Organizations and Staff**
  - 4.1 **RCA**
    - 4.1.1 RCA Report
  - 4.2 **Superintendent/Principal Report**
    - 4.2.1 School Events/ Activity report
    - 4.2.2 Healthy Kids Survey Results
    - 4.2.3 LCAP Mid-year Update
  - 4.3 **Director of Buildings and Grounds**
    - 4.3.1 Director of Buildings and Grounds report
  - 4.4 **Certificated Staff and Classified Staff Report**
    - 4.4.1 Certificated Staff Report
    - 4.4.2 Classified Staff Report
5. **Curriculum/Student Performance**
  - 5.1 Upcoming Winter MAPS testing (Grades 3-8)
  - 5.2 NAEP pilot test; Math or Reading, February 1 (Grade 4, 8)
  - 5.3 2023 CAASPP Comparisons
6. **Business**
  - 6.1 Acceptance of 2021/2022 Audit Report by Stephan Roatch  
Accountability

**ACTION**

- 6.2 Approval/ Discussion of MOU with Richmond Classified  
ELOP Services during non-contract school day(s) ACTION
- 6.3 Approval/ Discussion of Renewing Operation & Maintenance with  
SitelogIQ, Inc. regarding School's Solar System ACTION
- 6.4 Approval/Discussion of Year 2 of 3-year contract with Stephen  
Roatch Accountancy Corporation ACTION
- 6.5 Approval/Discussion of Consolidated Application ACTION
7. **Minutes**
- 7.1 Approval of minutes of the regular meeting on  
December 14, 2023 ACTION
8. **Policy**
9. **Warrants**
- 9.1 Approval of warrant list(s) for January ACTION
10. **Correspondence**
11. **Information: Comments from Board Members**
12. **Closed Session**
- 12.1 Board Consideration of Appeal – District Employee Complaint  
(Board Policy/Administrative Regulation 1312.1)  
*The Board will hear and vote on whether to grant the appeal of  
Complainant regarding a Superintendent Level Response to a  
Confidential Complaint against District Employee(s)* ACTION
- 12.2 Pursuant to Government Code Section 54954.5, the Board will meet  
regarding Public Employee Evaluation of Performance -  
- Superintendent/Principal
13. **Reconvene to Open Session**
- 13.1 Announcement of action taken in Closed Session
14. **Adjournment**

**February Meeting**

- SARC Report
- Safety Plan
- Williams Quarterly Statement
- Review of programs/ staffing levels for 23/24

**2024 Meeting Calendar**

February 8, 2024

March 14, 2024

April 11, 2024

May 9, 2024

June 20, 2024 (Special)

June 27, 2024

August 8, 2024

September 12, 2024

October 10, 2024

November 14, 2024

December 19, 2024

Smarter Summative ELA and Math  
2023-2024  
District Comparison

ELA - Grade 3

School District	Not Met	Nearly Met	Met	Exceeded	Met & Exceeded
Janesville	41.18%	23.53%	17.65%	17.65%	35.30%
Johnstonville	33.33%	38.10%	28.57%	0.00%	28.57%
Long Valley Charter	50.00%	27.78%	5.56%	16.67%	22.23%
Mt. Lassen Charter	*	*	*	*	*
Richmond	19.05%	52.38%	14.29%	14.29%	28.58%
Shaffer	52.17%	26.09%	8.70%	13.04%	21.74%
Susanville	32.74%	28.32%	26.55%	12.39%	38.94%
Thompson Peak	*	*	*	*	*
Westwood	54.55%	9.09%	27.27%	9.09%	36.36%
Statewide	34.64%	22.40%	19.56%	23.40%	42.96%

Math - Grade 3

School District	Not Met	Nearly Met	Met	Exceeded	Met & Exceeded
Janesville	29.41%	35.29%	32.35%	2.94%	35.29%
Johnstonville	42.86%	14.29%	33.33%	9.52%	42.85%
Long Valley Charter	44.44%	33.33%	16.67%	5.56%	22.23%
Mt. Lassen Charter	*	*	*	*	*
Richmond	23.81%	23.81%	47.62%	4.76%	52.38%
Shaffer	47.83%	21.74%	21.74%	8.70%	30.44%
Susanville	39.82%	30.97%	23.89%	5.31%	29.20%
Thompson Peak	*	*	*	*	*
Westwood	63.64%	18.18%	18.18%	0.00%	18.18%
Statewide	32.97%	21.92%	24.75%	20.36%	45.11%

ELA - Grade 4

School District	Not Met	Nearly Met	Met	Exceeded	Met & Exceeded
Janesville	54.05%	21.62%	16.22%	8.11%	24.33%
Johnstonville	30.43%	26.09%	30.43%	13.04%	43.47%
Long Valley Charter	33.33%	33.33%	27.78%	5.56%	33.34%
Mt. Lassen Charter	58.33%	8.33%	8.33%	25.00%	33.33%
Richmond	50.00%	9.09%	18.18%	22.73%	40.91%
Shaffer	50.00%	15.38%	23.08%	11.54%	34.62%
Susanville	55.81%	15.12%	23.26%	5.81%	29.07%
Thompson Peak	*	*	*	*	*
Westwood	43.75%	43.75%	6.25%	6.25%	12.50%
Statewide	36.89%	19.37%	19.74%	24.00%	43.74%

Math - Grade 4

School District	Not Met	Nearly Met	Met	Exceeded	Met & Exceeded
Janesville	32.43%	43.24%	24.32%	0.00%	24.32%
Johnstonville	8.70%	43.48%	30.43%	17.39%	47.82%
Long Valley Charter	38.89%	44.44%	16.67%	0.00%	16.67%
Mt. Lassen Charter	58.33%	16.67%	25.00%	0.00%	25.00%
Richmond	31.82%	27.27%	22.73%	18.18%	40.91%
Shaffer	46.15%	34.62%	15.38%	3.85%	19.23%
Susanville	40.00%	31.76%	24.71%	3.53%	28.24%
Thompson Peak	*	*	*	*	*
Westwood	37.50%	43.75%	12.50%	6.25%	18.75%
Statewide	31.06%	28.14%	22.12%	18.68%	40.80%

ELA - Grade 5

School District	Not Met	Nearly Met	Met	Exceeded	Met & Exceeded
Janesville	26.47%	26.47%	35.29%	11.76%	47.05%
Johnstonville	42.31%	15.38%	19.23%	23.08%	42.31%
Long Valley Charter	47.62%	19.05%	28.57%	4.76%	33.33%
Mt. Lassen Charter	72.73%	18.18%	0.00%	9.09%	9.09%
Richmond	13.33%	13.33%	46.67%	26.67%	73.34%
Shaffer	43.48%	21.74%	21.74%	13.04%	34.78%
Susanville	39.45%	22.02%	27.52%	11.01%	38.53%
Thompson Peak	*	*	*	*	*
Westwood	45.45%	0.00%	45.45%	9.09%	54.54%
Statewide	33.36%	19.95%	24.81%	21.87%	46.68%

Math - Grade 5

School District	Not Met	Nearly Met	Met	Exceeded	Met & Exceeded
Janesville	23.53%	38.24%	26.47%	11.76%	38.23%
Johnstonville	30.77%	23.08%	23.08%	23.08%	46.16%
Long Valley Charter	42.86%	38.10%	4.76%	14.29%	19.05%
Mt. Lassen Charter	81.82%	9.09%	0.00%	9.09%	9.09%
Richmond	20.00%	26.67%	20.00%	33.33%	53.33%
Shaffer	60.87%	17.39%	17.39%	4.35%	21.74%
Susanville	49.54%	23.85%	12.84%	13.76%	26.60%
Thompson Peak	*	*	*	*	*
Westwood	45.45%	9.09%	27.27%	18.18%	45.45%
Statewide	41.46%	25.16%	15.09%	18.29%	33.38%

## ELA - Grade 6

School District	Not Met	Nearly Met	Met	Exceeded	Met & Exceeded
Janesville	34.29%	45.71%	17.14%	2.86%	20.00%
Johnstonville	50.00%	16.67%	27.78%	5.56%	33.34%
Long Valley Charter	53.33%	40.00%	6.67%	0.00%	6.67%
Mt. Lassen Charter	*	*	*	*	*
Richmond	23.08%	19.23%	42.31%	15.38%	57.69%
Shaffer	33.33%	42.86%	19.05%	4.76%	23.81%
Susanville	30.86%	34.57%	27.16%	7.41%	34.57%
Thompson Peak	*	*	*	*	*
Westwood	15.38%	15.38%	53.85%	15.38%	69.23%
Statewide	30.82%	25.01%	27.25%	16.92%	44.17%

## Math - Grade 6

School District	Not Met	Nearly Met	Met	Exceeded	Met & Exceeded
Janesville	48.57%	31.43%	11.43%	8.57%	20.00%
Johnstonville	50.00%	16.67%	16.67%	16.67%	33.34%
Long Valley Charter	93.33%	6.67%	0.00%	0.00%	0.00%
Mt. Lassen Charter	*	*	*	*	*
Richmond	19.23%	42.31%	15.38%	23.08%	38.46%
Shaffer	47.62%	28.57%	19.05%	4.76%	23.81%
Susanville	40.74%	34.57%	13.58%	11.11%	24.69%
Thompson Peak	*	*	*	*	*
Westwood	7.69%	46.15%	38.46%	7.69%	46.15%
Statewide	41.03%	25.78%	15.84%	17.35%	33.19%

# ELA - Grade 7

School District	Not Met	Nearly Met	Met	Exceeded	Met & Exceeded
Janesville	32.35%	17.65%	41.18%	8.82%	50.00%
Johnstonville	28.57%	47.62%	14.29%	9.52%	23.81%
Long Valley Charter	30.30%	42.42%	24.24%	3.03%	27.27%
Mt. Lassen Charter	47.37%	26.32%	26.32%	0.00%	26.32%
Richmond	14.29%	23.81%	42.86%	19.05%	61.91%
Shaffer	34.38%	34.38%	25.00%	6.25%	31.25%
Susanville	42.57%	23.76%	25.74%	7.92%	33.66%
Thompson Peak	45.00%	30.00%	20.00%	5.00%	25.00%
Westwood	30.77%	38.46%	23.08%	7.69%	30.77%
Statewide	29.96%	22.60%	30.51%	16.93%	47.44%

# Math - Grade 7

School District	Not Met	Nearly Met	Met	Exceeded	Met & Exceeded
Janesville	39.39%	12.12%	27.27%	21.21%	48.48%
Johnstonville	71.43%	19.05%	0.00%	9.52%	9.52%
Long Valley Charter	48.48%	33.33%	12.12%	6.06%	18.18%
Mt. Lassen Charter	57.89%	26.32%	15.79%	0.00%	15.79%
Richmond	23.81%	33.33%	28.57%	14.29%	42.86%
Shaffer	46.88%	28.13%	12.50%	12.50%	25.00%
Susanville	48.51%	30.69%	11.88%	8.91%	20.79%
Thompson Peak	75.00%	15.00%	10.00%	0.00%	10.00%
Westwood	30.77%	46.15%	15.38%	7.69%	23.07%
Statewide	42.33%	24.50%	16.25%	16.92%	33.17%



ELA - Grade 8

<u>School District</u>	<u>Not Met</u>	<u>Nearly Met</u>	<u>Met</u>	<u>Exceeded</u>	<u>Met &amp; Exceeded</u>
Janesville	20.00%	30.00%	30.00%	20.00%	50.00%
Johnstonville	33.33%	33.33%	26.67%	6.67%	33.34%
Long Valley Charter	23.81%	19.05%	38.10%	19.05%	57.15%
Mt. Lassen Charter	*	*	*	*	*
Richmond	17.65%	41.18%	23.53%	17.65%	41.18%
Shaffer	38.89%	27.78%	27.78%	5.56%	33.34%
Susanville	39.22%	25.49%	27.45%	7.84%	35.29%
Thompson Peak	43.48%	43.48%	13.04%	0.00%	13.04%
Westwood	35.29%	17.65%	35.29%	11.76%	47.05%
Statewide	29.65%	24.68%	29.79%	15.87%	45.66%

Math - Grade 8

<u>School District</u>	<u>Not Met</u>	<u>Nearly Met</u>	<u>Met</u>	<u>Exceeded</u>	<u>Met &amp; Exceeded</u>
Janesville	30.00%	30.00%	30.00%	10.00%	40.00%
Johnstonville	73.33%	6.67%	13.33%	6.67%	20.00%
Long Valley Charter	52.38%	23.81%	14.29%	9.52%	23.81%
Mt. Lassen Charter	*	*	*	*	*
Richmond	29.41%	35.29%	5.88%	29.41%	35.29%
Shaffer	50.00%	22.22%	11.11%	16.67%	27.78%
Susanville	64.36%	15.84%	9.90%	9.90%	19.80%
Thompson Peak	75.00%	20.83%	4.17%	0.00%	4.17%
Westwood	47.06%	35.29%	11.76%	5.88%	17.64%
Statewide	48.33%	21.73%	13.29%	16.65%	29.94%

**RICHMOND SCHOOL DISTRICT  
COUNTY OF LASSEN  
SUSANVILLE, CALIFORNIA**

**AUDIT REPORT**

**JUNE 30, 2023**

# RICHMOND SCHOOL DISTRICT

JUNE 30, 2023

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RICHMOND SCHOOL DISTRICT

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## FINANCIAL SECTION

**STEPHEN ROATCH ACCOUNTANCY CORPORATION**  
*Certified Public Accountants*

INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Richmond School District  
Susanville, California

Report on the Audit of the Financial Statements

***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Richmond School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the 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 Richmond School District, as of June 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Richmond 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 Richmond 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Richmond 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 Richmond 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, budgetary comparison information, schedules of the proportionate share of the net pension liabilities, and schedules of contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Auditor's Responsibilities for the Audit of the Financial Statements (Concluded)

*Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Richmond School District's basic financial statements. The accompanying combining nonmajor fund financial statements, reconciliation of annual financial and budget report with audited financial statements, and other supporting schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements, reconciliation of annual financial and budget report with audited financial statements, and other supporting schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Schedule of Financial Trends and Analysis 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2023 on our consideration of the Richmond 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 Richmond 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 Richmond School District's internal control over financial reporting and compliance.

*Stephen Roatch Accountancy Corporation*

STEPHEN ROATCH ACCOUNTANCY CORPORATION  
Certified Public Accountants

December 14, 2023



**RICHMOND SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**  
  
(PREPARED BY DISTRICT MANAGEMENT)

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This section of Richmond School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2023. Please read it in conjunction with the Independent Auditor's Report presented on pages 1 through 3, and the District's financial statements, which immediately follow this section.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and Statement of Activities, presented on pages 14 and 15, provides information about the activities of the District as a whole and presents a longer-term view of the District's finances. The fund financial statements for governmental activities, presented on pages 16 through 19, provide information about how District services were financed in the short-term, and how much remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds.

**FINANCIAL HIGHLIGHTS**

- The District's overall financial status improved over the course of the year, as total net position increased 15%.
- On the Statement of Activities, total current year revenues exceeded total current year expenses by \$521,849.
- Net capital assets increased \$28,723, due to the current year addition of \$95,974 of new capital assets and improvements, and the current year recognition of \$124,697 of depreciation expense.
- Total long-term liabilities increased \$853,156 due to the current year increase in the District's net pension liabilities related to its participation in the CalSTRS and CalPERS pension plans.
- During fiscal year 2022-23, the District's General Fund produced an operating surplus of \$463,256 but reported a \$890,657 decrease in its available reserves due to a larger portion of the ending fund balance being assigned for other specific purposes.
- The District maintains sufficient reserves for a district its size. It meets the state required minimum reserve for economic uncertainty of 5% of General Fund expenditures, transfers out, and other uses (total outgo). During fiscal year 2022-23, General Fund expenditures totaled \$2,445,991. At June 30, 2023, the District had available reserves of \$693,914 in the General Fund which represents a reserve of 28.4%.

**RICHMOND SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(PREPARED BY DISTRICT MANAGEMENT)**

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**THE FINANCIAL REPORT**

The full annual financial report consists of three separate parts, including the basic financial statements, supplementary information, and management's discussion and analysis. The three sections together provide a comprehensive overview of the District. The basic financial statements are comprised of two kinds of statements that present financial information from different perspectives, government-wide and funds.

- Government-wide financial statements, which comprise the first two statements, provide both short-term and long-term information about the District's overall financial position.
- Individual parts of the District, which are reported as fund financial statements comprise the remaining statements.
  - ❖ Basic services funding is described in the governmental funds statements. These statements include short-term financing and identify the balance remaining for future spending.

Notes to the financials, which are included in the financial statements, provide more detailed data, and explain some of the information in the statements. The required supplementary information provides further explanations and provides additional support for the financial statements. A comparison of the District's budget for the year is included.

**Reporting the District as a Whole**

The District as a whole is reported in the government-wide statements and uses accounting methods similar to those used by companies in the private sector. All of the District's assets and liabilities are included in the Statement of Net Position. The Statement of Activities reports all of the current year's revenues and expenses regardless of when cash is received or paid.

The District's financial health (net position) can be measured by the difference between the District's assets and liabilities.

- Increases or decreases in the net position of the District over time are indicators of whether its financial position is improving or deteriorating, respectively.
- Additional non-financial factors such as the condition of school buildings and other facilities, and changes in the property tax base of the District need to be considered in assessing the overall health of the District.

**RICHMOND SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(PREPARED BY DISTRICT MANAGEMENT)**

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**THE FINANCIAL REPORT (CONCLUDED)**

**Reporting the District as a Whole (Concluded)**

In the Statement of Net Position and the Statement of Activities all amounts presented represent governmental activities, since the District does not provide any services that should be categorized as business-type activities.

The basic services provided by the District, such as regular education and administration are included here, and are primarily financed by property taxes and state formula aid. Non-basic services, such as child nutrition are also included here, but are financed by a combination of local revenues and state and federal programs.

**Reporting the District's Most Significant Funds:**

The District's fund-based financial statements provide detailed information about the District's most significant funds. Some funds are required to be established by State law and bond covenants. However, the District establishes many other funds as needed to control and manage money for specific purposes.

***Governmental Funds***

The major governmental funds of the Richmond School District are the General Fund and the Capital Projects - Special Reserve Fund. Governmental fund reporting focuses on how money flows into and out of the funds and the balances that remain at the end of the year.

A modified accrual basis of accounting measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's operations and services. Governmental fund information helps to determine the level of financial resources available in the near future to finance the District's programs.

**RICHMOND SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

(PREPARED BY DISTRICT MANAGEMENT)

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE**

The District's overall financial status improved over the course of the year, as total net position increased 15%.

<b><u>Comparative Statement of Net Position</u></b>		
	Governmental Activities	
	2022	2023
<b><u>Assets</u></b>		
Deposits and Investments	\$ 3,113,497	\$ 3,180,592
Receivables	193,583	215,673
Capital Assets, net	2,092,210	2,063,487
<b>Total Assets</b>	<b>5,399,290</b>	<b>5,459,752</b>
<b><u>Deferred Outflows of Resources</u></b>		
Pension Deferrals	496,902	931,610
<b><u>Liabilities</u></b>		
Current	636,617	204,425
Long-Term	1,017,207	1,870,363
<b>Total Liabilities</b>	<b>1,653,824</b>	<b>2,074,788</b>
<b><u>Deferred Inflows of Resources</u></b>		
Pension Deferrals	776,071	330,453
<b><u>Net Position</u></b>		
Investment in Capital Assets	2,092,210	2,063,487
Restricted	338,966	650,850
Unrestricted	1,035,121	1,271,784
<b>Total Net Position</b>	<b>\$ 3,466,297</b>	<b>\$ 3,986,121</b>
<i>Table includes financial data of the combined governmental funds</i>		

**RICHMOND SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

(PREPARED BY DISTRICT MANAGEMENT)

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONTINUED)**

The District's total current year revenues exceeded total current year expenses by \$521,849.

**Comparative Statement of Changes in Net Position**

	<u>Governmental Activities</u>	
	<u>2022</u>	<u>2023</u>
<u>Program Revenues</u>		
Charges for Services	\$ 1,887	\$ 1,207
Operating Grants & Contributions	594,155	795,002
<u>General Revenues</u>		
Taxes Levied	208,398	124,853
Federal & State Aid	1,776,944	1,968,406
Other Revenues	(58,168)	202,683
Total Revenues	<u>2,523,216</u>	<u>3,092,151</u>
<u>Expenses</u>		
Instruction	1,299,693	1,365,195
Instruction-Related Services	249,278	259,966
Pupil Services	185,648	279,979
General Administration	230,725	303,561
Plant Services	211,504	310,961
Other Expenses	51,484	50,640
Total Expenses	<u>2,228,332</u>	<u>2,570,302</u>
Change in Net Position	<u>\$ 294,884</u>	<u>\$ 521,849</u>

*Table includes financial data of the combined governmental funds*

**RICHMOND SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

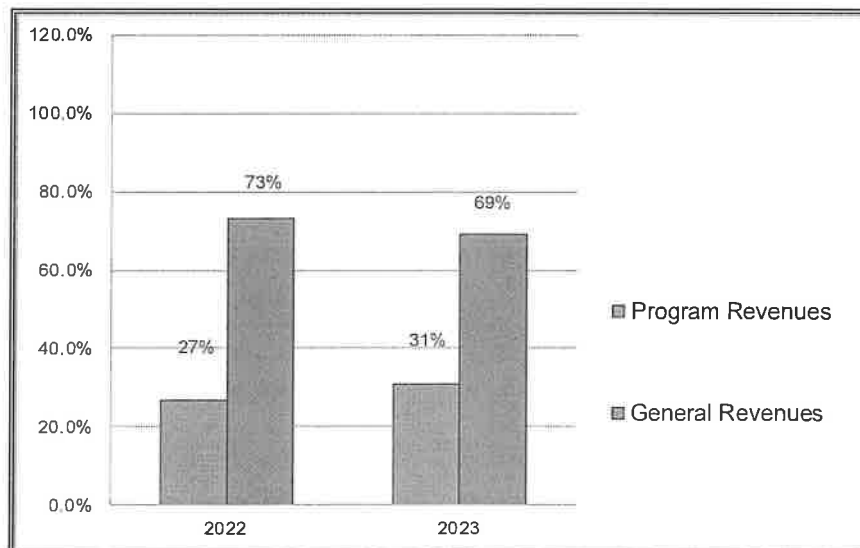
(PREPARED BY DISTRICT MANAGEMENT)

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONTINUED)**

<b><u>Comparative Schedule of Costs of Services</u></b>				
	<u>Total Cost of Services</u>		<u>Net Cost (Revenues) of Services</u>	
	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>
Instruction	\$ 1,299,693	\$ 1,365,195	\$ 902,107	\$ 902,777
Instruction-Related Services	249,278	259,966	187,926	216,489
Pupil Services	185,648	279,979	82,664	29,308
General Administration	230,725	303,561	223,695	296,834
Plant Services	211,504	310,961	211,504	301,545
Other Expenses	51,484	50,640	24,394	27,140
<b>Totals</b>	<b>\$ 2,228,332</b>	<b>\$ 2,570,302</b>	<b>\$ 1,632,290</b>	<b>\$ 1,774,093</b>

*Table includes financial data of the combined governmental funds*

The table above presents the cost of major District activities. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The \$1,774,093 net cost represents the financial burden that was placed on the District's general revenues for providing the services listed.



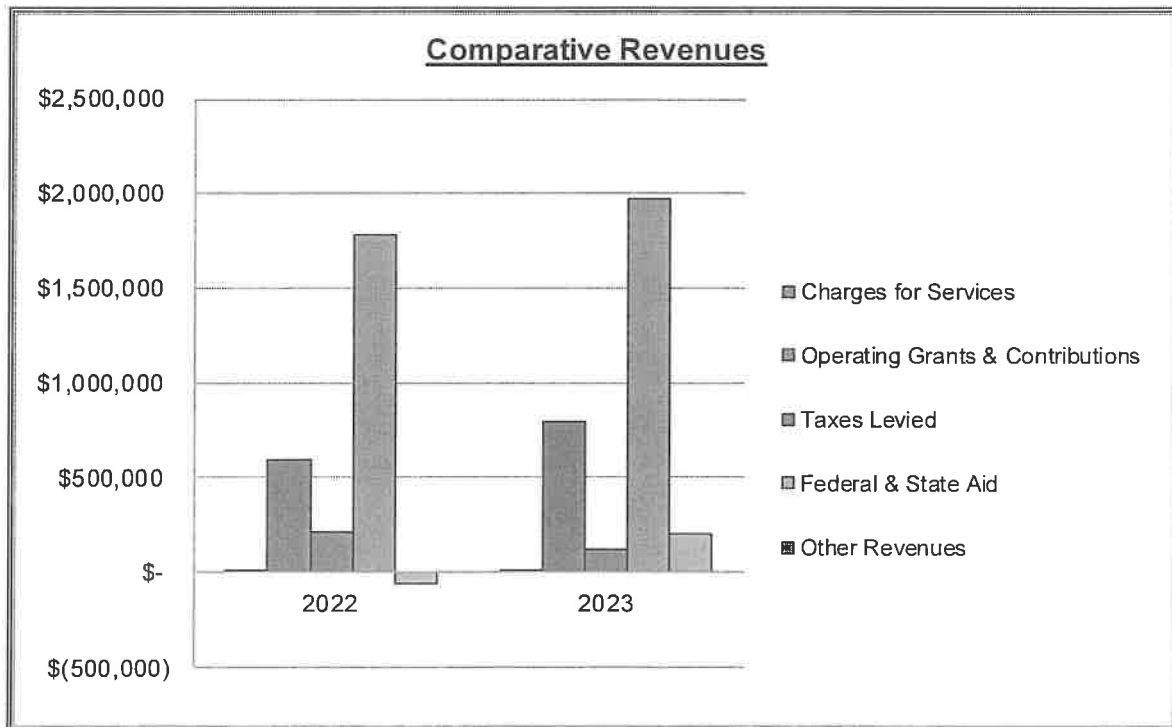
During fiscal year 2022-23, program revenues financed 31% of the total cost of providing the services listed above, while the remaining 69% was financed by the general revenues of the District.

**RICHMOND SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(PREPARED BY DISTRICT MANAGEMENT)**

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONTINUED)**

<b><u>Summary of Revenues For Governmental Functions</u></b>				
	<u>FYE 2022 Amount</u>	<u>Percent of Total</u>	<u>FYE 2023 Amount</u>	<u>Percent of Total</u>
<b><u>Program Revenues</u></b>				
Charges for Services	\$ 1,887	0.07%	\$ 1,207	0.04%
Operating Grants & Contributions	594,155	23.55%	795,002	25.71%
<b><u>General Revenues</u></b>				
Taxes Levied	208,398	8.26%	124,853	4.04%
Federal & State Aid	1,776,944	70.42%	1,968,406	63.66%
Other Revenues	(58,168)	-2.31%	202,683	6.55%
Total Revenues	<u>\$ 2,523,216</u>	<u>100.00%</u>	<u>\$ 3,092,151</u>	<u>100.00%</u>

*Table includes financial data of the combined governmental funds*



**RICHMOND SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

(PREPARED BY DISTRICT MANAGEMENT)

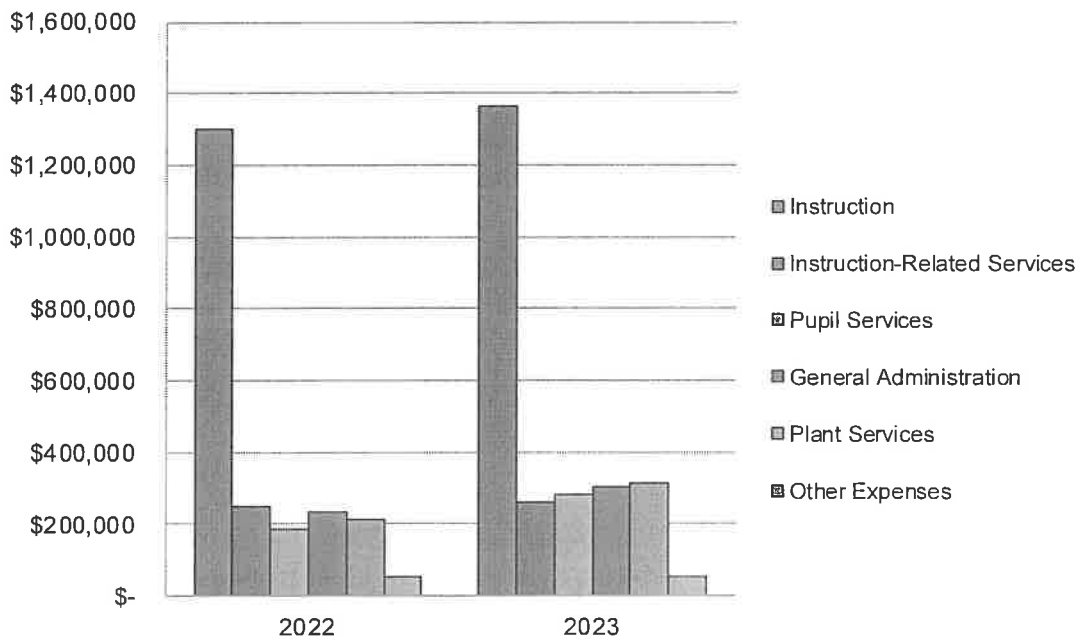
**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONTINUED)**

**Schedule of Expenses For Governmental Functions**

	FYE 2022 Amount	Percent of Total	FYE 2023 Amount	Percent of Total
<b><u>Expenses</u></b>				
Instruction	\$ 1,299,693	58.33%	\$ 1,365,195	53.11%
Instruction-Related Services	249,278	11.19%	259,966	10.11%
Pupil Services	185,648	8.33%	279,979	10.89%
General Administration	230,725	10.35%	303,561	11.81%
Plant Services	211,504	9.49%	310,961	12.10%
Other Expenses	51,484	2.31%	50,640	1.97%
<b>Total Expenses</b>	<b>\$ 2,228,332</b>	<b>100.00%</b>	<b>\$ 2,570,302</b>	<b>100.00%</b>

*Table includes financial data of the combined governmental funds*

**Comparative Expenses**





**RICHMOND SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

(PREPARED BY DISTRICT MANAGEMENT)

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONCLUDED)**

<b><u>Comparative Schedule of Capital Assets</u></b>		
	Governmental Activities	
	2022	2023
Land	\$ 279,380	\$ 279,380
Sites and Improvements	788,403	788,403
Buildings and Improvements	3,119,735	3,360,817
Furniture and Equipment	294,465	294,465
Construction-in-Progress	145,108	0
Subtotals	4,627,091	4,723,065
Less: Accumulated Depreciation	(2,534,881)	(2,659,578)
Capital Assets, net	<u>\$ 2,092,210</u>	<u>\$ 2,063,487</u>

Net capital assets increased \$28,723, due to the current year addition of \$95,974 of new capital assets and improvements, and the current year recognition of \$124,697 of depreciation expense.

<b><u>Comparative Schedule of Long-Term Liabilities</u></b>		
	Governmental Activities	
	2022	2023
Net Pension Liabilities - CalSTRS	\$ 581,391	\$ 757,129
Net Pension Liabilities - CalPERS	435,816	1,113,234
Totals	<u>\$ 1,017,207</u>	<u>\$ 1,870,363</u>

Total long-term liabilities increased \$853,156 due to the current year increase in the District's net pension liabilities related to its participation in the CalSTRS and CalPERS pension plans.

**RICHMOND SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(PREPARED BY DISTRICT MANAGEMENT)**

**FINANCIAL ANALYSIS OF DISTRICT'S FUNDS**

<b><u>Comparative Schedule of Fund Balances</u></b>			
	<b>Fund Balances June 30, 2022</b>	<b>Fund Balances June 30, 2023</b>	<b>Increase (Decrease)</b>
General	\$ 2,054,861	\$ 2,518,117	\$ 463,256
Capital Projects - Special Reserves	508,662	517,216	8,554
Cafeteria	37,926	87,043	49,117
Student Activity	21,993	18,507	(3,486)
Bond Interest & Redemption	11,756	11,544	(212)
Tax Override	15,398	15,661	263
Capital Facilities	19,867	23,752	3,885
Totals	<u>\$ 2,670,463</u>	<u>\$ 3,191,840</u>	<u>\$ 521,377</u>

The fund balance of the General Fund increased \$463,256, and the combined fund balances of all other District governmental funds increased \$58,121.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The District's budget is prepared in accordance with California law and is based on the modified accrual basis of accounting. Over the course of the year, the District revises its budget based on updated financial information. The original budget, approved at the end of June for July 1, is based on May Revision figures, and updated 45 days after the State approves its final budget. In addition, the District revises its budget at First and Second Interim.

**ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE**

Based on the 2023-24 Budget - Multiyear Budget Outlook, prepared by the Legislative Analyst's Office (LAO), it is very unlikely the State will be able to afford the May Revision spending levels. Under their estimates, the State faces operating deficits throughout the multiyear window, meaning revenues would need to come in above their projections for the budget to be balanced. While the revenues required to balance the budget are optimistic, but plausible, in the budget window, they are improbable in the out-years. In addition, based on their analysis, the required level of revenue is very unlikely, and they project that there is less than a one-in-six chance the State can afford the May Revision spending level across the five-year period. As a result, it is very likely that the State will face more budget problems over the next few years.

Accordingly, the District's budget should continue to be managed with a great degree of conservatism over the next few years. The District has an excellent track record in meeting this challenge.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, parents, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions regarding this report or need additional financial information, contact the District Office, Richmond School District, 700-585 Richmond Road, East, Susanville, California 96130.

**RICHMOND SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

	<b>Governmental Activities</b>
<b><u>Assets</u></b>	
Current Assets:	
Deposits and Investments (Note 2)	\$ 3,180,592
Receivables (Note 3)	215,673
Non-Current Assets:	
Capital Assets, Not Depreciated (Note 5)	279,380
Capital Assets, Net	1,784,107
Total Assets	<u>5,459,752</u>
<b><u>Deferred Outflows of Resources</u></b>	
Pension Deferrals (Note 6)	931,610
Total Deferred Outflows of Resources	<u>931,610</u>
<b><u>Liabilities</u></b>	
Current Liabilities:	
Accounts Payable and Other Current Liabilities	117,173
Unearned Revenue (Note 1H)	87,252
Long-Term Liabilities:	
<i>Portion Due or Payable Within One Year:</i>	
<i>Portion Due or Payable After One Year:</i>	
Net Pension Liabilities (Note 6)	1,870,363
Total Liabilities	<u>2,074,788</u>
<b><u>Deferred Inflows of Resources</u></b>	
Pension Deferrals (Note 6)	330,453
Total Deferred Inflows of Resources	<u>330,453</u>
<b><u>Net Position</u></b>	
Investment in Capital Assets	2,063,487
Restricted:	
For Capital Projects	23,752
For Debt Service	27,205
For Educational Programs	493,343
For Other Purposes	106,550
Unrestricted	1,271,784
Total Net Position	<u><u>\$ 3,986,121</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

**RICHMOND SCHOOL DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

					Net (Expense) Revenue and Changes in Net Position
		Program Revenues			
Functions	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<u>Governmental Activities</u>					
Instruction	\$ 1,365,195		\$ 462,418		\$ (902,777)
Instruction-Related Services:					
Instructional Library and Technology	106,217		36,619		(69,598)
School Site Administration	153,749		6,858		(146,891)
Pupil Services:					
Food Services	144,612	\$ 1,168	249,503		106,059
Other Pupil Services	135,367				(135,367)
General Administration:					
Other General Administration	303,561	32	6,695		(296,834)
Plant Services	310,961	7	9,409		(301,545)
Ancillary Services	52,665		23,500		(29,165)
Interest on Long-Term Debt	(2,025)				2,025
Total Governmental Activities	\$ 2,570,302	\$ 1,207	\$ 795,002	\$ 0	(1,774,093)
<u>General Revenues</u>					
Taxes Levied for General Purposes					124,661
Taxes Levied for Debt Service					192
Federal and State Aid - Unrestricted					1,968,406
Interest and Investment Earnings					45,303
Miscellaneous					157,380
Total General Revenues					2,295,942
Change in Net Position					521,849
Net Position - July 1, 2022					3,464,272
Net Position - June 30, 2023					\$ 3,986,121

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

**RICHMOND SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023**

	<u>General</u>	<u>Capital Projects - Special Reserve</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b><u>Assets</u></b>				
Deposits and Investments (Note 2)	\$ 2,537,613	\$ 517,216	\$ 125,763	\$ 3,180,592
Receivables (Note 3)	182,043		33,630	215,673
Due from Other Funds (Note 4)	2,624			2,624
Total Assets	<u>\$ 2,722,280</u>	<u>\$ 517,216</u>	<u>\$ 159,393</u>	<u>\$ 3,398,889</u>
<b><u>Liabilities and Fund Balances</u></b>				
Liabilities:				
Accounts Payable	\$ 116,911		\$ 262	\$ 117,173
Due to Other Funds (Note 4)			2,624	2,624
Unearned Revenue (Note 1H)	87,252			87,252
Total Liabilities	<u>204,163</u>		<u>2,886</u>	<u>207,049</u>
Fund Balances: (Note 9)				
Nonspendable	1,000			1,000
Restricted	493,343		156,507	649,850
Assigned	1,329,860	\$ 517,216		1,847,076
Unassigned	693,914			693,914
Total Fund Balances	<u>2,518,117</u>	<u>517,216</u>	<u>156,507</u>	<u>3,191,840</u>
Total Liabilities and Fund Balances	<u>\$ 2,722,280</u>	<u>\$ 517,216</u>	<u>\$ 159,393</u>	<u>\$ 3,398,889</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

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

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<b>Total Fund Balances - Governmental Funds</b>	<b>\$ 3,191,840</b>
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Amounts reported for governmental activities in the statement of net position are different from amounts reported in governmental funds due to the following:

Capital assets: In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation. Capital assets and accumulated depreciation are:

Capital Assets	\$ 4,723,065	
Accumulated Depreciation	<u>(2,659,578)</u>	
Net		2,063,487

Deferred outflows and inflows of resources relating to pensions: In governmental 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. The net of deferred outflows and inflows was:

601,157

Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities reported at the end of the period are:

Net Pension Liabilities		<u>(1,870,363)</u>
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<b>Total Net Position - Governmental Activities</b>	<b>\$ <u>3,986,121</u></b>
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**RICHMOND SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>General</u>	<u>Capital Projects - Special Reserve</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b><u>Revenues</u></b>				
LCFF Sources:				
State Apportionment / Transfers	\$ 1,897,306			\$ 1,897,306
Local Taxes	124,661			124,661
Total LCFF Sources	2,021,967			2,021,967
Federal Revenue	73,648		\$ 50,574	124,222
State Revenue	515,383		97,467	612,850
Local Revenue	298,249	\$ 8,554	26,309	333,112
Total Revenues	2,909,247	8,554	174,350	3,092,151
<b><u>Expenditures</u></b>				
Current:				
Instruction	1,328,899			1,328,899
Instructional Library and Technology	100,960			100,960
School Site Administration	151,055			151,055
Food Services	40,520		95,853	136,373
Other Pupil Services	124,483			124,483
Other General Administration	284,764		2,738	287,502
Plant Services	290,981		608	291,589
Facilities Acquisition and Construction	95,974			95,974
Ancillary Services	28,355		25,584	53,939
Total Expenditures	2,445,991	0	124,783	2,570,774
Net Change in Fund Balances	463,256	8,554	49,567	521,377
Fund Balances - July 1, 2022	2,054,861	508,662	106,940	2,670,463
Fund Balances - June 30, 2023	\$ 2,518,117	\$ 517,216	\$ 156,507	\$ 3,191,840

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

**RICHMOND SCHOOL DISTRICT**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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<b>Net Change in Fund Balances - Governmental Funds</b>	<b>\$</b>	<b>521,377</b>
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Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds due to the following:

Capital outlay: In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:

Capital Outlays	\$	95,974	
Depreciation Expense		(124,697)	
Net			(28,723)

Pensions: In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pensions costs are recognized on the accrual-basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:

27,170

Unmatured interest on long-term debt: In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, interest expense is recognized in the period that it is incurred. Unmatured interest owed at the end of the period, less matured interest paid during the period but owed from the prior period, was:

2,025

**Change in Net Position of Governmental Activities**

\$ 521,849



**RICHMOND SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES**

**A. Financial Reporting Entity**

The Richmond School District (the "District") is a public educational agency operating under the applicable laws and regulations of the State of California. It is governed by a five member Board of Trustees elected by registered voters of the District, which comprises an area in Lassen County. The District was established in 1864 and serves students in kindergarten through eighth grade.

The District accounts for its financial transactions in accordance with the policies and procedures of the Department of Education's *California School Accounting Manual*. The accounting policies of the District conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

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

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete. The District has identified no organizations that are required to be reported as component units.

**B. Basis of Presentation**

**Government-wide Financial Statements:**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the District. Eliminations have been made to remove the double-counting of internal activities.

The government-wide financial statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund and fiduciary fund financial statements but differs from the manner in which the governmental fund financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. The District does not allocate indirect expenses to functions in the statement of activities.

**RICHMOND SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Concluded)**

**Government-wide Financial Statements (Concluded):**

Program revenues include charges paid by the recipients of goods or services offered by a program, as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

**Fund Financial Statements:**

Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column, and all non-major funds are aggregated into one column.

The accounting and financial treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

**C. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting.

**Revenues - Exchange and Non-exchange Transactions:**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. Under the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, "available" means collectible within the current period or within 45, 60, 90 days after year-end, depending on the revenue source. However, to achieve comparability of reporting among California Districts and so as not to distort normal revenue patterns, with specific respect to reimbursement grants and corrections to state apportionments, the California Department of Education has defined available as collectible within one year.

**RICHMOND SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Basis of Accounting (Concluded)**

**Revenues - Exchange and Non-exchange Transactions (Concluded):**

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

**Unearned Revenue:**

Unearned revenue arises when assets are received before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as unearned revenue. On governmental fund financial statements, receivables associated with non-exchange transactions that will not be collected within the availability period have also been recorded as unearned revenue.

**Expenses/Expenditures:**

On an accrual basis of accounting, expenses are recognized at the time a liability is incurred. On the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However, under the modified accrual basis of accounting, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. 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 or retained earnings, 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. The District maintains the following governmental fund types:

RICHMOND SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Fund Accounting (Concluded)

*General Fund* - The General Fund is used to account for and report all financial resources not accounted for and reported in another fund.

*Special Revenue Funds* - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditure for specified purposes other than debt service or capital projects.

*Debt Service Funds* - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

*Capital Projects Funds* - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The District's accounts are organized into major and non-major funds, as follows:

Major Governmental Funds:

*General Fund* is the general operating fund of the District.

*Capital Projects - Special Reserve Fund* is used to account for funds that have been set aside for current and future capital projects throughout the District.

Non-major Governmental Funds:

*Cafeteria Fund* is used to account for revenues received and expenditures made to operate the District's cafeteria program.

*Student Activity Fund* is to account for the raising and expending of money to promote the general welfare, and educational experience of the student body.

*Bond Interest and Redemption Fund* is used to account for District taxes received and expended to pay bond interest and redeem bond principal and related costs.

*Tax Override Fund* is used for the repayment of voted indebtedness (other than Bond Interest and Redemption Fund repayments) to be financed from ad valorem tax levies.

*Capital Facilities Fund* is used to account for resources received from developer impact fees assessed under provisions of the California Environmental Quality Act (CEQA).

E. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. By state law, the District's Governing Board must adopt a final budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's Governing Board satisfied these requirements.

RICHMOND SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgets and Budgetary Accounting (Concluded)

These budgets are revised by the District's Governing Board and Superintendent during the year to give consideration to unanticipated income and expenditures. The original and final revised budgets are presented for the General Fund as required supplementary information on page 47.

Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

F. Use of Estimates

The preparation of financial statements in conformity with principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

G. 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.

H. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Equity

1. Deposits and Investments

The District is authorized to maintain cash in banks and revolving funds that are insured to \$250,000 by the Federal Depository Insurance Corporation (FDIC). The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The County is authorized to deposit cash and invest excess funds by California *Government Code* Section 53648 et seq. The funds maintained by the County are either secured by the FDIC or are collateralized.

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

RICHMOND SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Equity (Continued)

1. Deposits and Investments (Concluded)

Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost.

2. Prepaid Expenses/Expenditures

Payments made to vendors for goods or services that will benefit periods beyond the fiscal year ended, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which goods or services are consumed. Reported prepaid expenses/expenditures are equally offset by a reserve, which indicates that these amounts are not available for appropriation. The District had no prepaid expenses/expenditures balance as of June 30, 2023.

3. Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the asset's lives are not capitalized but are expensed as incurred.

Depreciation on all capital assets is computed using a straight-line basis over the following estimated useful lives:

<u>Asset Class</u>	<u>Years</u>
Sites and Improvements	20-25
Buildings and Improvements	20-50
Furniture and Equipment	5-15

4. Deferred Outflows/Inflows of Resources

In addition to assets, the District will sometimes report 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 and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the District 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 and so will not be recognized as an inflow of resources until that time.

**RICHMOND SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Equity (Continued)**

**5. Unearned Revenue**

Cash received for federal, and state special projects and programs is recognized as revenue to the extent that qualified expenditures have been incurred. Unearned revenue is recorded to the extent that cash received on specific projects and programs exceeds qualified expenditures.

**6. Compensated Absences**

All vacation pay is accrued when incurred in the government-wide financial statements. The District had no compensated absences balance as of June 30, 2023.

Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expense in the period taken, since such benefits do not vest, nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires.

**7. 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 California State Teachers' Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS), and additions to/deductions from the CalSTRS' and CalPERS' fiduciary net position have been determined on the same basis as they are reported by CalSTRS and CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**8. Long-Term Liabilities**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as long-term liabilities in the Statement of Net Position. Bond premiums are deferred and amortized over the life of the bonds when material. Bonds payable are reported net of applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts as well as bond issuance costs, during the year of issuance. The face amount of the debt issued, premiums, or discounts is reported as other financing sources or uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

RICHMOND SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Equity (Continued)

9. Fund Balances

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

*Nonspendable Fund Balance* consists of funds that cannot be spent due to their form (e.g., inventories and prepaids) or funds that legally or contractually must be maintained intact.

*Restricted Fund Balance* consists of funds that are mandated for a specific purpose by external parties, constitutional provisions or enabling legislation.

*Committed Fund Balance* consists of funds that are set aside for a specific purpose by the District's highest level of decision-making authority (Governing Board). Formal action must be taken prior to the end of the fiscal year. The same formal action must be taken to remove or change the limitations placed on the funds.

*Assigned Fund Balance* consists of funds that are set aside with the intent to be used for a specific purpose by the District's highest level of decision-making authority or a body or official that has been given the authority to assign funds. Assigned funds cannot cause a deficit in unassigned fund balance. In accordance with board policy, the Superintendent and Business Manager have been given this authority.

*Unassigned Fund Balance* consists of excess funds that have not been classified in the previous four categories. All funds in this category are considered spendable resources. This category also provides the resources necessary to meet unexpected expenditure and revenue shortfalls. In accordance with board policy, the District intends to maintain a Reserve for Economic Uncertainties of at least three months of the total General Fund operating expenditures (including other financing). In the event the fund balance drops below the established level, the Governing Board will develop a plan to replenish the fund balance to the established minimum level.

The District considers restricted fund balances to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the District considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.



RICHMOND SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

H. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Equity (Concluded)

10. Local Control Funding Formula (LCFF)/Property Tax

As part of the 2013-14 State Budget Act, the formula for determining the level of funding per student changed from the "revenue limit" formula to the "Local Control Funding Formula" (LCFF). The LCFF creates base, supplemental and concentration grants as the new general-purpose entitlement to replace most existing funding streams, including the State aid portion of the revenue limit and most State categorical programs from prior years. District funding under the LCFF is generally provided by a mix of State aid and local property taxes.

The County of Lassen is responsible for assessing, collecting, and apportioning property taxes to the District. Taxes are levied for each fiscal year on taxable real and personal property in the county. The levy is based on the assessed values as of the preceding January 1, which is also the lien date. Property taxes on the secured roll are due on November 1 and February 1, and taxes become delinquent after December 6 and April 10, respectively. Property taxes on the unsecured roll are due on the lien date (January 1) and become delinquent if unpaid by August 31.

Secured property taxes are recorded as revenue when apportioned, in the fiscal year of the levy. The county apportions secured property tax revenue in accordance with the alternative method of distribution prescribed by Section 4705 of the California *Revenue and Taxation Code*. This alternate method provides for crediting each applicable fund with its total secured taxes upon completion of the secured tax roll, approximately October 1 of each year.

The County Auditor reports the amount of the District's allocated property tax revenue to the California Department of Education. Property taxes are recorded as local LCFF sources by the District. The California Department of Education reduces the District's LCFF entitlement by the District's local property tax revenue. Any balance remaining is paid from the State General Fund and is known as LCFF State Aid.

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits and investments as of June 30, 2023, consist of the following:

	<u>Governmental Activities</u>
Cash on Hand and in Banks	\$ 18,507
Cash in Revolving Fund	1,000
County Pool Investments	<u>3,161,085</u>
Totals	<u>\$ 3,180,592</u>

**RICHMOND SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)**

Cash on Hand and in Banks

Cash on hand and in banks consists of all cash held by the District and all cash maintained in commercial bank accounts owned by the District, exclusive of amounts held in revolving funds.

Cash in Revolving Fund

Cash in revolving fund consists of all cash maintained in commercial bank accounts that are used as revolving funds.

County Pool Investments

County pool investments consist of District cash held by the Lassen County Treasury that is invested in the county investment pool. The fair value of the District's investment in the pool is reported in the financial statements at amounts that are based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

General Authorization

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

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

**RICHMOND SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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**NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)**

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by investing in the Lassen County Investment Pool.

Weighted Average Maturity

The District monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. Information about the weighted average maturity of the District's portfolio is presented in the following schedule:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Weighted Average Days to Maturity</u>
County Pool Investments	\$ 3,161,085	\$ 3,161,085	782

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investments in the County Treasury are not required to be rated.

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies.

California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2023, the District's bank balance was not exposed to custodial credit risk.

Fair Value Measurements

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

**RICHMOND SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2 - DEPOSITS AND INVESTMENTS (CONCLUDED)**

Fair Value Measurements (Concluded)

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

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

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

Uncategorized - Investments in the Lassen County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The District's fair value measurements are as follows at June 30, 2023:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Uncategorized</u>
County Pool Investments	<u>\$ 3,161,085</u>	<u>\$ 3,161,085</u>

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

**NOTE 3 - RECEIVABLES**

Receivables at June 30, 2023 consist of the following:

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Totals</u>
Federal Government	\$ 31,735	\$ 9,989	\$ 41,724
State Government	70,575	23,641	94,216
Local Governments	46,100		46,100
Miscellaneous	33,633		33,633
Totals	<u>\$ 182,043</u>	<u>\$ 33,630</u>	<u>\$ 215,673</u>

**RICHMOND SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 - INTERFUND ACTIVITIES**

Interfund transactions are 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. Reimbursements occur 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.

**Balances Due From/Due To Other Funds**

Interfund Balances at June 30, 2023 consists of the following:

<u>Funds</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General	\$ 2,624	
Cafeteria		\$ 2,624
Totals	<u>\$ 2,624</u>	<u>\$ 2,624</u>

All interfund receivables and payables are scheduled to be paid within one year.

**NOTE 5 - CAPITAL ASSETS AND DEPRECIATION**

Capital asset activity for the year ended June 30, 2023, is shown below:

	<u>Balances July 1, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances June 30, 2023</u>
Capital Assets Not Being Depreciated:				
Land	\$ 279,380			\$ 279,380
Construction-in-Progress	145,108	\$ 95,974	\$ 241,082	0
Total Capital Assets Not Being Depreciated	<u>424,488</u>	<u>95,974</u>	<u>241,082</u>	<u>279,380</u>
Capital Assets Being Depreciated:				
Sites and Improvements	788,403			788,403
Buildings and Improvements	3,119,735	241,082		3,360,817
Furniture and Equipment	294,465			294,465
Total Capital Assets Being Depreciated	<u>4,202,603</u>	<u>241,082</u>	<u>0</u>	<u>4,443,685</u>
Less Accumulated Depreciation:				
Sites and Improvements	459,584	34,131		493,715
Buildings and Improvements	1,784,788	89,248		1,874,036
Furniture and Equipment	290,509	1,318		291,827
Total Accumulated Depreciation	<u>2,534,881</u>	<u>124,697</u>	<u>0</u>	<u>2,659,578</u>
Total Capital Assets Being Depreciated, Net	<u>1,667,722</u>	<u>116,385</u>	<u>0</u>	<u>1,784,107</u>
Capital Assets, Net	<u>\$ 2,092,210</u>	<u>\$ 212,359</u>	<u>\$ 241,082</u>	<u>\$ 2,063,487</u>

**RICHMOND SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 5 - CAPITAL ASSETS AND DEPRECIATION (CONCLUDED)**

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 67,563
Instruction-Related Services	12,866
Pupil Services	13,856
General Administration	15,023
Plant Services	15,389
	<u>15,389</u>
Total	<u>\$ 124,697</u>

**NOTE 6 - RETIREMENT PLANS**

Qualified employees are covered under retirement plans maintained by agencies of the State of California. Certificated employees are eligible to participate under the multiple-employer, cost-sharing defined benefit plan administered by the California State Teachers' Retirement System (CalSTRS) and classified employees are eligible to participate under the multiple-employer, cost-sharing defined benefit plan administered by the California Public Employees' Retirement System (CalPERS).

The District reported net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense in the accompanying government-wide financial statements as follows:

<u>Pension Plan</u>	<u>Net Pension Liabilities</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
CalSTRS	\$ 757,129	\$ 278,037	\$ 288,363	\$ 114,721
CalPERS	1,113,234	653,573	42,090	175,643
Totals	<u>\$ 1,870,363</u>	<u>\$ 931,610</u>	<u>\$ 330,453</u>	<u>\$ 290,364</u>

**Plan Description**

The California State Teachers Retirement System (CalSTRS) provides pension benefits, including disability and survivor benefits, to California full-time and part-time public-school teachers and certain other employees of the public school system. The Teachers' Retirement Law (California Education Code Section 22000 et seq.), as enacted and amended by the California Legislature and the Governor, established the plan and CalSTRS as the administrator. The terms of the plan may be amended through legislation. CalSTRS issues publicly available reports that include a full description of the pension plan that can be found on the CalSTRS website.

**Benefits Provided**

The State Teachers' Retirement Plan (STRP) is a multiple-employer, cost-sharing defined benefit plan. The STRP holds assets for the exclusive purpose of providing benefits to members of these programs and their beneficiaries. CalSTRS also uses plan assets to defray reasonable expenses for administering the STRP. Although CalSTRS is the administrator of the STRP, the State of California is the sponsor and obligor of the trust. In addition, the State is both an employer and nonemployer contributing entity to the STRP.

RICHMOND SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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NOTE 6 - RETIREMENT PLANS (CONTINUED)

A. California State Teachers' Retirement System (CalSTRS)

Benefits Provided (Continued)

Membership is mandatory for all employees meeting certain statutory requirements and optional for all other employees performing creditable services activities. The Defined Benefit Program provides retirement benefits based on members' final compensation, age, and years of service credit. In addition, the program provides benefits to members upon disability and to their survivors or beneficiaries upon the death of eligible members.

The STRP Defined Benefit Program has two benefit structures:

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

There are several differences between the two benefit structures and some of the differences 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 retirements 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 of its classroom teachers. One-year final compensation is a member's highest average annual compensation earnable for 12 consecutive months based on the creditable compensation that a 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 a 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.

RICHMOND SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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NOTE 6 - RETIREMENT PLANS (CONTINUED)

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

Benefits Provided (Concluded)

CalSTRS 2% at 62 (Concluded)

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

Contributions

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

The CalSTRS Funding Plan established a schedule of contribution rate increases shared among members, employers and the state to bring CalSTRS toward full funding by 2046.

A summary of statutory contribution rates and other sources of contributions to the Defined Benefit Program are as follows:

Members: The member contribution rate for 2% at 60 members is set in statute at 10.25%, while 2% at 62 members are required to pay at least one-half of the normal cost of their Defined Benefit Program benefit (rounded to the nearest quarter of 1%). The member contribution rate for 2% at 62 members was 10.205% for fiscal year 2022-23.

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. Beginning in fiscal year 2021-22, the CalSTRS Funding Plan authorizes the board to adjust the employer supplemental contribution rate up or down by a maximum of 1% for a total rate of no higher than 20.25% and no lower than 8.25%. In May 2022, the board voted to keep the employer supplemental contribution rate at 10.85% for fiscal year 2022-23 for a total contribution rate of 19.10%. The District contributed \$110,282 to the plan for the fiscal year ended June 30, 2023.

State: 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 up to 0.5% each fiscal year to help eliminate the state's share of the CalSTRS unfunded actuarial obligation by 2046. In May 2022, the board voted to keep the state supplemental contribution rate at 6.311% for fiscal year 2022-23. Including a 2.50% contribution for SBMA funding, the total state contribution to the defined benefit program was 10.828% for the fiscal year ended June 30, 2023.



**RICHMOND SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 6 - RETIREMENT PLANS (CONTINUED)**

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

**District's Proportionate Share of the Net Pension Liability, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

At June 30, 2023, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability associated with the District was as follows:

District's proportionate share of the net pension liability	\$ 757,129
State's proportionate share of the net pension liability associated with the District	<u>379,167</u>
Total net pension liability attributed to District	<u>\$ 1,136,296</u>

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating employers and the State. The District's proportionate share of the net pension liability as of June 30, 2022 and June 30, 2021 was as follows:

Proportion - June 30, 2022	0.0011%
Proportion - June 30, 2021	<u>0.0013%</u>
Change - Increase (Decrease)	<u>-0.0002%</u>

For the fiscal year ended June 30, 2023, the District recognized pension expense of \$114,721, which includes \$60,816 of support provided by the State. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
District contributions subsequent to the measurement date	\$ 110,282	
Differences between expected and actual experience	650	\$ 61,956
Changes of assumptions	39,474	
Changes in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	127,631	135,671
Net differences between projected and actual earnings on plan investments		<u>90,736</u>
Totals	<u>\$ 278,037</u>	<u>\$ 288,363</u>

RICHMOND SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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NOTE 6 - RETIREMENT PLANS (CONTINUED)

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

District's Proportionate Share of the Net Pension Liability, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions (Concluded)

The deferred outflows of resources related to District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2024. 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 Ended June 30	
2024	\$ (22,428)
2025	(55,000)
2026	(80,195)
2027	62,681
2028	(7,505)
Thereafter	(18,161)

Other than differences between projected and actual earnings on plan investments, deferred outflows and inflows of resources are amortized using a straight-line method over a closed period equal to the average of the expected remaining service lives of all plan members who are provided with pensions through CalSTRS (active and inactive), which is 7 years as of the beginning of the measurement period. 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.

Actuarial Methods and Assumptions

The total pension liability for the STRP was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2021 and rolling forward the total pension liability to June 30, 2022. Significant actuarial methods and assumptions used in the financial reporting actuarial valuation to determine the total pension liability include:

Valuation Date	June 30, 2021
Experience Study	July 1, 2015 through June 30, 2018
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return <sup>1</sup>	7.10%
Consumer Price Inflation	2.75%
Wage Growth	3.50%
Post-retirement Benefit Increases	2.00% simple for DB (Annually)
	Maintain 85% purchasing power level for DB

<sup>1</sup> Net of investment expenses, but gross of administrative expenses.

**RICHMOND SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 6 - RETIREMENT PLANS (CONTINUED)**

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

The sections that follow provide additional discussion on key assumptions and methods for the valuation of the STRP.

**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 are made at statutory contribution rates as previously described. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return of 7.10% and assume that contributions, benefit payments, and administrative expenses occur midyear. Based on those assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

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

The actuarial investment rate of return assumption was adopted by the board in January 2020 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS' independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of expected 20-year geometrically linked real rates of return and the assumed asset allocation for each major asset class as of June 30, 2022, are summarized in the following table:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return*</u>
Public Equity	42%	4.80%
Real Estate	15%	3.60%
Private Equity	13%	6.30%
Fixed Income	12%	1.30%
Risk Mitigating Strategies	10%	1.80%
Inflation Sensitive	6%	3.30%
Cash / Liquidity	2%	-0.40%
Total	100%	

\* 20-year average

RICHMOND SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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NOTE 6 - RETIREMENT PLANS (CONTINUED)

A. California State Teachers' Retirement System (CalSTRS) (Concluded)

Mortality

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

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

The following table presents the District's proportionate share of the net pension liability as of the measurement date, calculated using the current 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 one percentage point lower (6.10%) or one percentage point higher (8.10%) than the current rate:

	Discount Rate 1% Decrease 6.10%	Discount Rate Current Rate 7.10%	Discount Rate 1% Increase 8.10%
District's proportionate share of the net pension liability	\$ 1,285,885	\$ 757,129	\$ 318,102

Pension Plan's Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalSTRS Comprehensive Annual Financial Report for the fiscal year ended June 30, 2022.

B. California Public Employees' Retirement System (CalPERS)

Plan Description, Benefits Provided, and Employees Covered

The District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by the CalPERS. All employees who work at least half time or are appointed to a job that will last at least six months and one day are eligible for CalPERS. Benefits vest after five years. Employees are eligible to retire at or after age 50 having attained five years of credited service and are entitled to an annual retirement benefit, payable monthly for life. Employees hired after January 1, 2013 with five years of credit service must be at least age 52 to retire.

RICHMOND SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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NOTE 6 - RETIREMENT PLANS (CONTINUED)

B. California Public Employees' Retirement System (CalPERS) (Continued)

Plan Description, Benefits Provided, and Employees Covered (Concluded)

The Plan provides retirement, disability, and death benefits, and annual cost-of-living adjustments to plan members and beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Active plan members who entered into the plan prior to January 1, 2013 are required to contribute 7.0% of their salary, and new members entering into the plan on or after January 1, 2013 are required to contribute the higher of 50.0% of the total normal cost rate for their defined benefit plan or 8.0% of their salary. The District's contractually required contribution rate for the fiscal year ended June 30, 2023 was 25.37% of annual payroll. The District's contribution to CalPERS for the fiscal year ended June 30, 2023 was \$146,436.

District's Proportionate Share of the Net Pension Liability, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

As of June 30, 2023, the District reported a liability of \$1,113,234 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability as of June 30, 2022 and June 30, 2021 was as follows:

Proportion - June 30, 2022	0.0032%
Proportion - June 30, 2021	<u>0.0021%</u>
Change - Increase (Decrease)	<u><u>0.0011%</u></u>

RICHMOND SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 6 - RETIREMENT PLANS (CONTINUED)

B. California Public Employees' Retirement System (CalPERS) (Continued)

District's Proportionate Share of the Net Pension Liability, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions (Concluded)

For the fiscal year ended June 30, 2023, the District recognized pension expense of \$175,643. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
District contributions subsequent to the measurement date	\$ 146,436	
Differences between expected and actual experience	2,494	\$ 27,579
Changes of assumptions	83,061	
Changes in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	225,873	14,511
Net differences between projected and actual earnings on plan investments	<u>195,709</u>	
Totals	<u>\$ 653,573</u>	<u>\$ 42,090</u>

The deferred outflows of resources related to District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30</u>	
2024	\$ 127,850
2025	129,402
2026	127,646
2027	80,149

Differences between expected and actual experience, changes in assumptions, and changes in employer's proportion and differences in employer's contributions and employer's proportionate share of contributions are amortized over a closed period equal to the average remaining service life of plan members, which is 3.9 years as of June 30, 2022. The net difference between projected and actual earnings on pension plan investments is amortized over a 5-year period on a straight-line basis.

RICHMOND SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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NOTE 6 - RETIREMENT PLANS (CONTINUED)

B. California Public Employees' Retirement System (CalPERS) (Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2021 actuarial valuations were determined using the following actuarial methods and assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry Age Actuarial Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Wage Growth	Varies by Entry Age and Service
Mortality Rate Table	Derived Using CalPERS' Membership Data For All Funds
Investment Rate of Return	6.90%
Post Retirement Benefit Increase	The Lesser of Contract COLA or 2.30% Until Purchasing Power Protection Allowance Floor on Purchasing Power Applies, 2.30% Thereafter

Mortality rate table used was developed based on CalPERS specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's 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 plan investments 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 determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

**RICHMOND SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 6 - RETIREMENT PLANS (CONTINUED)**

**B. California Public Employees' Retirement System (CalPERS) (Continued)**

*Discount Rate (Concluded)*

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

The expected real rates of return by asset class are as follows:

Asset Class <sup>1</sup>	Assumed Asset Allocation	Real Return <sup>1, 2</sup>
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity - Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	100%	

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2021 Asset Liability Management Study.

*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 one percentage point lower (5.90%) or one percentage point higher (7.90%) than the current rate:

	Discount Rate 1% Decrease 5.90%	Discount Rate Current Rate 6.90%	Discount Rate 1% Increase 7.90%
District's proportionate share of the net pension liability	\$ 1,608,123	\$ 1,113,234	\$ 704,227



**RICHMOND SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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**NOTE 6 - RETIREMENT PLANS (CONCLUDED)**

**B. California Public Employees' Retirement System (CalPERS) (Concluded)**

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report.

**C. Social Security**

As established by Federal law, all public sector employees who are not members of their employer's existing retirement system (CalSTRS or CalPERS) must be covered by social security or an alternative plan. The District has elected to use Social Security as its alternative plan. Contributions made by the District and participating employees vest immediately. Both the District and participating employees were required to contribute 6.2% of an employee's gross earnings, up to the annual limit.

**NOTE 7 - ON-BEHALF PAYMENTS MADE BY THE STATE OF CALIFORNIA**

The District was the recipient of on-behalf payments made by the State of California to the State Teachers' Retirement System (CalSTRS) for K-12 Education. These payments consist of state general fund contributions of \$60,816 to CalSTRS. These contributions are recorded in the General Fund as revenues and expenditures. The District is not legally responsible for these contributions.

**NOTE 8 - LONG-TERM LIABILITIES**

A schedule of changes in long-term liabilities for the year ended June 30, 2023, is shown below:

	Balances July 1, 2022	Additions	Deductions	Balances June 30, 2023	Due within One Year
Net Pension Liability - CalSTRS	\$ 581,391	\$ 175,738		\$ 757,129	
Net Pension Liability - CalPERS	435,816	677,418		1,113,234	
Totals	<u>\$ 1,017,207</u>	<u>\$ 853,156</u>	<u>\$ 0</u>	<u>\$ 1,870,363</u>	<u>\$ 0</u>

The net pension liabilities are obligations of the General Fund and Cafeteria Fund.

**RICHMOND SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 9 - FUND BALANCES**

The District's fund balances at June 30, 2023 consisted of the following:

	General Fund	Capital Projects - Special Reserve Fund	Non-Major Governmental Funds	Totals
Nonspendable:				
Revolving Cash	\$ 1,000			\$ 1,000
Restricted:				
Categorical Programs	493,343		\$ 87,043	580,386
Student Activities			18,507	18,507
Debt Service			27,205	27,205
Developer Fees			23,752	23,752
Total Restricted	493,343		156,507	649,850
Assigned:				
Capital Projects		\$ 517,216		517,216
Mandated Cost	72,218			72,218
Technology	100,000			100,000
Curriculum	50,000			50,000
Cash Flow	143,915			143,915
Unexpected Expenses	844,517			844,517
Campus Upgrades	119,210			119,210
Total Assigned	1,329,860	517,216	0	1,847,076
Unassigned:				
Reserve for Economic Uncertainties	693,914			693,914
Totals	\$ 2,518,117	\$ 517,216	\$ 156,507	\$ 3,191,840

**NOTE 10 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2022-23, the District participated in four joint powers authorities (JPAs) for purposes of pooling for risk. There were no significant reductions in coverage during the year. Settlements have not exceeded coverage for any of the past three years.

**NOTE 11 - JOINT VENTURES**

The District participates in four joint ventures under joint powers agreements (JPAs): (1) the Northern California Schools Insurance Group, (NCSIG) for Property and Liability Insurance, (2) the Schools Excess Liability Fund (SELF) for Excess Liability Insurance, (3) the Northern California Regional Excess Liability Fund (RELIEF) for Excess Property & Liability Insurance, and (4) Self-Insured School of California (SISC) for Workers' Compensation Insurance.

**RICHMOND SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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**NOTE 11 - JOINT VENTURES (CONCLUDED)**

The relationships between the District and the JPAs are such that the JPAs are not component units of the District for financial reporting purposes. The JPAs arrange for and/or provide coverage for its members. The JPAs are governed by a board consisting of a representative from each member district. Each board controls the operations of their JPAs, including selection of management and approval of operating budgets independent of any influence by the member districts beyond their representation on the Board. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionately to their participation in the JPAs.

The JPAs are audited on an annual basis. Financial information can be obtained by contacting each JPA's management.

**NOTE 12 - COMMITMENTS AND CONTINGENCIES**

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

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

**B. Litigation**

The District is subject to various legal proceedings and claims. In the opinion of management, the ultimate liability with respect to these actions will not materially affect the financial position or results of operations of the District.

**NOTE 13 - SUBSEQUENT EVENTS**

The District's management has evaluated events or transactions that occurred for possible recognition or disclosure in the financial statements from the balance sheet date through December 14, 2023, which is the date the financial statements were available to be issued. Management has determined that there were no subsequent events or transactions that require disclosure in or adjustment to the current year financial statements.

## REQUIRED SUPPLEMENTARY INFORMATION SECTION

**RICHMOND SCHOOL DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
<b><u>Revenues</u></b>				
LCFF Sources:				
State Apportionment / Transfers	\$ 1,762,977	\$ 1,890,420	\$ 1,897,306	\$ 6,886
Local Sources	103,132	129,697	124,661	(5,036)
Total LCFF Sources	1,866,109	2,020,117	2,021,967	1,850
Federal Revenue	43,436	48,432	73,648	25,216
Other State Revenue	118,091	211,658	515,383	303,725
Other Local Revenue	181,292	181,292	298,249	116,957
Total Revenues	2,208,928	2,461,499	2,909,247	447,748
<b><u>Expenditures</u></b>				
Current:				
Certificated Salaries	798,380	762,038	807,723	(45,685)
Classified Salaries	408,681	419,948	414,694	5,254
Employee Benefits	583,139	598,090	592,352	5,738
Books and Supplies	131,727	221,172	221,557	(385)
Services and Other				
Operating Expenditures	274,116	377,851	316,315	61,536
Capital Outlay	242,000	96,892	95,974	918
Other Expenditures	(2,497)	(2,315)	(2,624)	309
Total Expenditures	2,435,546	2,473,676	2,445,991	27,685
Net Change in Fund Balances	(226,618)	(12,177)	463,256	\$ 475,433
Fund Balances - July 1, 2022	2,054,861	2,054,861	2,054,861	
Fund Balances - June 30, 2023	\$ 1,828,243	\$ 2,042,684	\$ 2,518,117	

SEE NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

RICHMOND SCHOOL DISTRICT

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALSTRS \*

JUNE 30, 2023

Year Ended June 30	District's Proportion of the NPL	District's Proportionate Share of the NPL	State's Proportionate Share of the NPL Associated to District	Total NPL Attributed to District	District's Covered Payroll	District's Proportionate Share of the NPL as a % of Covered Payroll	Plan Fiduciary Net Position As a % of Total Pension Liability
2023	0.0011%	\$ 757,129	\$ 379,167	\$ 1,136,296	\$ 631,950	119.81%	81.20%
2022	0.0013%	581,391	292,533	873,924	681,839	85.27%	87.21%
2021	0.0012%	1,135,703	585,455	1,721,158	631,696	179.79%	71.82%
2020	0.0011%	1,005,184	548,395	1,553,579	599,564	167.65%	72.56%
2019	0.0012%	1,125,803	644,575	1,770,378	650,776	172.99%	70.99%
2018	0.0011%	1,055,237	624,269	1,679,506	611,161	172.66%	69.46%
2017	0.0012%	945,716	661,998	1,607,714	586,831	161.16%	70.04%
2016	0.0012%	789,916	543,976	1,333,892	550,856	143.40%	74.02%
2015	0.0012%	701,241	469,738	1,170,979	550,860	127.30%	76.52%

\* The amounts presented for each fiscal year were determined based on a measurement date that was one year prior to the year-end date. This is a 10-year schedule, however the information in this schedule is not required to be presented retroactively. Additional years will be added to this schedule as information becomes available until 10 years are presented.

SEE NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

**RICHMOND SCHOOL DISTRICT**

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALPERS \***

**JUNE 30, 2023**

<u>Year Ended June 30</u>	<u>District's Proportion of the NPL</u>	<u>District's Proportionate Share of the NPL</u>	<u>District's Covered Payroll</u>	<u>District's Proportionate Share of the NPL as a % of Covered Payroll</u>	<u>Plan Fiduciary Net Position As a % of Total Pension Liability</u>
2023	0.0032%	\$ 1,113,234	\$ 495,805	224.53%	69.76%
2022	0.0021%	435,816	307,077	141.92%	80.97%
2021	0.0022%	676,453	318,752	212.22%	70.00%
2020	0.0022%	646,218	306,306	210.97%	70.05%
2019	0.0017%	453,065	222,890	203.27%	70.85%
2018	0.0021%	494,291	266,424	185.53%	71.87%
2017	0.0022%	426,923	258,048	165.44%	73.90%
2016	0.0021%	312,805	235,995	132.55%	79.43%
2015	0.0021%	238,401	236,353	100.87%	83.38%

\* The amounts presented for each fiscal year were determined based on a measurement date that was one year prior to the year-end date. This is a 10-year schedule, however the information in this schedule is not required to be presented retroactively. Additional years will be added to this schedule as information becomes available until 10 years are presented.

SEE NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

**RICHMOND SCHOOL DISTRICT**

**SCHEDULE OF CONTRIBUTIONS - CALSTRS \***

**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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<u>Year Ended June 30</u>	<u>Actuarially Determined Contributions</u>	<u>Contributions In Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency/ (Excess)</u>	<u>District's Covered Payroll</u>	<u>Contributions As a % of Covered Payroll</u>
2023	\$ 110,282	\$ 110,282	\$ 0	\$ 577,393	19.10%
2022	106,926	106,926	0	631,950	16.92%
2021	110,117	110,117	0	681,839	16.15%
2020	108,020	108,020	0	631,696	17.10%
2019	97,609	97,609	0	599,564	16.28%
2018	93,907	93,907	0	650,776	14.43%
2017	76,884	76,884	0	611,161	12.58%
2016	62,967	62,967	0	586,831	10.73%
2015	48,916	48,916	0	550,856	8.88%

\* This is a 10-year schedule, however the information in this schedule is not required to be presented retroactively. Additional years will be added to this schedule as information becomes available until 10 years are presented.

SEE NOTES TO REQUIRED SUPPLEMENTARY INFORMATION



**RICHMOND SCHOOL DISTRICT**

**SCHEDULE OF CONTRIBUTIONS - CALPERS \***

**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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Year Ended June 30	Actuarially Determined Contributions	Contributions In Relation to Contractually Required Contributions	Contribution Deficiency/ (Excess)	District's Covered Payroll	Contributions As a % of Covered Payroll
2023	\$ 146,436	\$ 146,436	\$ 0	\$ 577,201	25.370%
2022	113,589	113,589	0	495,805	22.910%
2021	63,565	63,565	0	307,077	20.700%
2020	62,861	62,861	0	318,752	19.721%
2019	55,325	55,325	0	306,306	18.062%
2018	34,617	34,617	0	222,890	15.531%
2017	37,001	37,001	0	266,424	13.888%
2016	30,571	30,571	0	258,048	11.847%
2015	27,779	27,779	0	235,995	11.771%

\* This is a 10-year schedule, however the information in this schedule is not required to be presented retroactively. Additional years will be added to this schedule as information becomes available until 10 years are presented.

SEE NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

**RICHMOND SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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**NOTE 1 - PURPOSE OF STATEMENTS AND SCHEDULES**

**A. Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, the District is required to present a Schedule of Revenues, Expenditures, and Changes in Fund Balance budgetary comparison for the General Fund and each Major Special Revenue Fund that has an adopted budget. This schedule presents the original adopted budget, final adopted budget, and the actual revenues and expenditures of each of these funds by object. The basis of budgeting is the same as Generally Accepted Accounting Principles (GAAP).

Excess of expenditures over appropriations as of June 30, 2023, were as follows:

<u>General Fund</u>	<u>Excess Expenditures</u>
Certificated Salaries	\$ 45,685
Books & Supplies	385

**B. Schedule of the Proportionate Share of the Net Pension Liability**

In accordance with Governmental Accounting Standards Board Statement No. 68, the District is required to present separately for each cost-sharing pension plan through which pensions are provided a 10-year schedule presenting certain information. The information required to be presented includes the District's proportion and proportionate share of the collective net pension liability, the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability associated with the District, if applicable, the District's covered payroll, the District's proportionate share of the collective net pension liability as a percentage of the District's covered payroll, and the pension plan's fiduciary net position as a percentage of the total pension liability.

**C. Schedule of Contributions**

In accordance with Governmental Accounting Standards Board Statement No. 68, the District is required to present separately for each cost-sharing pension plan through which pensions are provided a 10-year schedule presenting certain information. The information required to be presented includes the statutorily or contracted required District contribution, the amount of contributions recognized by the pension plan in relation to the required District contribution, the difference between the required District contribution and the amount recognized by the pension plan, the District's covered payroll, and the amount of contributions recognized by the pension plan in relation of the District as a percentage of the District's covered payroll.

RICHMOND SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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NOTE 2 - SUMMARY OF CHANGES FOR CALSTRS AND CALPERS

A. Benefit Changes

There were no changes to benefit terms since the previous valuation for either the State Teachers' Retirement Plan (CalSTRS) or the Public Employer's Retirement Fund B (CalPERS).

B. Changes of Assumptions

There were no changes in assumptions since the previous valuation for CalSTRS.

In November 2021, the CalPERS Board of Administration adopted new investment portfolios as well as several changes to actuarial assumptions. These changes were implemented in the June 30, 2021 actuarial valuation for funding purposes. Included in these changes were assumptions for inflation, the discount rate, and administrative expenses, as well as demographic assumptions including changes to mortality rates.

The discount rate changed from 7.15% at June 30, 2021, to 6.90% at June 30, 2022 for CalPERS.



## SUPPLEMENTARY INFORMATION SECTION

**RICHMOND SCHOOL DISTRICT**  
**ORGANIZATION/BOARD OF TRUSTEES/ADMINISTRATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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ORGANIZATION

The Richmond School District was established in 1864 and is located in Lassen County. There was no change in District boundaries during the year. The District currently operates one elementary school.

BOARD OF TRUSTEES

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Sadie Albonico	President	December, 2026
Adam Runyan	Clerk	December, 2024
Nicholas McBride	Member	December, 2026
Tracy Langslet	Member	December, 2024
Daniel Bertotti	Member	December, 2026

ADMINISTRATION

Michael Cosgrove  
Superintendent

Jeanette Goni  
Business Manager

**RICHMOND SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2023**

	<u>Cafeteria</u>	<u>Student Activity</u>
<b><u>Assets</u></b>		
Deposits and Investments	\$ 56,299	\$ 18,507
Receivables	33,630	
Total Assets	<u>\$ 89,929</u>	<u>\$ 18,507</u>
<b><u>Liabilities and Fund Balances</u></b>		
Liabilities:		
Accounts Payable	\$ 262	
Due to Other Funds	2,624	
Total Liabilities	<u>2,886</u>	
Fund Balances:		
Restricted	<u>87,043</u>	<u>\$ 18,507</u>
Total Fund Balances	<u>87,043</u>	<u>18,507</u>
Total Liabilities and Fund Balances	<u>\$ 89,929</u>	<u>\$ 18,507</u>

SEE NOTES TO SUPPLEMENTARY INFORMATION

Bond Interest and Redemption	Tax Override	Capital Facilities	Total Non-Major Governmental Funds
\$ 11,544	\$ 15,661	\$ 23,752	\$ 125,763 33,630
\$ 11,544	\$ 15,661	\$ 23,752	\$ 159,393
			\$ 262 2,624 2,886
\$ 11,544	\$ 15,661	\$ 23,752	156,507
11,544	15,661	23,752	156,507
\$ 11,544	\$ 15,661	\$ 23,752	\$ 159,393



**RICHMOND SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Cafeteria</u>	<u>Student Activity</u>
<b><u>Revenues</u></b>		
Federal Revenue	\$ 50,574	
State Revenue	97,467	
Local Revenue	161	\$ 22,098
Total Revenues	<u>148,202</u>	<u>22,098</u>
<b><u>Expenditures</u></b>		
Current:		
Food Services	95,853	
Other General Administration	2,624	
Plant Services	608	
Ancillary Services		25,584
Total Expenditures	<u>99,085</u>	<u>25,584</u>
Net Change in Fund Balances	49,117	(3,486)
Fund Balances - July 1, 2022	<u>37,926</u>	<u>21,993</u>
Fund Balances - June 30, 2023	<u><u>\$ 87,043</u></u>	<u><u>\$ 18,507</u></u>

SEE NOTES TO SUPPLEMENTARY INFORMATION

<b>Bond Interest and Redemption</b>	<b>Tax Override</b>	<b>Capital Facilities</b>	<b>Total Non-Major Governmental Funds</b>
			\$ 50,574
			97,467
\$ (212)	\$ 263	\$ 3,999	26,309
(212)	263	3,999	174,350
			95,853
		114	2,738
			608
			25,584
0	0	114	124,783
(212)	263	3,885	49,567
11,756	15,398	19,867	106,940
\$ 11,544	\$ 15,661	\$ 23,752	\$ 156,507

**RICHMOND SCHOOL DISTRICT**  
**SCHEDULE OF AVERAGE DAILY ATTENDANCE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<b>P-2 Report</b>				
	<b>TK / K - 3</b>	<b>4 - 6</b>	<b>7 - 8</b>	<b>Total</b>
Regular ADA	79.68	62.86	37.57	180.11
<b>Annual Report</b>				
	<b>TK / K - 3</b>	<b>4 - 6</b>	<b>7 - 8</b>	<b>Total</b>
Regular ADA	79.11	62.34	37.44	178.89

SEE NOTES TO SUPPLEMENTARY INFORMATION

**RICHMOND SCHOOL DISTRICT**  
**SCHEDULE OF INSTRUCTIONAL TIME**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Grade Level</u>	<u>Minutes Required</u>	<u>Instructional Minutes</u>			<u>Traditional Calendar Days</u>			<u>Number of Days Multitrack Calendar</u>	<u>Status</u>
		<u>Offered</u>	<u>J-13A Credited</u>	<u>Total</u>	<u>Offered</u>	<u>J-13A Credited</u>	<u>Total</u>		
Kindergarten	36,000	37,350	0	37,350	180	0	180	N/A	In Compliance
Grade 1	50,400	61,650	0	61,650	180	0	180	N/A	In Compliance
Grade 2	50,400	61,700	0	61,700	180	0	180	N/A	In Compliance
Grade 3	50,400	61,700	0	61,700	180	0	180	N/A	In Compliance
Grade 4	54,000	61,800	0	61,800	180	0	180	N/A	In Compliance
Grade 5	54,000	61,800	0	61,800	180	0	180	N/A	In Compliance
Grade 6	54,000	61,900	0	61,900	180	0	180	N/A	In Compliance
Grade 7	54,000	61,900	0	61,900	180	0	180	N/A	In Compliance
Grade 8	54,000	60,250	0	60,250	180	0	180	N/A	In Compliance

SEE NOTES TO SUPPLEMENTARY INFORMATION

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

	General Fund	Deferred Maintenance Fund	Special Revenue - Special Reserve Fund	Student Activity Fund
June 30, 2023 Annual Financial and Budget Report Fund Balances	\$ 2,254,993	\$ 119,210	\$ 143,914	\$ 20,802
Adjustments and Reclassifications Increasing (Decreasing) Fund Balances:				
Overstatement of Cash in Bank				(2,295)
Reclassification of Fund Balances	263,124	(119,210)	(143,914)	
June 30, 2023 Audited Financial Statements Fund Balances	<u>\$ 2,518,117</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 18,507</u>

Auditor's Comments

The fund balances of the General Fund, Deferred Maintenance Fund and Special Revenue - Special Reserve Fund have been combined for financial reporting purposes in accordance with GASB Statement 54.

The audited financial statements of all other funds were in agreement with the Annual Financial and Budget Report for the fiscal year ended June 30, 2023.

**RICHMOND SCHOOL DISTRICT**  
**SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	GENERAL FUND			
	(Budget) 2023-24	2022-23	2021-22	2020-21
Revenues and Other Financial Sources	\$ 2,461,628	\$ 2,909,247	\$ 2,321,953	\$ 2,160,549
Expenditures	2,460,278	2,445,991	2,338,456	1,789,395
Other Uses and Transfers Out	0	0	0	10,000
Total Outgo	2,460,278	2,445,991	2,338,456	1,799,395
Change in Fund Balance	1,350	463,256	(16,503)	361,154
Ending Fund Balance	\$ 2,519,467	\$ 2,518,117	\$ 2,054,861	\$ 2,071,364
Available Reserves	\$ 708,722	\$ 693,914	\$ 1,584,571	\$ 1,617,828
Reserve for Economic Uncertainties *	\$ 708,722	\$ 693,914	\$ 124,506	\$ 442,610
Available Reserves as a Percentage of Total Outgo	28.8%	28.4%	67.8%	89.9%
Average Daily Attendance at P-2	179	180	182	N/A
Total Long-Term Liabilities	\$ 1,870,363	\$ 1,870,363	\$ 1,017,207	\$ 1,902,156

\* Reported balances are a component of available reserves.

The fund balance of the General Fund increased \$446,753 (21.6%) over the past two years. The fiscal year 2023-24 budget projects a slight increase of \$1,350. For a district this size, the state recommends available reserves of at least 5% of total General Fund expenditures, transfers out, and other uses (total outgo).

The District incurred an operating deficit of \$16,503 during 2021-22 and produced operating surpluses of \$361,154 and \$463,256, during fiscal years 2020-21 and 2022-23, respectively.

Average daily attendance (ADA) decreased 2 ADA over the previous year. The Districts 2023-24 budget projects a decrease of 1 ADA.

Total long-term liabilities decreased \$31,793 over the past two years.

**RICHMOND SCHOOL DISTRICT**  
**NOTES TO SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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**NOTE 1 - PURPOSE OF STATEMENTS AND SCHEDULES**

**A. Combining Statements**

Combining statements are presented for purposes of additional analysis and are not a required part of the District's basic financial statements. These statements and schedules present more detailed information about the financial position and financial activities of the District's individual funds.

**B. Schedule of Average Daily Attendance**

Average daily attendance is a measure 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 spans and in different programs.

**C. Schedule of Instructional Time**

This schedule presents information on the instructional days provided and the amount of instructional time offered by the District and whether the District complied with Article 8 (commencing with Section 46200) of Chapter 2 of Part 26 of the Education Code.

**D. Reconciliation of Annual Financial and Budget Report with Audited Financial Statements**

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

**E. Schedule of Financial Trends and Analysis**

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

OTHER INDEPENDENT AUDITOR'S REPORTS SECTION



**STEPHEN ROATCH ACCOUNTANCY CORPORATION**  
*Certified Public Accountants*

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

Board of Trustees  
Richmond School District  
Susanville, 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 the Richmond School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 14, 2023.

**Report on Internal Control over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as **Finding 2023 - 001** that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, except as noted in **Finding 2023-002**.

District's Response to the Findings

*Government Auditing Standards* requires the auditor to perform limited procedures on Richmond School District's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Richmond School District's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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.

*Stephen Roatch Accountancy Corporation*

STEPHEN ROATCH ACCOUNTANCY CORPORATION  
Certified Public Accountants

December 14, 2023

**STEPHEN ROATCH ACCOUNTANCY CORPORATION**  
*Certified Public Accountants*

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

Board of Trustees  
Richmond School District  
Susanville, California

**Report on State Compliance**

*Opinion on State Compliance*

We have audited Richmond School District's (District) compliance with the requirements specified in the *2022-23 Guide for Annual Audits of K-12 Local Educational Agencies and State Compliance Reporting* applicable to the District's state program requirements identified below for the year ended June 30, 2023.

In our opinion, Richmond School District complied, in all material respects, with the laws and regulations of the state programs noted in the table below for the year ended June 30, 2023.

*Basis for Opinion on State Compliance*

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

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

*Responsibilities of Management for Compliance*

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

*Auditor's Responsibilities for the Audit of Compliance*

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *2022-23 Guide for Annual Audits of K-12 Local Educational Agencies and State Compliance Reporting* will always detect material noncompliance when it exists.

*Auditor's Responsibilities for the Audit of Compliance (Concluded)*

The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the state programs as a whole.

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

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

<u>Description</u>	<u>Procedures Performed</u>
Local Education Agencies Other Than Charter Schools:	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	No (see below)
Continuation Education	Not Applicable
Instructional Time	Yes
Instructional Materials	Yes
Ratio of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	Not Applicable
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	Not Applicable

<u>Description</u>	<u>Procedures Performed</u>
Local Education Agencies Other Than Charter Schools (Concluded):	
Middle or Early College High Schools	Not Applicable
K-3 Grade Span Adjustment	Yes
Transportation Maintenance of Effort	Not Applicable
Apprenticeship: Related and Supplemental Instruction	Not Applicable
Comprehensive School Safety Plan	Yes
District of Choice	Not Applicable
Home To School Transportation Reimbursement	Not Applicable
Independent Study Certification For ADA Loss Mitigation	Yes
School Districts, County Offices of Education, and Charter Schools:	
California Clean Energy Jobs Act	Not Applicable
After/Before School Education and Safety Program	Not Applicable
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not Applicable
Immunizations	Not Applicable
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant	Not Applicable
Transitional Kindergarten	Yes
Charter Schools:	
Attendance	Not Applicable
Mode of Instruction	Not Applicable
Nonclassroom-Based Instruction/Independent Study	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction	Not Applicable
Annual Instructional Minutes - Classroom Based	Not Applicable
Charter School Facility Grant Program	Not Applicable

We did not perform procedures for the independent study program because the average daily attendance claimed by the District does not exceed the threshold that requires testing.

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.

#### Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are described in the accompanying Schedule of Findings and Questioned Costs, as noted in **Finding 2023 - 002**.

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the noncompliance finding identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the *2022-23 Guide for Annual Audits of K-12 Local Educational Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

*Stephen Roatch Accountancy Corporation*

STEPHEN ROATCH ACCOUNTANCY CORPORATION  
Certified Public Accountants

December 14, 2023

## FINDINGS AND QUESTIONED COSTS SECTION

RICHMOND SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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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 weaknesses identified?	<u>  X  </u> Yes	<u>      </u> No
Significant deficiencies identified not considered to be material weaknesses?	<u>      </u> Yes	<u>  X  </u> None reported
Noncompliance material to financial statements noted?	<u>  X  </u> Yes	<u>      </u> No

**State Awards**

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

Any audit findings required to be reported in accordance with the *2022-23 Guide for Annual Audits of K-12 Local Educational Agencies and State Compliance Reporting*?

	<u>  X  </u> Yes	<u>      </u> No
--	------------------	------------------

Internal control over state programs:

Material weaknesses identified?	<u>      </u> Yes	<u>  X  </u> No
Significant deficiencies identified not considered to be material weaknesses?	<u>      </u> Yes	<u>  X  </u> None reported



**RICHMOND SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**SECTION II - FINANCIAL STATEMENT FINDINGS**

**2023 - 001 / 30000**

**MATERIAL WEAKNESS**

**MEAL REIMBURSEMENT CLAIM REPORTING**

Criteria: The number of meals reported on monthly meal reimbursement claims, which are the basis for the amount of State and Federal funding received to operate the District's child nutrition programs, should be reviewed very carefully to ensure that the District receives the correct amount of funding, especially since the window for making revisions is limited to 60 days from the last day of the claim month.

Condition: Meal counts reported for the month of March 2023 were not reviewed in sufficient detail to discover that the reported amounts were based on the April 2023 meal count summary, instead of the March 2023 meal count summary. As a result, the District understated the number of meals claimed for reimbursement by 1,122 lunches and 310 breakfasts.

Questioned Costs: None. Federal reimbursements received for the month of March were understated by \$2,089. State reimbursements received for month of March were understated by \$4,842. The understated amounts were determined as follows:

Federal Lunch Counts					
March Claim	Free	Reduced	Paid	Total	
Unaudited	342	51	1534	1927	
Audited	546	82	2421	3049	
Understated Counts	(204)	(31)	(887)	(1,122)	
Federal Rates	\$ 4.33	\$ 3.93	\$ 0.77	\$ 0.08	
Understated Funding	\$ (883)	\$ (122)	\$ (683)	\$ (90)	\$ (1,778)

Federal Breakfast Counts					
March Claim	Free	Reduced	Paid	Total	
Unaudited	153	31	453	637	
Audited	234	40	673	947	
Understated Counts	(81)	(9)	(220)	(310)	
Federal Rates	\$ 2.26	\$ 1.96	\$ 0.50		
Understated Funding	\$ (183)	\$ (18)	\$ (110)		(311)
				Total	\$ (2,089)

**RICHMOND SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**FINANCIAL STATEMENT FINDINGS (CONCLUDED)**

**MEAL REIMBURSEMENT CLAIM REPORTING (CONCLUDED)**

**Questioned Costs (Concluded):**

State Lunch Counts				
March Claim	Free	Reduced	Paid	Total
Unaudited	342	51	1534	1927
Audited	546	82	2421	3049
Understated Counts	(204)	(31)	(887)	(1,122)
State Rates	\$ 0.90	\$ 1.30	\$ 4.46	
Understated Funding	\$ (183)	\$ (40)	\$ (3,952)	\$ (4,174)

State Breakfast Counts				
March Claim	Free	Reduced	Paid	Total
Unaudited	153	31	453	637
Audited	234	40	673	947
Understated Counts	(81)	(9)	(220)	(310)
State Rates	\$ 0.90	\$ 1.20	\$ 2.66	
Understated Funding	\$ (72)	\$ (11)	\$ (584)	(667)
Total				\$ (4,842)

**Context:** The District does not currently qualify to receive the one-time-only exemption to file a revision after the 60-day window period.

**Effect:** The District did not claim reimbursement for all of the federal and state revenues that it entitled to receive.

**Cause:** The meal reimbursement claims were not reviewed in sufficient detail to discover that the wrong monthly summary was used to prepare the claim.

**Recommendation:** The District should modify its review procedure to specifically verify that monthly reimbursement claim is completed based on the corresponding monthly meal count summary.

**District Response:** The District concurs with this finding. The District will establish a procedure of checks and balances prior to submitting a final reimbursement claim based on the corresponding monthly meal count summary.

**RICHMOND SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**SECTION III - STATE AWARD FINDINGS AND QUESTIONED COSTS**

**2023 - 001 / 40000**

**INDEPENDENT STUDY CERTIFICATION FOR ADA LOSS MITIGATION**

Criteria: To be eligible for the 2021-22 ADA Loss Mitigation funding, based on a certification that the district provided a compliant independent study program, the district must meet the following requirements:

- (1) By no later than November 1, 2021, the District must offer an independent study program to all students for the 2021-22 school year, that is consistent with the requirements of Education Code Section 51745, and provide notification to parents and guardians of all enrolled pupils pursuant to paragraph (1) of subdivision (h) of Education Code Section 51747 and subparagraph (A) of paragraph (8) of subdivision (b) of Education Code Section 51749.6 [Education Code Section 42238.023(c)(1)(A)]
- (2) By no later than November 1, 2021, the District must adopt written policies for providing instruction to pupils through independent study, and have verifiable documentation substantiating the provision of opportunities for live interaction and synchronous instruction pursuant to Education Code Section 51745.5, if applicable, or provision of activities or pupil work product of a pupil while out on independent study that is equivalent to in-person instruction pursuant to Education Code Sections 51747 and 51749.5 [Education Code Section 42238.023 (c)(1)(B)]

Condition: The District was unable to provide evidence that it had provided the required notification to parents and guardians of all enrolled pupils of their options to enroll their child in in-person instruction or independent study during the 2021–22 school year.

Questioned Costs: \$54,912. The amount of additional funding received for 2021-22 ADA Loss Mitigation funding, computed as follows:

	Grade Span			Total
	TK / K-3	4 - 6	7 - 8	
2021-22 P-2 ADA - Adjusted for 2021-22 ADA Loss Mitigation	82.06	66.65	40.39	189.10
2021-22 P-2 ADA - Reported	79.34	64.44	39.05	182.83
Disallowed ADA	2.72	2.21	1.34	6.27
Derived Value of ADA	\$ 9,121.03	\$ 8,386.04	\$ 8,634.10	
Questioned Costs	<u>\$ 24,809.20</u>	<u>\$ 18,533.15</u>	<u>\$ 11,569.69</u>	<u>\$ 54,912.04</u>

RICHMOND SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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**SECTION III - STATE AWARD FINDINGS AND QUESTIONED COSTS (CONCLUDED)**

**INDEPENDENT STUDY CERTIFICATION FOR ADA LOSS MITIGATION**

<b><u>Context:</u></b>	The independent study program offered by the District for the 2021-22 school year was used primarily for short-term agreements related to student travel.
<b><u>Effect:</u></b>	The District did not comply with Education Code Section 41372.
<b><u>Cause:</u></b>	Records, which must be retained as a condition of receiving apportionments, were not shared with the business office. The individual responsible for implementing the independent study program is no longer employed by the District. District personnel have been unable to locate the required documentation in the various files left by the previous administration.
<b><u>Recommendation:</u></b>	The District should establish procedures to ensure that the business office has access to all records that substantiate compliance with requirements that are a condition of receiving apportionments. The District should also contact the California Department of Education to determine if any further action is required by the District to resolve this noncompliance.
<b><u>District Response:</u></b>	The District concurs with this finding. The district will establish procedures to ensure that the business office has access to all records that substantiate compliance with requirements that are a condition of receiving apportionments. The District will also contact the California Department of Education to determine if any further action is required by the District to resolve this noncompliance.

RICHMOND SCHOOL DISTRICT  
STATUS OF PRIOR YEAR RECOMMENDATIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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<u>Recommendations</u>	<u>Current Status</u>	<u>Explanation If Not Fully Implemented</u>
<b><u>STATE AWARDS</u></b>		
<b>2022 - 001 / 10000</b>		
<b><u>KINDERGARTEN CONTINUANCE</u></b>		
The District should establish procedures to ensure that state compliant kindergarten continuance forms are used to support all future retentions of kindergarten students. The District should also submit a revised P-2 attendance report that reflects the audit determined P-2 ADA.	Implemented	

**MEMORANDUM OF UNDERSTANDING**  
**between the**  
**RICHMOND ELEMENTARY SCHOOL DISTRICT**  
**and the**  
**CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION**  
**and its Richmond Chapter #810**

***Classified Services During the Holiday Break***

The Richmond Elementary School District ("District") and the California School Employees Association, and its Richmond Chapter #810 ("CSEA") are parties to a collective bargaining agreement ("CBA") which expires on June 30, 2024. The Parties enter into this Memorandum of Understanding governing the provision of classified services during the upcoming Holiday Break.

**TERMS**

1. The District desires to provide certain classified services between July 1, 2023, and June 30, 2024, (hereinafter, this period shall be referred to as the "Holiday Break"). The District intends to use existing employees to perform such services.
2. The Superintendent of the District shall determine the classified services which shall be provided by the District during the Holiday Break and make a list of the desired services available to CSEA.
3. Following the Superintendent's determination of required services, employees may contact the Superintendent to volunteer to provide the identified service(s). The Superintendent shall determine, in his sole and absolute discretion, which, if any, volunteering employee(s) will provide the service(s) in question.
4. Any volunteer services performed pursuant to this Agreement shall not be considered a contracted day, or part of the employee's regular work year. Employees chosen to provide volunteer services pursuant to this Agreement shall instead be compensated at their regular, hourly rate.
5. This Agreement, and its execution, shall not be considered a past practice or be deemed precedential in any many whatsoever.

FOR THE CALIFORNIA SCHOOL  
EMPLOYEES ASSOCIATION, and its  
Richmond Chapter #810

By: \_\_\_\_\_

Date: \_\_\_\_\_

FOR THE RICHMOND ELEMENTARY  
SCHOOL DISTRICT

By: \_\_\_\_\_

Date: \_\_\_\_\_

### OPERATIONS & MAINTENANCE AGREEMENT COVER PAGE

<b>Customer Name</b>	Richmond Elementary School District
<b>Customer Address</b>	700-585 Richmond Road, Susanville CA 96130
<b>Customer County</b>	Lassen
<b>Customer Type</b>	Owner
<b>Customer Contact</b>	Jeanette Goni
<b>Customer Title</b>	Business Manager
<b>Version Date / Executed Date (when final)</b>	11/6/2023
<b>Number of Sites</b>	1
<b>Aggregate System Size (kW)</b>	78.00
<b>First Year O&amp;M Fees (\$/Year)</b>	\$5,600.00
<b>Term of Agreement (Months)</b>	120 Months
<b>Performance Guarantee (%)</b>	90%
<b>First Year True-Up Fee (\$/kWh)</b>	\$0.17
<b>Escalation Rate (%/Year) Applied to O&amp;M Fee and True-Up Fee</b>	Economic price adjustments to match the annual percent change shown on The Consumer Price Index for All Urban Consumers (CPI-U); Western Region; All Items; not seasonally adjusted, ( <a href="https://www.bls.gov/regions/west/news-release/consumerpriceindex_west.htm">https://www.bls.gov/regions/west/news-release/consumerpriceindex_west.htm</a> . ).
<b>Site Inspection Frequency</b>	Annual

**OPERATIONS & MAINTENANCE AGREEMENT**

---

by and between

Richmond Elementary School District

and

---

SitelogIQ, Inc.

1651 Response Rd., Suite 300

Sacramento, California 95815



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## **EXHIBITS**

Exhibit A	Definitions
Exhibit B	System Services
Exhibit C	Insurance
Exhibit D	Sites and System Size
Exhibit E	Annual Energy Production Evaluation
Exhibit F	Rates for Additional Services

## OPERATION AND MAINTENANCE AGREEMENT

This Operation and Maintenance Agreement ("Agreement") is entered into as of \_\_\_\_\_, between the Richmond Elementary School District, organized and existing under the laws of the State of California ("Owner") and SitelogIQ, Inc., a Delaware corporation doing business as SitelogIQ, Inc ("Operator").

### RECITALS

WHEREAS, Owner currently owns, or intends to construct, install, and commission photovoltaic solar electric facilities (individually called System, together called "Systems").

WHEREAS, the Systems were constructed at various Owner sites (individually called Site, together called Sites).

WHEREAS, the Systems and Sites are as provided in Exhibit D.

WHEREAS, Operator, in its capacity as operator hereunder, has agreed to operate and maintain the Systems under the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

## AGREEMENT

### 1. DEFINITIONS

Unless otherwise required by the context in which any term appears: (a) capitalized terms used in this Agreement shall have the respective meanings set forth in Exhibit A; (b) the singular shall include the plural and vice versa; (c) the word “including” shall mean “including, without limitation”; (d) references to “Sections” and “Exhibits” shall be to sections and exhibits hereof; (e) the words “herein”, “hereof” and “hereunder” shall refer to this Agreement as a whole and not to any particular section or subsection hereof; and (f) references to this Agreement shall include a reference to all Exhibits hereto, as the same may be amended, modified, supplemented or replaced from time to time.

### 2. SERVICES

#### 2.1. System Services

- ~~(a) Throughout the Term of this Agreement, Operator shall provide System Services as set forth in Exhibit B for the Systems.~~
- (b) Operator shall perform Annual energy production evaluations for each System.
- (c) System Services shall be performed in accordance with Industry Standards and Applicable Law for photovoltaic solar projects in California.
- (d) All periodic maintenance and inspection services shall be performed at regular intervals as described in Exhibit B
- (e) All maintenance and inspection services shall be performed by qualified technical personnel in accordance with the O&M manuals.
- (f) Operator personnel and agents will check-in at offices during business hours prior to beginning Work.
- (g) Repair of damaged/vandalized Systems shall be performed by Operator, as directed by Owner, at the rates specified in Exhibit F.
- (h) Any other Owner requested services not defined in this Agreement shall be billed at the rates specified in Exhibit F on a time and materials basis.

#### 2.2. Annual Reports and Meeting

Throughout the Term, Operator shall furnish to Owner an Annual Report. Each period for the Annual Report shall begin on the date of Final Completion of the System installation and end three hundred and sixty-four (364) days later, except for leap years, where the period ends three hundred and sixty-five (365) days later. The Annual Report shall be submitted within two (2) months from

the period ending. The Annual Report shall include the following:

- a. Summary of operations;
- b. Weather and energy production data;
- c. Calculation of Cumulative Annual Energy Production;
- d. Reports of any environmental disturbances (e.g. Fires);
- e. True-Up Refund, if any;
- f. Safety/accident reports;
- g. Summary of Additional Services, if any;
- h. Maintenance and inspection logs; and
- i. Proposal of actions required to be taken by Operator, if any.

2.3. Warranty on Repair or Replacement Work

- (a) Subject to the limitations set forth in this Section 2.3, commencing on the date the System was repaired or replaced, and for a period of one (1) year, Operator warrants that such work will be free from defects in materials and workmanship under normal operating conditions and shall conform to the final System design. If the work has a defect that causes it to fail to conform to any of the foregoing Warranties, Operator will, at its option, either repair or replace the portion of the work that is defective at no cost to the Owner.
- (b) This Warranty shall not cover any defects to the extent such defect is caused by any of the following:
  - (i) Poor workmanship by the original Installer, if Installer was not Operator or Operator's Subcontractors.
  - (ii) Alterations or repairs made to the System by anyone except for Operator or Operator's Subcontractors without Operator's prior written approval;
  - (iii) Failure of the System to perform caused by legislative, administrative, or executive regulation, order or requisition of the government, local utility or public utilities commission, or any state, provincial or municipal government or official;
  - (iv) Use of the System by anyone except for Operator or Operator's Subcontractors beyond the scope contemplated in its operating manuals or technical specifications;
  - (v) Damage to the System not caused directly or indirectly by Operator or its Subcontractors under any agreement between Operator and Owner;

- (vi) Damage or property loss to the System caused by third parties including, but not limited to, vandalism and theft.
- (vii) Manufacture defects or return merchandise authorization of equipment.
- (viii) Force Majeure Events; and
- (ix) A change in usage of the Site, which may affect building or Site Permits and related requirements, without the written approval of Operator, or a change in Ownership of building or property and the new Owner has not signed an assumption agreement of the terms and conditions herein.

Corrections, repairs, or replacement covering the equipment, materials, and labor as a result of the defects above shall be billed at the rates specified in Exhibit F, on a time and materials basis

- (c) The Operator Warranty assumes that all Manufacturer Warranties have been assigned to the Owner. Operator's obligations under the Operator Warranty do not apply to defects in materials or equipment provided by Manufacturer Warranty. Operator makes no representation or Warranty, and Owner shall seek no recourse from Operator, regarding Manufacturer Warranties, including without limitation, the power output of the PV modules.
- (d) To the extent that Manufacturer Warranties cover replacement and/or repair of any System equipment during the Term, it shall be Operator's responsibility under this Agreement to use commercially reasonable efforts to submit, process and pursue Warranty coverage; provided, however, that, because Warranty claims may need to be submitted in the name of Owner, Owner shall provide such full and complete cooperation as Operator may reasonably require in connection with such submission, processing and pursuit of Warranty coverage. Owner shall be responsible for any differences in cost if an Manufacturer Warranty does not fully cover labor or replacement cost.
- (e) Operator agrees to act as agent on behalf of Owner for purposes of Section 2.3(d). If, in the event the equipment manufacturer denies responsibility for Warranty service and Operator is instructed by Owner to pursue action against the equipment manufacturer, whether through litigation or otherwise, Owner shall reimburse Operator for any of the costs, expenses, or repairs incurred by Operator in this context, even if such attempt to recover from the equipment manufacturer fails, provided that such failure is not the result of errors or omissions by Operator. Such costs shall be

reimbursed by Owner to Operator within thirty (30) days of receipt of invoice.

- (f) This Warranty shall expire one (1) year after the repair has taken place.
- (g) Except as expressly provided herein or in the Agreement, Operator expressly disclaims any and all warranties of any kind, express, implied or statutory, including without limitation any implied warranties of merchantability and/or fitness for a particular purpose.

#### 2.4. Insurance

Without limiting any of the obligations or liabilities of either of the Parties, each of the Parties shall at all times throughout the Term of this Agreement and any renewal thereof, carry and maintain, or cause to be carried and maintained, at its own expense, such insurances coverage in Exhibit C.

#### 2.5. General Obligations of Owner

Owner shall ensure that Operator and its authorized agents, employees or Subcontractors shall have reasonable access to the Site in order to provide scheduled or unscheduled maintenance activities, maintenance of the grounds, emergency services, or to conduct other System Services, in all cases, to the extent that such activities and/or services are within the scope of this Agreement and are provided in accordance with the terms of this Agreement. Except in the case of an emergency, Operator shall give forty-eight (48) hours prior written notice to the appropriate Owner Site administrator, whose name and contact information shall be provided to Operator, before any entry onto the Site by Operator's employees, agents or contractors.

#### 2.6. Permits

- (a) Subject to Section 2.6(b), Owner shall be responsible for procuring, obtaining, maintaining and complying with all Owner acquired Permits applicable as of the date hereof. If any new Owner acquired Permits become required for the operation of the System due to a change in the Applicable Law after the date of this Agreement, Owner shall obtain such Permits in a timely manner and at its sole cost and expense, except where such additional Owner acquired Permits arise as a result of any omission, neglect or default of Operator, in which case Operator shall reimburse Owner for any costs or losses arising as a result of or in connection with procuring, obtaining, maintaining and complying with such Owner acquired Permits.
- (b) To the extent that a Party is required to obtain any Applicable Permits, the other Party agrees to cooperate with and assist that Party in obtaining the same and the Party which is required to obtain such Applicable Permits shall reimburse the other Party for its reasonable costs in providing such assistance. Notwithstanding anything in this Agreement to the contrary,

Operator shall be required to comply with Applicable Law as in effect on the date of this Agreement at no additional charge to Owner. Following the date of this Agreement, any costs incurred by Operator in performing its obligations hereunder resulting from changes in Applicable Permit conditions or requirements, or changes in Applicable Law, shall be borne by Owner except to the extent it does not involve an increase in the scope of System Services.

#### 2.7. Telephone & Data Communication

Owner shall directly pay any utility or other third-party service provider invoices as become due as may be required for Operator's remote access to telephone and/or data communications service available at the Site to the extent necessary for the performance by Operator of System Services under this Agreement. Owner will be responsible for all monthly service charges related to telephone and data communications services.

#### 2.8. Storage

To the extent Operator has established space on the Site and to the extent that any such use is permitted under Applicable Law, Operator may use such space for storing parts and supplies necessary for the performance of System Services. At Operator's option and upon the written approval of Owner, additional storage sheds may be installed at the Site at Operator's expense. Operator must seek and obtain building Permits and other local Permits and approvals required in connection therewith (which shall be designated as Operator acquired Permits) and Owner shall reasonably cooperate in obtaining such Permits and approvals. Operator shall maintain any space utilized in accordance with this Agreement as if it were part of System Services and shall be required (at its own cost), if requested by Owner, to remove any storage sheds installed at the Site at the end of the Term.

#### 2.9. Duty to Cooperate

Owner shall cooperate with Operator in taking all actions reasonably requested by Operator to ensure that parties with whom Owner has agreements or relationships that are essential to System Services are available and able to perform as contemplated in this Agreement. Owner shall be directly responsible for all utility costs (water, communication, electricity) of the System except to the extent that such costs arise resulting the omission, neglect or default of Operator.

### 3. TERM

#### 3.1. Term

- (a) The term of this Agreement ("Term") includes the period during which System Services are to be provided for the Systems and shall commence the latter of when the first System has achieved Final Completion or the date of this Agreement; and expire upon the Term as defined in the Cover Page.



- (b) The Term shall be subject to the provisions of Section 3.2 (termination).
- (c) Auto-Renewal. Upon expiration of the original Term This Agreement will automatically renew on an annual basis, and continue to renew annually until either Party elects to terminate per Section 3.2(d). Annual Auto-Renewals will include economic price adjustments to match the annual percent change shown on The Consumer Price Index for All Urban Consumers (CPI-U); Western Region; All Items; not seasonally adjusted, ([https://www.bls.gov/regions/west/news-release/consumerpriceindex\\_west.htm](https://www.bls.gov/regions/west/news-release/consumerpriceindex_west.htm) ).
- (d) Extension. Either Party may request, and Parties shall agree to negotiate an extension in good faith and in a timely fashion prior to the expiration of the Term, though neither Party shall be obligated to enter into an extension and may terminate per Section 3.2.

### 3.2. Termination

- (a) Owner may terminate this Agreement in the event of any of the following:
  - (i) Operator becomes Insolvent; or
  - (ii) Failure by Operator to perform any of its material obligations under this Agreement, which failure is not remedied within thirty (30) calendar days of written notice of such failure from Owner to Operator; notwithstanding, (1) such failure cannot reasonably be remedied within such thirty (30) calendar day period, and (2) Operator commences cure of such failure within the thirty (30) calendar day period and thereafter diligently seeks to remedy such failure, then Owner shall not be entitled to terminate this Agreement until such time as Operator ceases all reasonable endeavors to cure such failure unless such failure continues for a period of a ninety (90) calendar days from the original written notice from Owner; or
  - (iii) A Force Majeure Event occurs which prevents Operator from providing a material part of System Services for a continuous period of at least one hundred eighty (180) calendar days and Owner reasonably concludes such prevention is not reasonably likely to be remedied within a further period of one hundred eighty (180) calendar days. Subject to Section 6.5, Owner shall compensate Operator for all System Services completed prior to the termination date.
- (b) Operator may terminate this Agreement in the event of any of the following:

- (i) Owner fails to pay to Operator any amounts due under this Agreement (other than any amounts which are the subject of a good faith dispute) within fifteen (15) calendar days of written notice of such failure from Operator to Owner, provided that failure to pay shall not be on account of the negligence or willful action or inaction of Operator; or
  - (ii) Material breach by Owner of any of its obligations under this Agreement, which materially impairs Operator's ability to perform its obligations under this Agreement, and which breach is not remedied within thirty (30) calendar days of written notice of such failure from Operator to Owner; notwithstanding, (1) (A) if such failure cannot reasonably be remedied within the thirty (30) calendar day period, and (B) Owner commences cure of such failure within the thirty (30) calendar day period, and thereafter diligently seeks to remedy such failure, then Operator shall not be entitled to terminate this Agreement until such time as Owner ceases reasonable efforts to cure such failure unless such failure continues for a period of ninety (90) calendar days from the original written notice from Operator; and (2) failure of Owner to perform its obligations is not on account of the negligence or willful action or inaction of Owner; or
  - (iii) Owner becomes Insolvent.
- (c) Parties may terminate this Agreement, either partially or in whole, by mutual written consent. Termination by mutual consent may be initiated by either Party at any time by written means. Upon such termination, Owner shall compensate Operator for all System Services completed prior to the termination date.
  - (d) End of Term. No later than one hundred eighty (180) calendar days prior to the end of the original Term, or end of the Autorenewal Term, either Party may request to terminate this Agreement upon written notice written notice.
  - (e) A notice of termination given pursuant to the foregoing provisions of this Section 3.2 shall specify in reasonable detail the circumstances giving rise to the Termination Notice. Except to the extent otherwise provided herein, this Agreement shall terminate on the date specified in the Termination Notice, which date shall not be earlier than the date upon which the applicable Party is entitled to effect such termination as provided above.
  - (f) Termination of this Agreement shall not affect any rights or obligations as between the Parties which may have accrued prior to such termination or which expressly or by implication are intended to survive termination

whether resulting from the event giving rise to termination or otherwise, including, without limitation, Sections 6.7 and 6.8.

4. SERVICE FEES

4.1. Compensation

As compensation for provision of System Services by Operator, Owner shall pay Operator an O&M Fee as provided on the Cover Page, and escalating at the Escalation Rate for each year ("Service Fees"). Service Fees are due within thirty (30) calendar days of Invoice Date. First annual invoice will be submitted to the Owner upon execution of the Agreement. All subsequent invoices will be submitted annually.

4.2. Late Payments

Overdue payment obligations of Owner hereunder shall bear interest from the date due until the date paid at a rate per annum equal to the rate published by the Wall Street Journal as the "prime rate" on the date on which such interest begins to accrue plus two percent (2%).

4.3. Disputed Payments

In the event that Owner disputes any portion of an invoice submitted by Operator, Owner shall pay the undisputed portion thereof when due. All disputed payments shall be resolved in accordance Section 6.5.

5. OPERATOR'S GUARANTEE

- (a) Operator shall conduct and provide to Owner an evaluation each calendar year during the effective Term of the Agreement to determine the Cumulative Annual Energy Production from all the Systems combined.
- (b) The Cumulative Annual Energy Production shall be measured for each Annual Production Period. No evaluation will be performed for the first partial period (Final Completion for all Systems to the first December 31 of the Term) and the final partial period evaluation will be prorated (Jan 1 of the Term to Term expiration).
- (c) The Cumulative Annual Energy Production shall be compared to the Expected Annual Energy Production calculated upon Final completion for all the Systems combined to evaluate the performance of the Systems.
- (d) Energy Production Guarantee: Operator hereby guarantees to Owner a minimum energy output for the aggregate of the Systems for each Annual Production Period.
- (e) The evaluation shall be conducted in accordance with the procedures provided in Exhibit E.

- (f) If the Systems fail to meet the Energy Production Guarantee, then within ninety (90) calendar days after the failure is identified, the Operator shall pay the Owner a True-Up Refund.
- (g) If the Cumulative Annual Energy Production is more than one hundred five percent (105%) of the Expected Annual Energy Production, then the Owner shall give a kWh credit to the Operator for every kWh between the measured Cumulative Annual Energy Production and one hundred five percent (105%) of the Expected Annual Energy Production for such Annual Production Period. Operator shall be entitled to apply this credit to any future Annual Production Period at the Operator's sole discretion.
- (h) The Expected Annual Energy Production for the combined Systems shall be reduced accordingly for the period of time any System is not in operation in connection with (a) temporary removal of the System, a movement to an alternate location, or a temporary shutdown of the System or any portion thereof; (b) the occurrence of an event of Force Majeure has temporarily impaired or disabled the operation of any System or any portion thereof; (c) Owner interferes with the System, refuses repair, or recommended services; (d) vandalism or theft, (e) Utility caused outages, or (f) any manufacturer defects that cause outages. Operator shall provide and justify data verifying the loss of generation using the System Model defined in Exhibit E.
- (i) Operator's Expected Annual Energy Production shall proportionately terminate and be of no further force or effect if any System, or any portion thereof, is subject to a permanent shutdown or an event of Force Majeure occurs, the effect of which to permanently impair or interfere with the operation of the System, or any portion thereof.
- (j) The Parties agree that Owner shall avoid activities that result in overshadowing or shading of the Systems in a manner that would prevent Operator from satisfying its Energy Production Guarantee. In the event the Systems, or any portion thereof, is overshadowed or shaded in a manner that prevents Operator from satisfying its Energy Production Guarantee for any reason beyond the control of Operator, Owner agrees that Operator's Expected Annual Energy Production shall be reduced accordingly. Operator shall provide and justify data verifying the loss of generation using the System Model of the System due to overshadowing or shading.

## 6. MISCELLANEOUS

### 6.1. No Partnership

This Agreement is not intended, and shall not be construed, to create any association, joint venture,

agency relationship or partnership between or among the Parties or to impose any such obligation or liability upon any Party. No Party shall have any right, power or authority to enter into any contract or undertaking for, or act as or be an agent or representative of, or otherwise bind, the other Party or Parties.

6.2. Party Representatives

- (a) Owner Representative. Owner designates, and Operator agrees to accept, Jeanette Goni, as "Owner Representative" for all matters relating to Owner's performance under this Agreement. The actions taken by Owner Representative regarding such performance shall be Owner the acts of Owner and shall be fully binding on Owner. Owner may, upon written notice to Operator, change the designated Owner Representative.
- (b) Operator Representative. Operator designates, and Owner agrees to accept, Lesley Soekland, as "Operator Representative" for all matters relating to Operator's performance under this Agreement. The actions taken by Operator Representative shall be deemed the acts of Operator. Operator may, upon written notice to Owner, change the designated Operator Representative.

6.3. Notices and Demands.

Any notice, request, demand or other communication required or permitted under this Agreement, shall be deemed to be properly given by the sender and received by the addressee if made in writing and (a) if personally delivered; (b) three (3) days after deposit in the mail if mailed by certified or registered air mail, post prepaid, with a return receipt requested; or (c) if sent by facsimile with confirmation. Mailed notices and facsimile notices shall be addressed as follows to:

**Owner:**

Name: Richmond Elementary School District  
Attention: Jeanette Goni  
Address: 700-585 Richmond Road, Susanville CA 96130  
  
Phone: 530-257-2338  
Email: [jgoni@richmondelementary.com](mailto:jgoni@richmondelementary.com)

**Operator:**

SitelogIQ Inc.  
Attention: Solar Operations, West Energy  
1651 Response Rd., Suite 300  
Sacramento, CA 95815  
Phone: (916) 914-1929  
Email: [westsolar@sitelogiq.com](mailto:westsolar@sitelogiq.com)  
cc: [legal@sitelogiq.com](mailto:legal@sitelogiq.com)

6.4. Force Majeure Event

- (a) Neither Party shall be considered to be in default of its obligations under this Agreement when and to the extent that performance of such obligations is prevented by any Force Majeure Event which arises after the date of this Agreement.
- (b) If either Party shall rely on the occurrence of a Force Majeure Event as a basis for being excused from the performance of its obligations under this Agreement, then the Party relying on the event or condition shall (i) provide prompt notice to the other Party of the occurrence of the Force Majeure Event, giving an estimation of its expected duration and the probable impact on the performance of its obligations hereunder; (ii) exercise all commercially reasonable efforts to continue to perform its obligations hereunder; (iii) expeditiously take any action within its reasonable control to correct or cure the Force Majeure Event excusing performance; (iv) exercise all commercially reasonable efforts to mitigate or limit damages to the other Party to the extent such action will not adversely affect its own interests; and (v) provide periodic notices to the other Party with respect to its actions and plans for actions in accordance with (ii), (iii) and (iv) above and promptly notify to the other Party of the cessation of the event or condition giving rise to it being excused from performance.
- (c) In the event that Operator is prevented from providing all or part of System Services as a result of a Force Majeure Event for a period of thirty (30) consecutive days and it is reasonably expected that Operator will not be able to resume full performance of System Services within an additional thirty (30) days, Owner shall be entitled to require Operator to reduce the scope of System Services commencing as of the date of such notice by Owner until such time as Operator can demonstrate, to the reasonable satisfaction of Owner, that Operator is able to resume full performance of System Services. As from the date on which Owner reduces System Services until the date on which Operator resumes full performance of System Services, the obligation of Owner to pay the fee pursuant to Section 4 shall be reduced proportionately to take account of the level of System Services that Operator is actually performing.
- (d) Operator shall document any Force Majeure Event and its consequences so that costs which are directly attributable to such Force Majeure Event may be claimed by Owner from any insurance carried by Owner.

6.5. Dispute Resolution

- (a) Good faith negotiations. In the event of any Dispute, of which either Party has notified the other, senior management personnel from both Operator and Owner shall meet and diligently attempt in good faith to resolve the Dispute for a period of thirty (30) days following one Party's written request to the other Party for such a meeting. If, however, either Party refuses or fails to so meet, or the Dispute is not resolved by negotiation, the provisions of Subsections (b), (c) and (d) of this Section shall apply to the extent applicable to the Dispute.
- (b) Technical Dispute. Technical Disputes shall be resolved by an independent expert. All Technical Disputes shall be resolved on an accelerated basis by a nationally recognized professional expert mutually agreed in writing by Operator and Owner. Parties will share equally in the cost of the independent expert engaged to resolve Technical Disputes.
- (c) Non-Binding Mediation. If the Dispute remains unresolved, a Party may require that a non-binding mediation take place with a mediator mutually chosen by Owner and Operator. If Owner and Operator are unable to agree on a mediator, then either may request that the American Arbitration Association to appoint a mediator. The mediator's fee and expenses shall be paid one-half by Owner, and one-half by Operator. In any such mediation, representatives of the Parties with authority to resolve the dispute shall meet for at least three (3) hours with mediator. The obligation to mediate shall not be binding upon any Party with respect to (i) requests for preliminary injunctions, temporary restraining orders, specific performance, or other procedures in a court of competent jurisdiction to obtain interim relief deemed necessary by such court to preserve the status quo or prevent irreparable injury pending resolution by arbitration of the actual Dispute; (ii) actions to collect payments not subject to bona fide Dispute; or (iii) claims involving third parties who have not agreed to participate in the mediation of the Dispute. The provisions of this Section 6.5 shall survive any termination of this Agreement.
- (d) Attorneys' Fees. The prevailing Party in any action brought to enforce the terms of this Agreement or arising out of this Agreement may recover its reasonable costs and attorneys' fees expended in connection with such an action from the other Party.

#### 6.6. Indemnification.

The Parties hereto agree to defend, indemnify and hold one another harmless from and against any and all liability, loss, expense, attorneys' fees, or claims for injury and/or damages arising from or in any way connected to the performance of this Agreement, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of the indemnifying Party, its officers,

agents or employees.

6.7. Consequential Damages.

Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither the Owner nor Operator, their respective officers, directors, partners, employees, contractors or subconsultants shall be liable to the other or shall make any claim for any incidental, indirect or consequential damages arising out of or connected in any way to the project or to this Agreement. This mutual waiver of consequential damages shall include, but is not limited to, loss of use, loss of profit, loss of business, loss of income, loss of reputation or any other consequential damages that either Party may have incurred from any cause of action including negligence, strict liability, breach of contract and breach of strict or implied warranty.

6.8. Limit of Liability.

To the maximum extent permitted by law, Owner agrees to limit Operator's liability for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert-witness fees and costs, so that the total aggregate liability of Operator to the Owner shall not exceed the equivalent to one (1) year Service Fee as calculated for the first twelve (12) months of the Agreement. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.

6.9. Governing Law.

The formation, interpretation and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of California. In the event of any Dispute that is not resolved pursuant to Section 6.5, the Parties hereto agree to submit to the jurisdiction of any court of competent jurisdiction within Lassen County in which the Site is located and shall comply with all requirements necessary to give such court jurisdiction.

6.10. Tax Matters

Notwithstanding anything to the contrary set forth herein or in any other agreement to which the parties hereto are parties or by which they are bound, the obligations of confidentiality contained herein and therein, as they relate to the transactions described in and contemplated by such agreements, shall not apply to the U.S. Federal tax structure or U.S. Federal tax treatment of the System, and each of the parties hereto (and any employee, representative or agent of any Party hereto) may disclose to any and all persons without limitation of any kind, the U.S. Federal tax structure and U.S. Federal tax treatment of such transactions. The preceding sentence is intended to cause the System or the interests in them pursuant to the agreements between the Parties not to be treated as having been offered under conditions of confidentiality for purposes of section 1.6011-4(b)(3) (or any successor provision) of the Treasury Regulations promulgated under Section 6011 of the Internal Revenue Code of 1986, as amended, and shall be construed in a manner consistent with such purpose. In addition, each of the Parties acknowledges that it has no proprietary or exclusive rights to the tax structure of the transactions described in and contemplated



by the agreements between the Parties or any tax matter or tax idea related to such transactions.

6.11. Successors and Assigns

- (a) Except as set forth in this Agreement, no Party shall be entitled to assign this Agreement or any of its rights or obligations under this Agreement, nor shall it enter into any transaction as a result of which it may transfer, assign, charge or dispose by any title of any of those rights and obligations, without the prior written consent of the other Party, which may be withheld in its sole and absolute discretion; provided that nothing herein shall prohibit Owner's membership interests from being sold to an Affiliate of Owner, or an entity which has, in whole or in part, common ownership, directly or indirectly, with the ownership of Owner.
- (b) Notwithstanding the foregoing, (i) Owner shall be entitled to assign its right, title and interest in and to this Agreement (and, in particular, any rights arising in relation to any insurance policy and any other right to collect any amount from Operator) to any lenders by way of security for the performance of obligations to such lenders without the consent of Operator; and (ii) Operator shall be entitled to assign its right, obligation, title and interest in and to this Agreement to any of its Affiliates or in connection with a merger or acquisition of Operator. Parties shall provide a written notice at least thirty (30) days prior to assigning the rights, title, and interest in and to this Agreement.

6.12. Announcements and Publications.

Operator shall coordinate with Owner with respect to, and provide advance copies to Owner for review of, the text of any proposed announcements or publications that include any non-public information concerning the Work prior to the dissemination thereof to the public or to any Person other than Subcontractors or advisors of Operator, in each case, who agree to keep such information confidential. If Owner delivers written notice to Operator rejecting any such proposed announcement or publication within two (2) Business Days after receiving such advance copies, the Operator shall not make such public announcement or publication; provided, however, that Operator may disseminate or release such information in response to requirements of Governmental Authority.

6.13. No Waiver

No provision of this Agreement shall be considered waived by either Party except when such waiver is made in writing. The failure of either Party to insist, on one or more occasions, upon strict performance of any of the provisions of this Agreement or to take advantage of its rights hereunder or the delay or failure in exercising totally or partially any right or remedy under this Agreement, shall not be construed as a waiver of any such provisions or the relinquishment of any such rights or any other rights for the future, but the same shall continue and remain in full force and effect.

6.14. Validity.

The provisions contained in each section, subsection and clause of this Agreement shall be enforceable independently of each of the others and their validity shall not be affected if any of the others are invalid. If any of those provisions is void but would be valid if some part of the provision were deleted, the provision in question shall apply with such modification as may be necessary to make it valid. The Parties shall, if necessary, negotiate in good faith and make any necessary amendments to ensure the enforceable terms of this Agreement reflect the true intent of the Parties as of the date of execution of this Agreement.

6.15. Priority of Documents.

In the event of conflicting provisions in the Agreement, the provisions shall govern in the following priority: first, duly executed amendments to this Agreement (to the extent not superseded by a subsequent amendment), second, this Agreement, and third, Exhibits.

6.16. Time of Essence.

Time is expressly agreed to be of the essence of this Agreement and each, every and all of the terms, conditions and provisions herein.

6.17. Headings.

The headings in this Agreement are for convenience of reference only and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

6.18. Binding Effect.

This Agreement shall be binding on the Parties hereto and on their respective permitted successors, heirs and assigns.

6.19. Counterparts; Signature Pages.

This Agreement may be executed in counterparts which, taken together, shall constitute a single instrument. Facsimile and other electronically transmitted signature pages shall be effective to bind a Party to this Agreement.

6.20. Complete Agreement.

- (a) This Agreement together with the Exhibits hereto completely and exclusively states the agreement of the Parties regarding its subject matter and its terms govern, all prior proposals, agreements, or other communications between the Parties, oral or written, regarding such subject matter. No verbal, or written agreement nor conversation with any officer or employee of either Party nor any or all prior proposals shall affect or modify any of the terms and conditions of this Agreement. This

Agreement shall not be modified except by written amendment signed on behalf of the Owner and Operator by their duly authorized representatives. Any purported oral amendment to the Agreement shall have no effect.

- (b) Each Party acknowledges that it has not relied on any representation, warranty, collateral contract or other assurance made by or on behalf of any other Party at any time before the signature of this Agreement. Each Party waives all rights and remedies which, but for this clause (ii), might otherwise be available to it in respect of any such representation, warranty, collateral contract or other assurance.

**[Signature page follows]**

IN WITNESS WHEREOF, the Parties have executed this Operation and Maintenance Agreement as of the date first above written.

Owner:

Operator:

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Richmond Elementary School District

Name: Jeanette Goni

Title: Business Manager

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SitelogIQ, Inc

Name: Lesley Soekland

Title: Director of Operations

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**EXHIBIT A  
TO  
OPERATION AND MAINTENANCE AGREEMENT**

**DEFINED TERMS**

As used in the attached Agreement, the following terms shall have the meanings set forth below:

**Additional Services** means any other services not defined in this Agreement which shall be billed at the rates specified in Exhibit F on a time and materials basis.

**Affiliate** of a specified Person means any Person that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common control with, such specified Person. As used in this definition of Affiliate, the term "**control**" of a specified Person including, with correlative meanings, the terms, "**controlled by**" and "**under common control with**," means (a) the Ownership, directly or indirectly, of 50% or more of the equity interest in a Person or (b) the power to direct or cause the direction of the management and policies of a Person, whether through Ownership of voting securities, by contract or otherwise.

**Agreement** means this Operation and Maintenance Agreement as it may be amended and/or restated from time to time.

**Annual Energy Production Evaluation** is an analysis which measures and compares the Cumulative Annual Energy Production with the Energy Production Guarantee based on Exhibit E.

**Annual Production Period** is the period between January 1 and December 31.

**Annual Reports or Annual Reports** mean the annual maintenance/inspection report covering all Systems for the twelve-month period described in **Section 2.2**.

**Applicable Law** shall mean, with respect to any Governmental Authority, any constitutional provision, law, statute, rule, regulation, ordinance, treaty, order, decree, judgment, decision, certificate, injunction, registration, license, permit, authorization, guideline, governmental approval, consent or requirement of such Governmental Authority, as construed from time to time by any Governmental Authority.

**Applicable Permits** shall mean, collectively, Operator acquired Permits and the Owner acquired permits.

**Business Day** means a day (other than a Saturday, Sunday, or State of California or federal holidays) on which banks are generally open in California for normal business.

**Cumulative Annual Energy Production** means the actual alternating current (AC) electrical output in kilowatt-hours (kWh) for the Annual Production Period as measured and recorded by all the Systems revenue meters and adjusted for meter calibration error, if required.

**Dispute** means any question, dispute, difference or claim that arises out of or in connection with this Agreement, including any question regarding its existence, validity, performance, or

termination.

**Energy Production Guarantee** is the guaranteed energy production output calculated by multiplying the Performance Guarantee percentage by the Expected Annual Energy Production, subject to the adjustments in Sections 5(g) through 5(j).

**Escalation Rate** is the annual percentage rate increase applied to the O&M and True-Up Fees. Provided on the Cover Page. Economic price adjustments will match the annual percent change shown on The Consumer Price Index for All Urban Consumers (CPI-U); Western Region; All Items; not seasonally adjusted. Available at [https://www.bls.gov/regions/west/news-release/consumerpriceindex\\_west.htm](https://www.bls.gov/regions/west/news-release/consumerpriceindex_west.htm).

**Expected Annual Energy Production** means the expected AC electrical output in kilowatt-hours (kWh) for the Annual Production Period as calculated by the System Model that represents the final design of the Systems and adjusted for Annual weather data and degradation.

**Final Completion** means the date that each PV System was installed and is fully operational.

**Force Majeure Event** shall mean, when used in connection with the performance of a Party's obligations under this Agreement, any act or event (to the extent not caused by such Party or its agents or employees) which is unforeseeable, or being foreseeable, unavoidable and outside the control of the Party which invokes it, and which renders said Party unable to comply totally or partially with its obligations under this Agreement. In particular, any of the following shall be considered a Force Majeure Event:

(a) war (whether or not war is declared), hostilities, revolution, rebellion, insurrection against any Governmental Authority, riot, terrorism, acts of a public enemy or other civil disturbance;

(b) acts of God, including but not limited to, storms, floods, lightning, earthquakes, hailstorms, ice storms, tornados, typhoons, hurricanes, landslides, volcanic eruptions, fires, winds in excess of ninety (90) miles per hour, and objects striking the earth from space (such as meteorites);

(c) acts of sabotage or destruction by a third party (other than any Operator retained by or on behalf of the Party) of facilities and equipment relating to the performance by the affected Party of its obligations under this Agreement;

(d) regional or national strikes, walkouts, lockouts or similar industrial or labor actions or disputes;

(e) acts of any Governmental Authority that materially restrict or limit a Party's performance under this Agreement, including Operator's access to the Site or its activities at the Site.

(f) labor or supply shortages and supply chain issues outside the control of the Operator;

(g) plague, epidemic, pandemic, outbreaks of infectious disease or any other public

health crisis, including quarantine or other restrictions; and

(h) explosion, fire, destruction of machines, equipment, factories and of any kind of installation, prolonged break-down of transport, telecommunication or electric current.

**Governmental Authority** shall mean any national, autonomic, state, regional, province, town, city, or municipal government, whether domestic or foreign, or other administrative, regulatory or judicial body of any of the foregoing.

**Industry Standards** shall mean those standards of care and diligence normally practiced by small-scale solar engineering, construction and installation firms in performing services of a similar nature in jurisdictions in which System Services will be performed and in accordance with good engineering design practices, Applicable Laws, Applicable Permits, and other standards established for such Work. Industry Standards are not intended to be limited to optimum practice or methods to the exclusion of all others, but rather to be a spectrum of reasonable and prudent practices and methods that must take the conditions specific to any given facility into consideration.

**Insolvent** means (a) a Party shall file a voluntary petition in bankruptcy or shall be adjudicated as bankrupt or insolvent, or shall file any petition or answer or consent seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under the present or future applicable federal, state or other statute or law relative to bankruptcy, insolvency or other relief for debtors, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver, conservator or liquidator of such Party or of all or any Final part of its properties (the term "acquiesce", as used in this definition, includes the failure to file a petition or motion to vacate or discharge any order, judgment or decree within fifteen (15) days after entry of such order, judgment or decree); (b) a court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against a Party seeking a reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future Federal bankruptcy act, or any other present or future applicable Federal, state or other statute or law relating to bankruptcy, insolvency or other relief for debtors, and such Party shall acquiesce and such decree shall remain unvacated and unstayed for an aggregate of sixty (60) days (whether or not consecutive) from the date of entry thereof, or a trustee, receiver, conservator or liquidator of such Party shall be appointed with the consent or acquiescence of such Party and such appointment shall remain unvacated and unstayed for an aggregate of sixty (60) days, whether or not consecutive; (c) a Party shall admit in writing its inability to pay its debts as they mature; (d) a Party shall give notice to any Governmental Authority of insolvency or pending insolvency, or suspension or pending suspension of operations; or (e) a Party shall make an assignment for the benefit of creditors or take any other similar action for the protection or benefit of creditors.

**Installer** shall mean the contractor responsible for the procurement, installation, startup, and testing of the System under separate contract with the Owner.

**Manufacturer Warranty or Manufacturer Warranties** shall mean all warranties provided by the equipment manufacturers and assigned to Owner by the Installer.

**O&M Fees** shall mean the annual base fee for Operator provided services.

**O&M Manuals** means the set of System operational and maintenance documents provided by the Installer to the Owner and by the Owner to the Operator for the purpose of instruction in the operation and maintenance needs of the System and its components.

**Operator** has the meaning given in the preamble to this Agreement.

**Operator Representative** shall mean the representative of Operator appointed pursuant to Section 6.2(b).

**Owner** has the meaning given in the preamble of this Agreement.

**Owner Representative** shall mean the representative of Operator appointed pursuant to Section 6.2(a).

**Party or Parties** means either Operator or Owner.

**Performance Guarantee** shall mean the percentage applied to the Expected Annual Production to determine the Energy production Guarantee. The Value is provided on the Cover Page.

**Permits** shall mean Operator acquired Permits or the Owner acquired Permits.

**Person** means any natural person, corporation, general partnership, limited partnership, limited liability company, proprietorship, other business organization, trust, union, association, or Governmental Authority.

**PV** means photovoltaic.

**Service Fees** has the meaning given in Section 4.1.

**Site** has the meaning given in the Recitals of this Agreement.

**Subcontractor** means any Person to whom Operator subcontracts any of its obligations under this Agreement pursuant to a Subcontract, including the Suppliers and any Person to whom such obligations are further subcontracted of any tier.

**System** has the meaning set forth in the Recitals.

**System Services** means, collectively, the services set forth in Exhibit B.

**Technical Dispute** means a Dispute regarding whether the System conforms to the Industry Standards related to operation and maintenance.

**Term** has the value given on the Cover Page and meaning given in Section 3.1(a).

**Termination Notice** has the meaning given in Section 3.2(c) and requires the contents specified in Section 3.2 (e).



**True-Up Refund** is the difference between the Cumulative Annual Energy Production and the Energy Production Guarantee for a period where the Systems fail to meet the Energy Production Guarantee multiplied by the True-Up Fee

**True-Up Fee** is defined as the approximate value of the electricity being offset by the system. It has the initial value as defined in the Cover Page, for the first year of the Term and is subject to the Escalation Rate thereafter.

**Warranty or Warranties** have the meaning given in Section 2.3.

**EXHIBIT B  
TO  
OPERATION AND MAINTENANCE AGREEMENT  
INSPECTION SERVICES**

**Annual Inspection Services**

Complete inspection, System maintenance, and recommissioning services Annually per the Agreement Term as detailed below. Report inspection finding, required repairs, and repair recommendations, including estimated costs for each maintenance visit. As part of our Operator's System maintenance, the following services will be completed and reported to the Owner during the report period.

**a) Visual Inspection**

- a. Visually inspect structures, arrays, and enclosures for excessive wear, damage, defects, rust/corrosion, etc.
- b. Verify new and/or existing shade concerns for the photovoltaic array.
- c. Verify module cleanliness and/or soiling issues; perform washing for an additional fee if requested by the Owner
- d. Verify that all signage and placards are firmly attached and legible.
- e. Verify condition of all wall & pad mounted switchgear, meters and inverters for corrosion and security of attachment to wall/structure/pad, etc. Note any new access issues.
- f. Verify condition of ac and dc disconnect(s).
- g. Confirm that the System is online and that the output is at the expected level.
- h. Confirm that the monitoring system is in service and functioning properly.

**b) Photo Documentation**

- a. Take digital photos of all major System components
- b. Submit digital images along with checklist and other documentation following visit.

**c) Array – Structure & Modules**

- a. Complete inspection of array.
- b. Inspect and tighten structure ground bonding straps/fasteners.
- c. Verify secure module attachment by random torque testing or visual test.
- d. Verify condition of racking hardware connections, splices, etc.
- e. Verify condition of inter-module array wiring for aging and corrosion.
- f. Inspect visible random sampling of wiring connections.
- g. Inspect visible conduit system.

**d) Electrical Connection – Inverters & Combiner Box**

- a. Verify condition of inverters.
- b. Note condition of all circuit boards and electrical components.
- c. Check Voc & Isc of all strings (if required).

- d. Verify that all manufacturer updates and service bulletins have been performed.
- e. Coordinate inverter manufacturer service, if necessary.
- f. Perform all electrical connection torque tests.
- g. Inspect and clean heatsink, if applicable.
- h. Inspect and clean inverter exhaust fan and vents.
- i. Inspect and tighten connectors and lugs (inverter, transformer, disconnects).
- j. Oil and lubricate disconnects.
- k. Check all fuses for cleared fuse and replace any cleared fuses.
- l. Verify condition of wire transition junction boxes for weatherproofing, corrosion, and security of internal wiring connections.
- m. Verify condition of all DC and AC conduits and connections.
- n. Verify interior and exterior condition of DC combiner box(es).

**e) Data Acquisition System (DAS)**

- a. Clean all instrumentation and sensors and lubricate moving parts.
- b. Inspect and tighten connections.
- c. Check input signals.
- d. Confirm that pyranometer/sensor is aligned with the plane of the PV array.
- e. Log kWh readings from Inverters to meters, and compare data in a twenty-four (24) hour increment to monitoring system to verify proper calibration of meters and monitoring system.
- f. Check calibration of the weather station instruments, as necessary.

**Inspection Services Not Included**

- a. Weed abatement, mowing, or any other landscaping around array and immediate vicinity.
- b. Repair of fencing.
- c. Repair, replacement, or cleaning due to vandalism, theft, or accidental damage.
- d. Repair or replacement of light bulbs or lighting fixtures.
- e. Repairs not explicitly defined in this Exhibit B.
- f. Any services not included in this Agreement.
- g. Repairs not stated in the Agreement (Installer Warranty) are considered Additional Services and shall be billed on a time and materials basis per the rates in Exhibit F.
- h. Panel washing (Operator will advise Owner on panel washing frequency as needed maintain performance – Panel washing costs will be quoted as needed)
- i. Renewal of DAS subscription services, including cellular card and plan. If renewal is requested by Owner, Owner shall be billed on a time and materials basis per the rates in Exhibit F.

**EXHIBIT C  
TO  
OPERATION AND MAINTENANCE AGREEMENT  
INSURANCE**

**Operator Insurance Requirements**

1. Required Coverages. Operator shall carry and maintain with carriers or self-insurance, as a minimum, the following insurance coverages:
  - i. Workers Compensation Insurance and Employers Liability. In accordance with the laws of the state of where work may be done with limits for employer's liability in the minimum amount of one million dollars (\$1,000,000) for each occurrence and one million dollars (\$1,000,000) for each occurrence of disease on a per employee basis;
  - ii. Commercial General Liability. One million dollars (\$1,000,000) per occurrence/two million dollars (\$2,000,000) in the aggregate for bodily injury, personal injury and property damage, products and completed operations;
  - iii. Commercial Automobile Liability, Any Auto. One million dollars (\$1,000,000) per accident including owned, non-owned, and hired automobiles.
  - iv. Excess coverage of four million dollars (\$4,000,000) per occurrence and aggregate, or any other equivalent, available insurance coverage of the Operator.
2. Policy Endorsements. Insurance coverages required to be maintained by Operator under this Agreement shall:
  - i. provide a severability of interests or cross liability clause for Commercial General Liability Insurance;
  - ii. except in the case of worker's compensation insurance and other statutory insurances where it would be inappropriate, name Owner and others as may be reasonably required by Owner, as additional insured's; and to the extent permissible in accordance with the policy, include a waiver of subrogation by the insurers in favor of Owner and each of its respective assignees, Affiliates, agents, officers, directors, employees, insurers or policy issuers and a waiver of any right of the insurers to any set-off or counterclaim, whether by endorsement or otherwise, in respect of any type of liability of any of the Persons insured under any such policies.
3. Certificates. Operator shall throughout the Agreement Term provide certificate(s) and/or memoranda of insurance evidencing the coverage's specified in this Attachment C to Owner upon Owner's reasonable request.

### Owner Insurance Requirements

1. Required Coverages. Owner shall carry and maintain with carriers or self insurance, as a minimum, the following insurance coverages:
  - i. Workers Compensation Insurance and Employers Liability. In accordance with the laws of the state of where work may be done with limits for employers liability in the minimum amount of one million dollars (\$1,000,000) for each occurrence and one million dollars (\$1,000,000) for each occurrence of disease on a per employee basis;
  - ii. Commercial General Liability. One million dollars (\$1,000,000) per occurrence/two million dollars (\$2,000,000) in the aggregate for bodily injury, personal injury and property damage, products and completed operations;
  - iii. Commercial Automobile Liability, Any Auto. One million dollars (\$1,000,000) per accident including owned, non-owned, and hired automobiles.
  - iv. Property Risk Insurance. Amount equal to the replacement value of the Systems for loss or damage to the System by fire and lightning, vandalism, theft, malicious mischief, and extended coverage endorsement for all risks of physical loss.
  - v. Excess coverage of four million (\$4,000,000) per occurrence and aggregate, or any other equivalent, available insurance coverage of the Operator.
2. Policy Endorsements. Insurance coverages required to be maintained by Owner under this Agreement shall provide a severability of interests or cross liability clause for Commercial General Liability Insurance;
3. Certificates. Owner shall throughout the Agreement Term provide certificate(s) and/or memoranda of insurance evidencing the coverage's specified in this Attachment C to Operator upon Operator's reasonable request.

**EXHIBIT D  
TO  
OPERATION AND MAINTENANCE AGREEMENT**

**SITES & SYSTEM SIZES**

**Richmond Elementary School (78.00 kW DC)**

**700-585 Richmond Road, Susanville CA 96130**



**EXHIBIT E  
TO  
OPERATION AND MAINTENANCE AGREEMENT**

**Annual Energy Production Evaluation**

**A. Cumulative Annual Energy Production Measurement**

The Cumulative Annual Energy Production is the actual AC electrical output in kilowatt-hours (kWh) for the Annual Production Period as measured and recorded by all of the Systems revenue meter(s) and adjusted for meter calibration error, if required.

**B. Expected Annual Energy Production Calculation**

At the completion of each Annual Production Period, the Operator shall update the software model of the Systems to calculate the Expected Annual Energy Production of the Systems for that period for comparison with the Cumulative Annual Energy Production of the same period. The model shall use the actual meteorological data and/or reference cell data from the performance monitoring system at the Site.

The input values used in the System Model shall include the following parameters based on the final installed System:

- Albedo
- Module orientation
- Shading
- Equipment models and configuration
- Module thermal parameters
- Ohmic losses
- Module quality and mismatch losses
- Soiling losses, adjusted for calendar month and washing frequency
- IAM losses

Hidden parameters and preferences within the model shall remain at default values unless noted and justified. All input parameter values and assumptions shall be provided with the model for review, and shall remain consistent from year to year.

The following factors shall be adjusted in the System Model each year of operation:

- Actual weather data for the Annual Production Period
- Smoke, dust, and other air pollutants
- Manufacturer Module degradation factors (Manufacturer Module Power Output Warranty)
- Adjustments per Section 5(g), 5(h), 5(i), and 5(j)

The final model calculation shall detail the Expected Annual Energy Production on an hourly basis

(8760 hours per year) in addition to a total output value in kilowatt-hours (kWh).

**C. Annual Energy Production Evaluation**

The measured Cumulative Annual Energy Production value for the System shall be compared with the calculated Expected Annual Energy Production value and evaluated as described in Section 5, Operator's Guarantee, of this Agreement.

**D. Modeled Annual Energy Production Calculation**

The temperature-derate model used by Operator to determine the modeled level of production a System. The System losses, DC system size, CEC inverter efficiency, and the panel temperature coefficient is the accumulation of losses, degradation rates, and efficiencies which are evaluated on an annual basis. These losses are initially calculated upon project commissioning and will only be re-calculated if components fail, degrade, or are changed. Cell temperature and POA irradiance are real-time calculations based on measurements from a reference cell.

Our Operator's System model is a combination of System specifications; estimated soiling, shade expectations, degradation expectations. This model is calculated by using the single line as-built plans and a production summary report from HelioScope and are re-evaluated for accuracy on an Annual basis. The Modeled Energy equation is:

$$\text{Modeled Energy(kW AC)} = \sigma \times (1 - S) \times \frac{I}{1000} \times P \times (1 + \gamma \times (T - 25))$$

Where:

*T = Cell Temperature*

*S = System Model Loss*

*I = POA Irradiance*

*P = DC System Size*

*σ = CEC Inverter Efficiency*

*γ = Temperature Coefficient of the Panel*

This modeled production will be compared to actual measured production to calculate operational performance of the System. Unplanned System outages and soiling above expectations will be evaluated and included in System losses.



**EXHIBIT F  
TO  
OPERATION AND MAINTENANCE AGREEMENT  
RATES FOR ADDITIONAL SERVICES  
2023 RATE SCHEDULE**

<u><i>Maintenance Services</i></u>	
<i>Journeyman Electrician/Technician</i>	<i>\$185</i>
<i>Electrician/Technician</i>	<i>\$170</i>
<i>Field Engineer/Inspector</i>	<i>\$175</i>
<u><i>Professional and Technical Services</i></u>	
<i>Project Manager/Principal Engineer</i>	<i>\$220</i>
<i>Associate Engineer</i>	<i>\$160</i>
<i>Project Assistant</i>	<i>\$95</i>
<u><i>Supplemental Services</i></u>	
<i>Module Cleaning</i>	<i>As Quoted</i>
<i>Cellular/Communication/Monitoring</i>	<i>As Quoted</i>

**Other Costs**

1. *Cost per truck roll for services above and beyond this Agreement to be invoiced at time and materials (T&M) rate listed above and dispatched per Owner's request.*
2. *Daily/Saturday Overtime will be billed at 1.5 times the hourly rates. Sunday/Holiday Overtime will be billed at 2 times the rates.*
3. *Direct Expenses and Module Cleaning (non-equipment) will be billed at cost plus 15%.*
4. *Mileage will be billed at the published IRS mileage rates in effect.*
5. *Travel time to and from Owner Sites will be billed at hourly rates shown above.*
6. *Federal published per diem rates (GSA) will apply if applicable.*
7. *Subcontractors will be billed at invoice price plus 15%.*
8. *Rates will escalate at Escalation Rate.*



**STEPHEN ROATCH ACCOUNTANCY CORPORATION**

Certified Public Accountants

Stephen Roatch - President  
Habbas Nassar - Vice President

December 29, 2023

Management and Governing Board of  
Richmond School District  
700-585 Richmond Road E.  
Susanville, CA 96130**Year 2 of 3-year contract**

This letter confirms that Richmond School District has requested our firm to perform only the audit services described in this letter and has not requested our firm to provide any specific internal control review or fraud audit service. This letter also confirms our understanding of the terms and objectives of our audit engagement and the nature and limitations of the services we will provide.

We are pleased to confirm our understanding of the services we are to provide Richmond School District for the fiscal year ending June 30, 2024.

**Audit Scope and Objectives**

We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of Richmond School District as of and for the year ending June 30, 2024. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Richmond School District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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. As part of our engagement, we will apply certain limited procedures to Richmond School District's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding 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 will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's discussion and analysis
2. Budgetary comparison information
3. Schedules of the proportionate share of the net pension liabilities
4. Schedules of contributions

We have also been engaged to report on supplementary information other than RSI that accompanies Richmond School District's financial statements. We will subject the following supplementary information (combining nonmajor fund financial statements, reconciliation of annual financial and budget report with audited financial statements, and supporting schedules) to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements.

### **Audit Scope and Objectives (Concluded)**

The Schedule of Financial Trends and Analysis will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the fourth paragraph when considered in relation to the financial statements as a whole. 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. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2023-24 Guide for Annual Audits of K-12 Local Educational Agencies and State Compliance Reporting*, prescribed in the *California Code of Regulations*, Title 5, section 19810 and following, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*.

### **Auditor's Responsibilities for the Audit of the Financial Statements (Concluded)**

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions, as applicable. We will also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

The anticipated significant risks of material misstatement are based on areas identified in the prior year's audit, which may be modified once the planning for the current year's audit is completed, are: 1) management override of controls, 2) revenue recognition (accounts receivable), and 3) accounts payable.

Our audit of the financial statements does not relieve you of your responsibilities.

### **Audit Procedures - Internal Control**

We will obtain an understanding of the District and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. 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, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

### **Audit Procedures - Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Richmond School District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

### **Other Services**

We will also assist in preparing the financial statements and related notes, management's discussion and analysis, budgetary comparison information, depreciation schedule, schedules of the proportionate share of the net pension liabilities, schedules of contributions, and supplementary schedules and information (nonaudit services), as applicable, of Richmond School District in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services (management's discussion and analysis, budgetary comparison information, depreciation schedule, schedules of the proportionate share of the net pension liabilities, schedules of contributions, and supplementary schedules and information, as applicable) we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and any other nonaudit services we provided and that you have reviewed and approved the financial statements and related notes and any other nonaudit services we provided prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

### **Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements.

### **Responsibilities of Management for the Financial Statements (Continued)**

You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the District from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole. As part of our engagement, we may propose standard, adjusting, or correcting journal entries to your financial statements. You are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on the financial statements.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period; and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

### **Responsibilities of Management for the Financial Statements (Concluded)**

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

### **Engagement Administration, Fees, and Other**

We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If for whatever reason your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

In accordance with Education Code 41020, audit reports will be filed with the County Superintendent of Schools, the California Department of Education, and the State Controller's Office by December 15<sup>th</sup> following the close of the fiscal year. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Stephen Roach Accountancy Corporation and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State Controller's Office or its designee, Department of Education, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Stephen Roach Accountancy Corporation personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by the State Controller's Office. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.



### **Engagement Administration, Fees, and Other (Concluded)**

Stephen Roatch, Certified Public Accountant (CPA) is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. We agree that our all-inclusive fee will be **\$14,595** for the fiscal year ending June 30, 2024. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. An additional fee will be charged for attending meetings with the District's Board, if deemed appropriate.

Either party may terminate this agreement at any time for any reason, providing 30 days written notice is given to the other party. It is understood that payment shall be made for services rendered to the point of termination.

It is agreed that the District will withhold ten (10) percent of the audit fee until the State Controller certifies that the report conforms to the reporting provisions of the *2023-24 Guide for Annual Audits of K-12 Local Educational Agencies and State Compliance Reporting*.

In accordance with Education Code Section 14505, it is further agreed that the District will withhold fifty (50) percent of the audit fee for any subsequent year of a multi-year contract if the prior year's audit report was not certified as conforming to reporting provisions of the *2023-24 Guide for Annual Audits of K-12 Local Educational Agencies and State Compliance Reporting*.

The State Controller of California has required that all Districts and auditors contracting for multi-year engagements include a stipulation that the contract is null and void if the auditor is declared ineligible to perform LEA audits.

In the event that the GASB, FASB, AICPA, GAO, OMB, or the Education Audit Appeals Panel's Office issues additional standards or audit procedures that require additional work during the audit period, we will discuss these requirements with you before proceeding further. Before starting the additional work, we will prepare an estimate of the time necessary, as well as the fee for performing the additional work. Our fee for addressing the additional requirements will be our standard hourly rates for each person involved in the additional work.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

Management and Governing Board of  
Richmond School District  
December 29, 2023  
Page Eight of Nine

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information on the website with the original document.

In the event we are required to respond to a subpoena, court order or other legal process for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this engagement, you agree to compensate us at our applicable hourly rates, for the time we expend in connection with such response, and to reimburse us for all of our out-of-pocket costs incurred in that regard.

In the event that we are or may be obligated to pay any cost, settlement, judgment, fine, penalty, or similar award or sanction as a result of a claim, investigation, or other proceeding instituted by any third party, then to the extent that such obligation is or may be a direct or indirect result of your intentional or knowing misrepresentation or provision to us of inaccurate or incomplete information in connection with this engagement, and not any failure on our part to comply with professional standards, you agree to indemnify us, defend us, and hold us harmless as against such obligations.

*Government Auditing Standards* require that we provide you with a copy of our most recent external peer review report and any subsequent reports received during the contract period, if requested. Please contact us if you would like us to provide you with a copy of our most recent external peer review report and any subsequent reports received during the contract period.

This engagement letter is contractual in nature and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties. Our audit engagement ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

## **Reporting**

We will issue a written report upon completion of our audit of Richmond School District's financial statements. Our report will be addressed to the Governing Board of Richmond School District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

Management and Governing Board of  
Richmond School District  
December 29, 2023  
Page Nine of Nine

### Reporting (Concluded)

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of 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 on compliance and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that Richmond School District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to Richmond School District and believe this letter accurately summarizes the significant terms of our engagement. If, after full consideration, you agree that the foregoing terms shall govern this engagement, please sign this letter in the spaces provided and return the original signed letter to our office, keeping a fully-executed copy for your records.

Sincerely,

STEPHEN ROATCH ACCOUNTANCY CORPORATION

*Stephen Roatch*

Stephen Roatch, Certified Public Accountant  
President

RESPONSE:

This letter correctly sets forth the understanding of Richmond School District.

Management - Approved by:

Governing Board - Acknowledged by:

Name: \_\_\_\_\_

\_\_\_\_\_

Title: \_\_\_\_\_

Board President

Date: \_\_\_\_\_

\_\_\_\_\_



## CONSOLIDATED APPLICATION AND REPORTING SYSTEM (CARS)

Richmond Elementary (18 64170 0000000)

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## 2023–24 Title II, Part A LEA Allocations

The purpose of this data collection is to calculate the total allocation amount available to the local educational agency (LEA) for Title II, Part A Supporting Effective Instruction.

Required fields are denoted with an asterisk (\*).

Data saved successfully as a draft.

2023–24 Title II, Part A allocation: \$2,129

\* Transferred-in amount: 0

\* Total funds transferred out of Title II, Part A: 0

2023–24 Total allocation: \$2,129

\* Administrative and indirect costs: 0

\* Reservation for equitable services for nonprofit private schools: 0

2023–24 Title II, Part A adjusted allocation: \$2,129

Last Saved: Jeanette Goni (jagoni), 1/5/2024 8:08 AM, Draft

Alice Ng (Fiscal), Division Support Office | [ANG@cde.ca.gov](mailto:ANG@cde.ca.gov) | 916-323-4636  
Lisa Fassett (Program), Professional Learning Support & Monitoring Office | [LFassett@cde.ca.gov](mailto:LFassett@cde.ca.gov) | 916-323-4963  
General CARS Questions: Consolidated Application Support Desk | [conappsupport@cde.ca.gov](mailto:conappsupport@cde.ca.gov) | 916-319-0297



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## 2023–24 Federal Transferability

Federal transferability of funds is governed by Title V in ESSA Section 5102. An LEA may transfer Title II, Part A and/or Title IV, Part A program funds to other allowable programs. This transferability is not the same as Title V, Part B Alternative Fund Use Authority (AFUA) governed by ESEA Section 5211.

**Note:** Funds utilized under Title V, Part B AFUA are not to be included on this form.

Required fields are denoted with an asterisk (\*).

Data saved successfully as a draft.

## Title II, Part A Transfers

2023–24 Title II, Part A allocation:	\$2,129
Transferred to Title I, Part A:	0
Transferred to Title I, Part C:	0
Transferred to Title I, Part D:	0
Transferred to Title III English Learner:	0
Transferred to Title III Immigrant:	0
Transferred to Title V, Part B, Subpart 1 Small, Rural School Achievement Grant:	0
Transferred to Title V, Part B, Subpart 2 Rural and Low-Income Grant:	0
Total amount of Title II, Part A funds transferred out:	\$0 <input type="button" value="Recalculate"/>
2023–24 Title II, Part A allocation after transfers out:	\$2,129 <input type="button" value="Recalculate"/>

Last Saved: Jeanette Goni (jagoni), 1/5/2024 8:06 AM, Draft

Lisa Fassett, Professional Learning Support & Monitoring Office | [LFassett@cde.ca.gov](mailto:LFassett@cde.ca.gov) | 916-323-4963  
 Kevin Donnelly, Rural Education and Student Support Office | [TitleIV@cde.ca.gov](mailto:TitleIV@cde.ca.gov) | 916-319-0942  
 General CARS Questions: Consolidated Application Support Desk | [conappsupport@cde.ca.gov](mailto:conappsupport@cde.ca.gov) | 916-319-0297



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## 2023–24 Consolidation of Administrative Funds

This is a request by the local educational agency (LEA) to consolidate administrative funds for specific programs.

Required fields are denoted with an asterisk (\*).

Data saved successfully as a draft.

Title I, Part A Basic:  
SACS Code 3010 ☐

Title I, Part C Migrant Education:  
SACS Code 3060 ☐

Title I, Part D Delinquent:  
SACS Code 3025 ☐

Title II, Part A Supporting Effective  
Instruction:  
SACS Code 4035 ☒

Title III English Learner Students - 2%  
maximum:  
SACS Code 4203 ☐

Title III Immigrant Students:  
SACS Code 4201 ☐

Title IV, Part A Student Support - 2%  
maximum:  
SACS Code 4127 ☐

Title IV, Part B 21st Century Community  
Learning Centers:  
SACS Code 4124 ☐

Last Saved: Jeanette Goni (jagoni), 1/5/2024 8:09 AM, Draft

Save

Return to List

Hilary Thomson, Fiscal Oversight and Support Office | [HThomson@cde.ca.gov](mailto:HThomson@cde.ca.gov) | 916-323-0765  
General CARS Questions: Consolidated Application Support Desk | [conappsupport@cde.ca.gov](mailto:conappsupport@cde.ca.gov) | 916-319-0297



## CONSOLIDATED APPLICATION AND REPORTING SYSTEM (CARS)

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## 2021–22 Title II, Part A Fiscal Year Expenditure Report, Closeout 27 Months

A report of year-to-date expenditures by activity. Activity period covered is July 1, 2021 through September 30, 2023.

Required fields are denoted with an asterisk (\*).

Data saved successfully as a draft.

2021–22 Title II, Part A allocation:	\$1,270	
2021–22 Title II, Part A total apportionment issued:	\$1,270	
* Transferred–in amount:	0	
* Transferred–out amount:	0	
2021–22 Total allocation:	\$1,270	<a href="#">Recalculate</a>

### Professional Development Expenditures

* Professional development for teachers:	1270
* Professional development for administrators:	0
* Consulting/Professional services:	0
* Induction programs:	0
* Books and other supplies:	0
* Dues and membership:	0
* Travel and conferences:	0

### Personnel and Other Authorized Activities

* Certificated personnel salaries:	0
* Classified personnel salaries:	0
* Employee benefits:	0
* Developing or improving an evaluation system:	0
* Recruitment activities:	0
* Retention activities:	0
* Class size reduction:	0

### Program Expenditures

* Direct administrative costs:	0
--------------------------------	---

* Indirect costs:	0
* Equitable services for nonprofit private schools:	0
Total expenditures:	\$1,270
2021–22 Unspent funds:	\$0
Note: CDE will invoice the LEA for the unspent 2021–22 total allocation	

Last Saved: Jeanette Goni (jagoni), 1/5/2024 8:04 AM, Draft

Save

Return to List

Alice Ng (Fiscal), Division Support Office | [ANg@cde.ca.gov](mailto:ANg@cde.ca.gov) | 916-323-4636  
Lisa Fassett (Program), Professional Learning Support & Monitoring Office | [LFassett@cde.ca.gov](mailto:LFassett@cde.ca.gov) | 916-323-4963  
General CARS Questions: Consolidated Application Support Desk | [conappsupport@cde.ca.gov](mailto:conappsupport@cde.ca.gov) | 916-319-0297

California Department of Education  
1430 N Street  
Sacramento, CA 95814

Web Policy



RICHMOND SCHOOL BOARD OF TRUSTEES  
REGULAR MEETING  
December 14, 2023  
MINUTES

CALL TO ORDER     The meeting was called to order at 6:01 p.m. Led the flag salute.

MEMBERS PRESENT   Sadie Albonico, Adam Runyan, Nick McBride, Tracy Langslet

MEMBERS ABSENT   Daniel Bertotti

OTHERS PRESENT    Brian Boyer, Jeanette Goni, Shaun Giese, Jessica Solomon, Amy Matchniff

PUBLIC COMMENT    No Public Comment

### ANNUAL BOARD ORGANIZATION

ELECTION OF PRESIDENT	3.1	MSCU (Runyan/Langslet) to elect Sadie Albonico as Board President.
ELECTION OF CLERK	3.2	MSCU (Runyan/Langslet) to elect Nick McBride as Clerk of the Board.
SIGNATURES	3.3	MSCU (McBride/Runyan) approved the verification of authorized signatures.
BOARD REP LASSEN CO COMMITTEE	3.4	MSCU (Runyan/McBride) approved Tracy Langslet as the Board Representative to elect members to the Lassen County Committee on School District Organization.
SECRETARY TO BOARD	3.5	MSCU (Langslet/McBride) appointed Brian Boyer as Secretary to the Board.
BOARD BYLAW 9100	3.6	The Board reviewed <b><u>Board Bylaw 9100 Organization.</u></b> There were no changes.
BOARD BYLAW 9320	3.7	The Board reviewed <b><u>Board Bylaw 9320, Meetings and Notices.</u></b> There were no changes.
2024 MEETING CALENDAR	3.8	MSCU (McBride/Langslet) approved the Board Meeting Calendar for 2024.
2024 AGENDA CALENDAR	3.9	MSCU (Langslet/Runyan) approved the Board Agenda Calendar for 2024.
SELPA REP	3.10	MSCU (Runyan/McBride) designated Brian Boyer as representative to the Lassen County SELPA

## AGENDA

## APPROVAL

MSCU (Runyan/McBride) approved the agenda.

**RCA**

## RCA REPORT

5.1.1 No Report

**Superintendent Report**

## SCHOOL

## UPDATES

- 5.2.1 The Superintendent updated the Board on the following:
- PLC's every other Wednesday going well
  - ELOP (3 non-instructional days during Winter Break)
  - Girls Basketball season has ended
    - 7<sup>th</sup> grade girls team placed 1<sup>st</sup> at the Janesville Tournament
  - Christmas Program scheduled for December 20<sup>th</sup>
  - ELOP during Thanksgiving Break (3 days)
  - Rebel News Report Online (Videography)
  - P.E. Testing

## CA HEALTHY KIDS

## SURVEY

- 5.2.2 The Superintendent reported that 5<sup>th</sup> and 7<sup>th</sup> grades are the minimum grades required to complete the survey. Grades 5 through 8 took the survey.

**Director of Buildings and Grounds**

## BLDG &amp; GROUNDS

## REPORT

- 5.3.1 Shaun Giese, Facility Manager, reported that the new custodian, Dylan Langston, was doing well. The storage containers have been organized. The shop is currently being cleaned up and organized. There was discussion regarding the condition of the modular ramps; specifically the classrooms for grades 6 through 8.

## KING CONSULTING

## PRESENTATION

- 5.3.2 April Thompson with King Consulting joined via Zoom to provide a presentation regarding funding for facilities. The State School Facility Program was the focus of the presentation. Ms. Thompson discussed processing timelines, calculating eligibility, processing and reporting, and reviewed the district's current Facility Master Plan 2020. Ms. Thompson recommended that the district should revisit the master plan.

**Certificated Staff and Classified Staff Report**

## CERTIFICATED

## STAFF

- 5.4.1 Jessica Solomon provided an update of academics and activities in grades TK/K through 8.

## CLASSIFIED

## STAFF

- 5.4.2 No Report

**Curriculum/Student Performance**

No Report

**Business**BOARD BYLAW  
9320

- 7.1 Reviewed and discussed in Annual Board Organization of meeting.

1<sup>ST</sup> INTERIM  
BUDGET

- 7.2 Jeanette Goni reviewed the 1<sup>st</sup> Interim Budget for the 2023-24 school year.

RESOLUTION  
23/24-5

- 7.3 MSCU (Runyan/Langslet) approved **Resolution 23/24-5 - Approving Budget Revisions.**

CLASSIFIED  
SUNSHINE 24/25

- 7.4 (Langslet/Runyan) to approve the Richmond Classified Sunshine Letter regarding 24/25 negotiations.

Ayes - McBride, Runyan, Langslet  
Abstain - Albonico

KITCHEN CABINETS  
PURCHASES

- 7.5 Shaun provided quotes for the Board to review from Gold Run Cabinet & Door and Home Depot. He recommended going with Gold Run Cabinet & Door.

MSCU (McBride/Langslet) approved the purchase of Kitchen Cabinets up to \$20,000 with Gold Run Cabinet & Door.

HIRE SPECIAL ED  
TEACHER

- 7.6 MSCU (Langslet/Albonico) approved to hire a Special Ed Teacher, Christina Blackburn, on a Short-Term Waiver.

**Minutes**

- 8.1 MSCU (Runyan/McBride) approved the minutes of the regular meeting on November 9, 2023.

**Policy**

- 9.1 MSCU (Runyan/Langslet) adopted Final Reading of Board Policy 2023 Updates
- |                    |  |
|--------------------|--|
| <b>E 1113-E(2)</b> | District and School Websites           |
| <b>BP 1160</b>     | Political Processes                    |
| <b>BP 1330</b>     | Use of School Facilities               |
| <b>AR 1330</b>     | Use of School Facilities               |
| <b>AR 3311</b>     | Bids                                   |
| <b>BP 3312</b>     | Contracts                              |
| <b>BP 3460</b>     | Financial Reports and Accountability   |
| <b>BP 3551</b>     | Food Service Operations/Cafeteria Fund |

<b>AR 3551</b>	Food Service Operations/Cafeteria Fund
<b>BP 4112.2</b>	Certification
<b>AR 4112.2</b>	Certification
<b>BP 4140</b>	Bargaining Units
<b>BP 4240</b>	Bargaining Units
<b>BP 4340</b>	Bargaining Units
<b>BP 4151</b>	Employee Compensation
<b>BP 4251</b>	Employee Compensation
<b>BP 4351</b>	Employee Compensation
<b>AR 4217.3</b>	Layoff/Rehire
<b>AR 4261.1</b>	Personal Illness/Injury Leave
<b>AR 4161.2</b>	Personal Leaves
<b>AR 4261.2</b>	Personal Leaves
<b>AR 4361.2</b>	Personal Leaves
<b>AR 4161.8</b>	Family Care and Medical Leave
<b>AR 4261.8</b>	Family Care and Medical Leave
<b>AR 4361.8</b>	Family Care and Medical Leave
<b>BP 5141.5</b>	Mental Health
<b>BP 5145.6</b>	Parent/Guardian Notifications
<b>E 5145.6-E(2)</b>	Parent/Guardian Notifications
<b>BP 6159.2</b>	Nonpublic, Nonsectarian School and Agency Services for Special Education
<b>AR 7140</b>	Architectural and Engineering Services
<b>BB 9124</b>	Attorney
<b>BB 9322</b>	Agenda/Meeting Materials

## Warrants

<b>10.1</b>	<b>MSCU(McBride/Runyan) approved the warrant list(s) for December</b>	
	General:	\$ 42,313.51
	Cafeteria:	<u>6,404.49</u>
		<b>\$ 48,718.00</b>

## Correspondence

No Correspondence

## Information: Comments from Board Members

No Comments from Board Members

**Closed Session**

- 13.1 The Board met in Closed Session regarding Board Consideration of Appeal – Uniform Complaint (Board Policy/Administrative Regulation 1312.3)  
*The Board will hear and vote on whether to grant the appeal of Complaint regarding a Superintendent Level Response to a Confidential Uniform Complaint*
- 13.2 Pursuant to Government Code Section 54954.5, the Board met regarding Public Employee Evaluation of Performance  
- Superintendent/Principal

**Reconvene Open Session**

- 14.1 No Action Take in Closed Session

**ADJOURNMENT**

Having no further business, the regular meeting adjourned at 8:35 p.m.

**RICHMOND SCHOOL BOARD MEETING**  
**January 11, 2023**

**BILL WARRANT TOTALS**

**DECEMBER Bills - Batch #17**

FUND 01	GENERAL	\$ 28,758.45
FUND 13	CAFETERIA	\$ 4,196.51
FUND 14	DEFERRED MAINTENANCE	\$ 0.00
FUND 25	DEVELOPER FEES	\$ 0.00
FUND 40	CAPITAL OUTLAY	<u>\$ 0.00</u>
<b>TOTAL MONEY PAID</b>		<b>\$ 32,954.96</b>

<b>TOTAL MONEY PAID</b>	<b>\$32,954.96</b>
-------------------------	--------------------

Vendor/Addr Remit name	Description	Tax ID num	Deposit type	Fd-Resc-Y-Objt-Goal-Sch-DD	ABA num	Account num	EE	ES	E-Term	E-ExtRef
Req Reference	Date						Liq	Ant	Net	Amount
101044/00	AMY MATCHNIF									
	472-150 RICHMOND ROAD									
	SUSANVILLE, CA 96130									
PV-240188	11/19/2023 RMB - ELOP SUPPLIES			01-2600-0-4300-1110-1000-000-00	NN					100.79
				100.79 *						100.79
101101/00	CENGAGE LEARNING									
	P.O. BOX 936743									
	ATLANTA, GA 31193-6743									
240097	PO-240097 11/29/2023 83019786 BIG IDEAS DIGITAL			1 01-6300-0-4100-1110-1000-000-00	NN	F		917.28		919.84
				TOTAL PAYMENT AMOUNT						919.84
100751/00	CSM, INC.									
	P.O. BOX 4408									
	EL DORADO HILLS, CA 95762									
240101	PO-240101 10/31/2023 INV 16934 JUL-SEP SERVICES			1 01-0000-0-5800-0000-7200-000-00	NN	P		1,000.00		1,000.00
				TOTAL PAYMENT AMOUNT						1,000.00
100041/00	CURRENT ELECTRIC & ALARM									
	5031 GRIZZLY ROAD									
	PORTOLA, CA 96122									
PV-240186	12/18/2023 INV 47584 - SVC ALARM RESET			01-8150-0-5800-0000-8100-000-00	NN					170.00
				TOTAL PAYMENT AMOUNT						170.00
101143/00	EDWARDS, STEVENS & TUCKER LLP									
	333 UNIVERSITY AVENUE									
	SUITE 200									
	SACRAMENTO, CA 95825									
240102	PO-240102 12/05/2023 5320 INVESTIGATIVE SVCS			1 01-0000-0-5800-0000-7100-000-00	NN	F		2,743.50		2,743.50
240102	PO-240102 12/05/2023 5320 INVESTIGATIVE SVCS			2 01-0000-0-5800-0000-7110-000-00	NN	F		2,743.50		2,743.50
				TOTAL PAYMENT AMOUNT						5,487.00

BATCH: 0017 DEC BILLS #17

&lt;&lt; Open &gt;&gt;

Fund : 01 GENERAL FUND

Vendor/Addr	Remit name	Tax ID num	Deposit type	ABA num	Account num	EE ES	E-Term	E-ExtRet
Reg Reference	Date	Description		Fd-Resc-Y-Objt-Goal-Func-Sch-DD	T9MPS	Liq Amt	Net	Amount
100827/00	FGL ENVIRONMENTAL							
	853 CORPORATION STREET							
	SANTA PAULA, CA 93060							
240032	PO-240032	12/13/2023	379811A WATER TESTING	1 01-8150-0-5800-0000-8100-000-00	NN P	76.00		76.00
240032	PO-240032	12/13/2023	379812A WATER TESTING	1 01-8150-0-5800-0000-8100-000-00	NN P	33.00		33.00
			TOTAL PAYMENT AMOUNT		109.00 *			109.00
100126/00	GOPHER SPORT							
	NW5634							
	PO BOX 1450							
	MINNEAPOLIS, MN 55485-5634							
240099	PO-240099	12/13/2023	IN339300 BOYS BASKETBALLS	1 01-0000-0-4300-1110-4200-000-00	NN P	336.10		336.10
			TOTAL PAYMENT AMOUNT		336.10 *			336.10
100031/00	INLAND SUPPLY COMPANY INC							
	PO BOX 10048							
	RENO, NV 89510							
240106	PO-240106	12/06/2023	1082925 CUSTODIAL SUPPLIES	1 01-0000-0-4300-0000-8200-000-00	NN P	1,162.20		1,162.20
240106	PO-240106	11/15/2023	1082258 CUSTODIAL SUPPLIES	1 01-0000-0-4300-0000-8200-000-00	NN P	1,374.99		1,374.99
240106	PO-240106	12/06/2023	1082750 CUSTODIAL SUPPLIES	1 01-0000-0-4300-0000-8200-000-00	NN P	225.14		225.14
240106	PO-240106	12/06/2023	1082291 CUSTODIAL SUPPLIES	1 01-0000-0-4300-0000-8200-000-00	NN P	12.81		12.81
			TOTAL PAYMENT AMOUNT		2,775.14 *			2,775.14
100534/00	KINGSLEY BOGARD LLP							
	600 COOLIDGE DRIVE							
	SUITE #160							
	FOLSOM, CA 95630							
240105	PO-240105	10/31/2023	31757 OCT LEGAL SERVICES	1 01-0000-0-5800-0000-7100-000-00	NY F	1,843.00		1,843.00
240105	PO-240105	12/26/2023	31757 OCT LEGAL SERVICES	2 01-0000-0-5800-0000-7110-000-00	NY F	1,843.00		1,843.00
			TOTAL PAYMENT AMOUNT		3,686.00 *			3,686.00



## ACCOUNTS PAYABLE PRELIST

BATCH: 0017 DEC BILLS #17

&lt;&lt; Open &gt;&gt;

Fund : 01 GENERAL FUND

Vendor/Addr Reg Reference	Remit name Date	Description	Tax ID num	Deposit type	Fd-Resc-Y-Objt-Goal-Func-Sch-DD T9MPS	ABA num	Account num	EE ES	E-Term	E-ExtRef
100942/00	LINDA REA-LILE 700-050 OLD ARCHERY ROAD SUSANVILLE, CA 96130									
PV-240187	12/11/2023	RMB - CLASSROOM SUPPLIES			01-6300-0-4300-1110-1000-000-00 NN	28.75 *				28.75 28.75
		TOTAL PAYMENT AMOUNT								
101020/00	PLUMAS-SIERRA TELECOM P.O. BOX 1057 PORTOLA, CA 96122-1057									
240002	PO-240002	11/30/2023 DEC BROADBAND			1 01-0000-0-5900-0000-7200-000-00 NN P	64.95 *				64.95 64.95
		TOTAL PAYMENT AMOUNT								
100632/00	QUILL CORPORATION P.O. BOX 37600 PHILADELPHIA, PA 19101-0600									
PV-240189	12/19/2023	36193651 - CLASSROOM SUPPLIES			01-6500-0-4300-5760-1110-000-00 NN	180.17 *				180.17 180.17
		TOTAL PAYMENT AMOUNT								
100738/00	ST&A ACCOUNTS RECEIVABLE P.O. BOX 771470 ST. LOUIS, MO 63177-9816									
240104	PO-240104	12/20/2023 23-24 GOV SVCS & SARC			1 01-0000-0-5800-1110-1000-000-00 NN F	3,600.00 *				3,600.00 3,600.00
		TOTAL PAYMENT AMOUNT								
100603/00	SSDA 925 L STREET SUITE 1200 SACRAMENTO, CA 95814									
240103	PO-240103	12/20/2023 23-24 SSDA MEMBERSHIP			1 01-0000-0-5300-0000-7100-000-00 NN F	425.00 *				425.00 425.00
		TOTAL PAYMENT AMOUNT								

BATCH: 0017 DEC BILLS #17

&lt;&lt; Open &gt;&gt;

Fund : 01 GENERAL FUND

Vendor/Addr	Remit name	Date	Description	Tax ID num	Deposit type	Fd-Resc-Y-Objt-Goal-Func-Sch-DD	ABA num	Account num	EE	ES	E-Term	E-ExtRef
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100013/00	SUSANVILLE ACE HARDWARE											
	9045 ADAMS AVENUE											
	HUNTINGTON BEACH, CA 92646											

PV-240190	11/20/2023	521021	- SUPPLIES									18.84
PV-240191	11/21/2023	521035	- SUPPLIES									127.96
PV-240192	12/05/2023	521366	- SUPPLIES									19.47
PV-240193	12/19/2023	521738	- SUPPLIES									138.30

TOTAL PAYMENT AMOUNT

304.57 \*

304.57

100036/00	Staub & Sons, ED											
	P.O. BOX 488											
	KLAMATH FALLS, OR 97601-0339											

240076	PO-240076	12/13/2023	10110497	PROPANE								1,261.60
240076	PO-240076	12/13/2023	10110496	PROPANE								843.41

TOTAL PAYMENT AMOUNT

2,105.01 \*

2,105.01

100747/00	U.S. BANK CORPORATE PAYMENT											
	P.O. BOX 790428											
	ST. LOUIS, MO 63179-0428											

240081	PO-240081	11/22/2023	PANIC DOOR									709.61
240084	PO-240084	11/22/2023	KITCHEN FOOD WARMER									3,523.22
	PV-240194	11/22/2023	SUPPLIES									5.83
	PV-240195	11/22/2023	SUPPLIES									461.61
	PV-240196	11/22/2023	SPED MATH CURRICULUM									75.00
	PV-240197	11/22/2023	30 YARD DUMPSTER RENTAL									300.00
	PV-240199	11/22/2023	SUPPLIES									197.98
	PV-240200	11/22/2023	COSTCO - SNACKS FOR ELOP									80.94
	PV-240201	11/22/2023	OFFICE SUPPLIES									186.80

TOTAL PAYMENT AMOUNT

5,540.99 \*

5,540.99

101145/00	WONDER WORKSHOP, INC											
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240100	PO-240100	12/14/2023	WON112017	DASH 12 PACK								962.57
240100	PO-240100	12/14/2023	WON112017	DASH 12 PACK								962.57

TOTAL PAYMENT AMOUNT

1,925.14 \*

1,925.14

TOTAL Fund PAYMENT 28,758.45 \*\*

28,758.45

ACCOUNTS PAYABLE PRELIST  
 BATCH: 0017 DEC BILLIS #17  
 Fund : 13 CAFETERIA

&lt;&lt; Open &gt;&gt;

Vendor/Addr	Remit name	Reg Reference	Date	Description	Tax ID num	Deposit type	Fd-Resc-Y-Objt-Goal-Func-Sch-DD T9MPS	ABA num	Account num	EE ES	E-Term	E-ExtRef
										Liq Amt		Net Amount
100904/00	BONANZA PRODUCE CO											
	P.O. BOX 604											
	SPARKS, NV 89432											
PV-240180	12/07/2023	INV 3679919	-	FOOD			13-5310-0-4700-0000-3700-000-00 NN					137.15
PV-240181	12/14/2023	INV 3681629	-	FOOD			13-5310-0-4700-0000-3700-000-00 NN					99.80
							236.95 *					236.95
							TOTAL PAYMENT AMOUNT					
100055/00	MORNING GLORY INC											
	PO BOX 189											
	SUSANVILLE, CA 96130											
PV-240182	12/06/2023	INV 396339	-	SUPPLIES			13-5310-0-4300-0000-3700-000-00 NN					59.61
PV-240182	12/06/2023	INV 396339	-	FOOD			13-5310-0-4700-0000-3700-000-00 NN					334.49
PV-240183	12/13/2023	INV 396408	-	SUPPLIES			13-5310-0-4300-0000-3700-000-00 NN					141.73
PV-240183	12/13/2023	INV 396408	-	FOOD			13-5310-0-4700-0000-3700-000-00 NN					244.80
							780.63 *					780.63
							TOTAL PAYMENT AMOUNT					
100514/00	PIZZA FACTORY											
	P.O. BOX 1087											
	JANESVILLE, CA 96114											
PV-240184	12/04/2023	INV 1227	-	FOOD			13-5310-0-4700-0000-3700-000-00 NN					883.32
							883.32 *					883.32
							TOTAL PAYMENT AMOUNT					
100990/00	SYSCO FOOD SVCS OF SACRAMENTO											
	P.O. BOX 138007											
	SACRAMENTO, CA 95813-8007											
PV-240185	12/04/2023	INV 431759011	-	FOOD			13-5310-0-4700-0000-3700-000-00 NN					1,993.81
							1,993.81 *					1,993.81
							TOTAL PAYMENT AMOUNT					
100747/00	U.S. BANK CORPORATE PAYMENT											
	P.O. BOX 790428											
	ST. LOUIS, MO 63179-0428											
PV-240198	11/22/2023	COSTCO	-	FOOD			13-5310-0-4700-0000-3700-000-00 NN					301.80
							301.80 *					301.80
							TOTAL PAYMENT AMOUNT					
							TOTAL Fund					4,196.51
							PAYMENT					
							4,196.51 **					
							TOTAL BATCH PAYMENT					32,954.96
							32,954.96 ***					
							0.00					

Vendor/Addr	Remit name	Reg Reference	Date	Description	Tax ID num	Deposit type	Fd-Resc-Y-Objt-Goal-Func-Sch-DD	T9MPS	EE	ES	E-Term	E-ExtRef

TOTAL DISTRICT PAYMENT 32,954.96 \*\*\*\* 0.00 32,954.96

TOTAL FOR ALL DISTRICTS: 32,954.96 \*\*\*\* 0.00 32,954.96

Number of checks to be printed: 23, not counting voids due to stub overflows.