

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**COUNTY OF COLUSA  
WILLIAMS, CALIFORNIA**

**FINANCIAL STATEMENTS  
WITH  
INDEPENDENT AUDITOR'S REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

# **WILLIAMS UNIFIED SCHOOL DISTRICT**

## **TABLE OF CONTENTS**

---

	<b><u>PAGE</u></b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>1</b>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	<b>4</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-Wide Financial Statements	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements	
Balance Sheet – Governmental Funds	12
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	13
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	14
Reconciliation of the Governmental Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	15
Notes to the Basic Financial Statements	16
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP) and Actual – General Fund	47
Schedule of Changes in the District's Net OPEB Liability and Related Ratios	48
Schedule of Proportionate Share of Net Pension Liability	49
Schedule of Pension Contributions	50
Notes to Required Supplementary Information	51

# **WILLIAMS UNIFIED SCHOOL DISTRICT**

## **TABLE OF CONTENTS**

---

### **SUPPLEMENTARY INFORMATION**

Combining Balance Sheet – All Non-major Governmental Funds	53
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – All Non-major Governmental Funds	54
Organization	55
Schedule of Instructional Time	56
Schedule of Charter Schools	57
Reconciliation of Annual Financial and Budget Report with Audited Financial Statements	58
Schedule of Expenditures of Federal Awards	59
Schedule of Financial Trends and Analysis	60
Notes to Supplementary Information	61

### **OTHER INDEPENDENT AUDITOR’S REPORTS**

Independent Auditor's Report on Compliance with State Laws and Regulations	62
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	65
Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	67

### **FINDINGS AND RECOMMENDATIONS**

Schedule of Findings and Questioned Costs	69
Status of Prior Year Audit Findings	73



**James Marta & Company LLP**

*Certified Public Accountants*

*Accounting, Auditing, Consulting, and Tax*

---

## **INDEPENDENT AUDITOR'S REPORT**

Board of Trustees  
Williams Unified School District  
Williams, California

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Williams Unified School District (the "District"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Williams Unified School District (the “District”), as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Change in Accounting Principle*

As described in Note 1W to the financial statements, the District adopted GASB Statement No. 84, Fiduciary Activities which required a restatement of net position as of July 1, 2020. Our opinion is not modified with respect to this matter.

### *Prior Period Restatement*

The District booked developer fee revenues in a prior period using an incorrect fee per square foot and has subsequently corrected the amount in their calculation. The result of this correction required a restatement of net position as of July 1, 2020 in the amount of \$269,020. Our opinion is not modified with respect to this matter.

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP) and Actual – General Fund, Schedule of Changes in the District’s Net OPEB Liability and Related Ratios, Schedule of Proportionate Share of Net Pension Liability, and Schedule of Pension Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

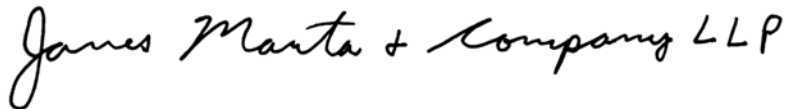
### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements. The accompanying supplementary information as listed in the table of contents, including the schedule of expenditures of federal awards, as required by the July 2021 Edition of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance), Audits of States, Local Governments, and Non-Profit Organizations, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information as listed in the table of contents 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
October 28, 2021

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2021**

---

This section of the Williams Unified School District's (the District) annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2021. Please read it in conjunction with the Independent Auditor's Report and the District's financial statements, which immediately follows 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 10 and 11, provide information about the activities of the District as a whole and present a longer-term view of the District's finances. The fund financial statements for governmental activities, presented on pages 12 through 15, 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. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside the District.

**FINANCIAL HIGHLIGHTS**

The District's net position increased by 35.7% from 2019-20 to 2020-21. This was brought about primarily by the increase in capital assets.

- Capital assets increased by \$1,044,070 due primarily to building improvements.
- Total long-term liabilities increased \$804,644 or 2.28%, primarily due to the increase in the net pension liability.
- The District was funded in 2020-21 based on the District's 2019-20 P-2 ADA of 1,259.
- The District maintains sufficient reserves for a district its size. It meets the state required minimum reserve for economic uncertainty of 3% of total General Fund expenditures, transfers out, and other uses (total outgo). During fiscal year 2020-21, total General Fund expenditures and other financing uses totaled \$18,167,145. At June 30, 2021, the District has a reserve for economic uncertainty of \$545,014 in the Unrestricted General Fund, which represents a reserve of 3.0%.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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, District-wide and funds.

District-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.



**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2021**

---

- Basic services funding is described in the governmental funds statements. These statements include short-term financing and identify the balance remaining for future spending.
- Short and long-term financial information about the activities of the District that operate like businesses are provided in the proprietary fund statements.
- Financial relationships, for which the District acts as an agent or trustee for the benefit of others to whom the resources belong, are presented in the fiduciary funds statements.

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 District-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 or 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.

In the Statement of Net Position and the Statement of Activities, we divide the District into two kinds of activities:

**Governmental Activities:**

The basic services provided by the District, such as regular and special education, administration, and transportation 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 state and federal contracts and grants, and local revenues.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2021**

---

**Business-type Activities:**

The District does not provide any services that should be included in this category.

**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 Williams Unified School District are the General Fund, Building Fund and the County School Facilities Fund. Governmental fund reporting focuses on how money flows into and out of the funds and the information helps to determine the level of financial resource balances that remain at the end of the year. A modified accrual basis of accounting measures for cash and all other financial assets that can readily be converted to cash are being presented. 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.

**Proprietary Funds**

Services for which the District charges a fee are generally reported in proprietary funds on a full accrual basis. These include both Enterprise funds and Internal Service funds. Enterprise funds are considered business type activities and are also reported under a full accrual method. This is the same basis as business-type activities; therefore, no reconciling entries are required. Internal service funds are reported with the Governmental Funds. The District does not have funds of this type.

**Fiduciary Funds**

The District is the trustee, or fiduciary, for its student activity funds. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance their operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2021**

---

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

<b>Condensed Statement of Net Position</b>				
	June 30, 2020	June 30, 2021	Change	Percentage Change
<b>Assets</b>				
Current assets	\$ 11,842,118	\$ 12,702,707	\$ 860,589	7.3%
Capital assets	23,020,968	24,065,038	1,044,070	4.5%
Total assets	34,863,086	36,767,745	1,904,659	5.5%
<b>Deferred Outflows of Resources</b>	7,688,476	7,225,605	(462,871)	-6.0%
Current liabilities	1,777,763	2,042,608	264,845	14.9%
Long-term liabilities	33,417,467	33,957,266	539,799	1.6%
Total liabilities	35,195,230	35,999,874	804,644	2.3%
<b>Deferred Inflows of Resources</b>	3,908,489	3,313,171	(595,318)	-15.2%
<b>Net Position</b>				
Invested in capital assets	5,091,361	5,787,321	695,960	13.7%
Restricted	3,280,673	3,140,835	(139,838)	-4.3%
Unrestricted	(4,924,191)	(4,247,851)	676,340	-13.7%
Total net position	\$ 3,447,843	\$ 4,680,305	\$ 1,232,462	35.7%

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2021**

**Condensed Statement of Activities for the Fiscal Years Ended June 30**

	2020	2021	Change	Percentage Change
<b>Revenues</b>				
Charges for services	\$ 276,177	\$ 126,633	\$ (149,544)	-54.1%
Operating grants and contributions	3,414,502	5,089,238	1,674,736	49.0%
Taxes levied for general purposes	3,617,356	3,709,658	92,302	2.6%
Taxes levied for debt services	735,658	492,311	(243,347)	-33.1%
Federal and state aid not restricted for specific purposes	11,741,848	11,632,282	(109,566)	-0.9%
Interest and investment earnings	185,055	139,659	(45,396)	-24.5%
Miscellaneous	185,347	392,160	206,813	111.6%
Total revenues	20,155,943	21,581,941	1,425,998	7.1%
<b>Expenses</b>				
Instruction	8,223,642	10,025,831	1,802,189	21.9%
Instruction related services	1,685,373	2,783,235	1,097,862	65.1%
Pupil services	1,600,003	1,599,038	(965)	-0.1%
General administration	1,353,743	1,543,976	190,233	14.1%
Plant services	1,800,094	1,739,824	(60,270)	-3.3%
Ancillary services	119,121	183,387	64,266	54.0%
Interest on long-term debt	975,109	579,162	(395,947)	-40.6%
Other outgo	972,060	895,373	(76,687)	-7.9%
Depreciation (unallocated)	650,542	884,706	234,164	36.0%
Total expenses	17,379,687	20,234,532	2,854,845	16.4%
Change in net position	\$ 2,776,256	\$ 1,347,409	\$ (1,428,847)	-51.5%

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

As the District completed the school year, the governmental funds reported a combined fund balance of \$11,576,629.

**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 revised figures. In addition, the District revises its budget at First and Second Interim and any other time there are significant changes.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2021**

---

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

- Capital assets increased \$1,044,070 due primarily to building improvements.

**Long-Term Liabilities**

- Total long-term liabilities \$804,644 or 2.28%, primarily due to the increase in the net pension liability.

The notes to the financial statements are an integral part of the financial presentation and contain more detailed information as to interest, principal, retirement amounts, and future debt retirement dates.

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

Student enrollment and attendance are primary factors in the computation of most funding formulas for public schools in the State of California. Enrollment is expected to decrease in fiscal year 2021-22.

The future predictions require management to plan carefully and prudently to provide the resources to meet student needs over the next several years.

## **BASIC FINANCIAL STATEMENTS**

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**STATEMENT OF NET POSITION**

**JUNE 30, 2021**

	<b>Governmental Activities</b>
<hr/>	
<b>ASSETS</b>	
Cash and cash equivalents	\$ 10,606,368
Receivables	2,047,160
Prepaid expenses	32,926
Stores inventory	16,253
Capital assets, net of accumulated depreciation	24,065,038
Total Assets	<u>36,767,745</u>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Discount on Certificate of Participation	41,612
Deferred outflows on OPEB (note 7)	174,255
Deferred outflows on pensions (note 6)	7,009,738
Total Deferred Outflows	<u>7,225,605</u>
 <b>LIABILITIES</b>	
Accounts payable and other current liabilities	970,960
Unearned revenue	542,938
Long-term liabilities:	
Due within one year	528,710
Due in more than one year	33,957,266
Total Liabilities	<u>35,999,874</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred bond premium revenue	897,590
Deferred COP premium revenue	256,365
Deferred inflows on OPEB (note 7)	233,225
Deferred inflows on pensions (note 6)	1,925,991
Total Deferred Inflows	<u>3,313,171</u>
 <b>NET POSITION</b>	
Net investment in capital assets	5,787,321
Restricted	3,140,835
Unrestricted	(4,247,851)
Total Net Position	<u>\$ 4,680,305</u>

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**STATEMENT OF ACTIVITIES**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b>Program Revenues</b>				<b>Net (Expense) Revenues and Changes in Net Position</b>
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Governmental Activities</b>
Governmental Activities					
Instruction	\$ 10,025,831	\$ 291	\$ 2,774,518	\$ -	\$ (7,251,022)
Instruction-related services:					
Instructional supervision and administration	268,687	-	222,410	-	(46,277)
Instructional library, media and technology	1,159,811	-	935,129	-	(224,682)
School site administration	1,354,737	-	120,462	-	(1,234,275)
Pupil Services:					
Home-to-school transportation	163,907	-	384	-	(163,523)
Food services	840,557	3,916	496,726	-	(339,915)
All other pupil services	594,574	9	184,788	-	(409,777)
General administration:					
Centralized data processing	55,788	-	-	-	(55,788)
All other general administration	1,488,188	143	131,993	-	(1,356,052)
Plant services	1,739,824	1,746	79,209	-	(1,658,869)
Ancillary services	183,387	39,921	16,852	-	(126,614)
Interest on long-term debt	579,162	-	-	-	(579,162)
Other outgo	895,373	80,607	126,767	-	(687,999)
Depreciation (unallocated)	884,706	-	-	-	(884,706)
Total governmental activities	<u>\$ 20,234,532</u>	<u>\$ 126,633</u>	<u>\$ 5,089,238</u>	<u>\$ -</u>	<u>(15,018,661)</u>
General Revenues					
Taxes and subventions:					
Taxes levied for general purposes					3,709,658
Taxes levied for debt service					492,311
Federal and state aid not restricted to specific purposes					11,632,282
Interest and investment earnings					139,659
Miscellaneous					392,160
Total General Revenues					<u>16,366,070</u>
Change in Net Position					1,347,409
Net Position, July 1, 2020					<u>3,447,843</u>
Change in Accounting Principle (Note 1W)					154,073
Prior period adjustment					<u>(269,020)</u>
Net Position - beginning, As restated					<u>3,332,896</u>
Net Position, June 30, 2021					<u>\$ 4,680,305</u>



**WILLIAMS UNIFIED SCHOOL DISTRICT****BALANCE SHEET****GOVERNMENTAL FUNDS****JUNE 30, 2021**

	<b>General Fund</b>	<b>Non-Major Funds</b>	<b>Totals</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 7,385,742	\$ 3,220,626	\$ 10,606,368
Accounts receivable	2,046,726	434	2,047,160
Due from other funds	27,869	-	27,869
Prepaid expenses	32,926	-	32,926
Stores inventory	-	16,253	16,253
Total Assets	<u>\$ 9,493,263</u>	<u>\$ 3,237,313</u>	<u>\$ 12,730,576</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 554,264	\$ 28,876	\$ 583,140
Due to other funds	-	27,869	27,869
Unearned revenue	542,938	-	542,938
Total Liabilities	<u>1,097,202</u>	<u>56,745</u>	<u>1,153,947</u>
Fund balances			
Nonspendable	38,976	16,303	55,279
Restricted	1,163,432	1,977,403	3,140,835
Assigned	6,649,949	1,186,862	7,836,811
Unassigned	543,704	-	543,704
Total Fund Balances	<u>8,396,061</u>	<u>3,180,568</u>	<u>11,576,629</u>
Total liabilities and fund balances	<u>\$ 9,493,263</u>	<u>\$ 3,237,313</u>	<u>\$ 12,730,576</u>

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION**

**GOVERNMENTAL FUNDS**

**JUNE 30, 2021**

---

Total fund balances - governmental funds	\$ 11,576,629
--	---------------

Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:

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 at historical cost	\$ 34,777,239	
Accumulated depreciation	<u>(10,712,201)</u>	
Net		24,065,038

Unmatured interest on long-term debt: In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred. (387,820)

Unamortized premiums and discounts: In governmental funds, bond premiums are recognized as revenues in the period they are received while bond discounts are recognized as expenditures in the period they are incurred. In the government-wide statements, premiums and discounts are amortized over the life of the debt. Unamortized premiums and discounts at year-end consist of:

Unamortized portion of COP discounts	41,612
Unamortized portion of bond premiums	(897,590)
Unamortized portion of COP premiums	(256,365)

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 relating to governmental activities consist of:

Net pension liabilities	\$ 15,013,796	
General obligation bonds payable:		
Current Interest	10,060,000	
Net OPEB liability	1,106,446	
Capital lease payable	2,202,717	
Certificate of participation	6,015,000	
Compensated absences payable	<u>88,017</u>	
		(34,485,976)

Deferred outflows and inflows of resources relating to other postemployment benefits (OPEB): In governmental funds, deferred outflows and inflows of resources relating to OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to OPEB are reported.

Deferred outflows of resources relating to OPEB	174,255
Deferred inflows of resources relating to OPEB	<u>(233,225)</u>

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 pension are reported.

Deferred outflows of resources relating to pensions	7,009,738
Deferred inflows of resources relating to pensions	<u>(1,925,991)</u>

Total net position - governmental activities	<u>\$ 4,680,305</u>
--	---------------------

The accompanying notes are an integral part of these financial statements.

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE**

**GOVERNMENTAL FUNDS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b>General Fund</b>	<b>Non-Major Funds</b>	<b>Totals</b>
<b>REVENUES</b>			
LCFF sources	\$ 15,043,053	\$ -	\$ 15,043,053
Federal revenue	2,785,957	478,961	3,264,918
Other state revenues	2,036,730	35,168	2,071,898
Other local revenues	519,001	675,787	1,194,788
Total revenues	20,384,741	1,189,916	21,574,657
<b>EXPENDITURES</b>			
Certificated salaries	6,596,275	-	6,596,275
Classified salaries	1,993,496	371,823	2,365,319
Employee benefits	3,566,192	161,740	3,727,932
Books and supplies	1,635,100	338,039	1,973,139
Services and other operating expenditures	2,241,220	23,851	2,265,071
Capital outlay	383,939	1,569,478	1,953,417
Other outgo	867,504	27,869	895,373
Debt service expenditures			
Principal	262,266	180,000	442,266
Interest	114,214	541,871	656,085
Total expenditures	17,660,206	3,214,671	20,874,877
Excess (deficiency) of revenues over expenditures	2,724,535	(2,024,755)	699,780
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	-	506,939	506,939
Operating transfers out	(506,939)	-	(506,939)
Other sources	-	1,441	1,441
Total other financing sources (uses)	(506,939)	508,380	1,441
Net change in fund balances	2,217,596	(1,516,375)	701,221
Fund balances, July 1, 2020	6,178,465	4,811,890	10,990,355
Prior period adjustment	-	(269,020)	(269,020)
Change in Accounting Principle (See Note 1W)	-	154,073	154,073
Fund balances, July 1, 2020, as restated	6,178,465	4,696,943	10,875,408
Fund balances, June 30, 2021	\$ 8,396,061	\$ 3,180,568	\$ 11,576,629

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**JUNE 30, 2021**

---

Total net change in fund balances - governmental funds	\$ 701,221
--	------------

Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds because:

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 estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:

Expenditures for capital outlay	\$ 1,928,776	
Depreciation expense	<u>(884,706)</u>	1,044,070

Debt service: In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were:

442,266

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, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period was:

31,638

Other postemployment benefits (OPEB): In governmental funds, OPEB expenses are recognized when employer contributions are made. In the statement of activities, OPEB expenses are recognized on the accrual basis. This year, the difference between OPEB expenses and actual employer OPEB contributions was:

(20,541)

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

(872,789)

Compensated absences in governmental funds are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amounts earned. The difference between compensated absences paid and compensated absences earned was:

(23,741)

Amortization of debt issue premium or discount: In governmental funds, if debt is issued at a premium or at a discount, the premium or discount is recognized as an Other Financing Source or an Other Financing Use in the period it is incurred. In the government-wide statements, the premium or discount is amortized as interest over the life of the debt.

45,285

Total change in net position - governmental activities	<u><u>\$ 1,347,409</u></u>
--	----------------------------

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. HISTORY OF THE ORGANIZATION**

The Williams Unified 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 Governing Board elected by registered voters of the District, which comprises an area in Colusa County. The District serves students in transitional kindergarten through twelfth grade.

**B. REPORTING ENTITY**

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

The District has determined that no outside entity meets the above criteria, and therefore, no agency has been included as a component unit in the District's financial statements. In addition, the District is not aware of any entity that would exercise such oversight responsibility that would result in the District being considered a component unit of that entity.

**C. ACCOUNTING POLICIES**

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

**D. BASIS OF PRESENTATION**

Government-Wide Financial Statements

The statement of net position and the statement of activities report information on all of the non-fiduciary activities of the District and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**D. BASIS OF PRESENTATION (CONTINUED)**

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. Fiduciary funds are reported by fund type.

**E. MEASUREMENT FOCUS AND 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. Fiduciary funds use the accrual basis of accounting.

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements are met. Expenses are recorded when liabilities are incurred.

Governmental Fund Financial Statements

Governmental fund financial statements (i.e., balance sheet and statement of revenues, expenditures, and changes in fund balances) are reported using the current financial resources measurement focus and the modified accrual basis of accounting. 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. On a 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 60 days after year-end.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**E. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)**

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 specified 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.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**F. 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's accounts are organized into major, non-major, and fiduciary funds as follows:

*Governmental Funds*

The **General Fund** is the general operating fund of the District and accounts for all revenues and expenditures of the District, not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund. The General Fund includes the following funds:

- The **Deferred Maintenance Fund** is used to account separately for revenues that are restricted or committed for deferred maintenance purposes (Education Code Section 17582).
- The **Special Reserve Fund for Postemployment Benefits** is used to account for amounts the District has earmarked for the future cost of postemployment benefits but has not contributed irrevocably to a separate trust for the postemployment benefit plan.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**F. FUND ACCOUNTING (CONTINUED)**

The **Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

- The **Student Activity Fund** accounts for student body activities (ASB) to account for the raising and expending of money to promote the general welfare, morale and educational experience of the student body.
- The **Cafeteria Fund** is used to account separately for federal, state, and local resources to operate the food service program.

The **Capital Projects Funds** are used to account for resources used for the acquisition or construction of major capital facilities and equipment.

- The **Building Fund** is used to account for the proceeds from the sale of bonds and may not be used for any purpose other than those for which the bonds were issued.
- The **Capital Facilities Fund** is used primarily to account separately for moneys received from fees levied on developers or other agencies as a condition of approving a development (Education Code sections 17620–17626).
- The **County Schools Facilities Fund** is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The District is using this fund to account for the Certificates of Participation activity.

The **Debt Service Funds** are used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest, and related costs. The District maintains one debt service fund:

- The **Bond Interest and Redemption Fund** is maintained by the County Treasurer and is used to account for the accumulation of resources for, and the repayment of, District bonds, interest, and related costs.

*Fiduciary Funds*

Fiduciary funds are used to account for resources held for the benefit of other parties in a trustee or agent capacity. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. Fiduciary funds are presented on an economic resources measurement focus and the accrual basis of accounting, similar to the government-wide financial statements. The District does not have any fiduciary funds.



**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**G. 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.

These budgets are revised by the District's Governing Board and Superintendent during the year to give consideration to unanticipated income and expenditures.

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.

**H. 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.

**I. DEPOSITS AND INVESTMENTS**

The District is authorized to maintain cash in banks and revolving funds that are insured up 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 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.

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.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**J. INVENTORY**

Inventory in the Cafeteria Fund consists mainly of consumable supplies held for future use and are valued at average cost. Inventories are recorded as expenditures at the time individual inventory items are transferred from the warehouse to schools. Maintenance and other supplies held for physical plant repair, transportation supplies, and operating supplies are not included in inventories; rather, these amounts are recorded as expenditures when purchased.

The Cafeteria Fund records supplies expense which includes a handling charge for the delivery of government surplus food commodities. The state requires the Cafeteria Fund to record the fair market value of these commodities.

**K. 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 as follows: buildings and improvements, 5 to 50 years; furniture and equipment, 2 to 15 years; and vehicles, 8 years.

**L. 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.

**M. INTERFUND BALANCES**

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

**N. COMPENSATED ABSENCES**

All vacation pay is accrued when incurred in the government-wide financial statements. 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.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**O. DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES**

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s), and as such will not be recognized as an outflow of resources (expense/expenditures) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and as such, will not be recognized as an inflow of resources (revenue) until that time.

**P. RESTRICTED NET POSITION**

Restrictions of the ending net position indicate the portions of net position not appropriable for expenditure or amounts legally segregated for specific future use. These amounts are not available for appropriation and expenditure at the balance sheet date.

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.

**Q. ELIMINATIONS AND RECLASSIFICATIONS**

In the process of aggregating data for the government-wide statements, some amounts reported as interfund activity and balances in the fund financial statements were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

**R. USE OF ESTIMATES**

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

**S. PENSIONS**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Williams Unified School District's California Public Employees' Retirement System (CalPERS) and California State Teachers' Retirement System (CalSTRS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS and CalSTRS, respectively. 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.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**T. FUND BALANCE**

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*", the District is required to report fund balances in the following categories: Nonspendable, Restricted, Committed, Assigned and/or Unassigned.

*Nonspendable Fund Balance* reflects assets not in spendable form, either because they will never convert to cash (e.g. prepaid expense) or must remain intact pursuant to legal or contractual requirements.

*Restricted Fund Balance* reflects amounts that can be spent only for the *specific purposes* stipulated by constitution, external resource providers, or through enabling legislation.

*Committed Fund Balance* reflects amounts that can be used only for the *specific purposes* determined by a formal action of the government's highest level of decision-making authority: the Board of Trustees. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of Trustees.

*Assigned Fund Balance* reflects amounts intended to be used by the government for *specific purposes* but do not meet the criteria to be classified as restricted or committed. Under the District's adopted policy, only the Board of Trustees is authorized to assign amounts for specific purposes.

*Unassigned Fund Balance* represents the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

When expenditures are incurred for purposes of which restricted, committed, assigned and unassigned fund balances are available, the District considers restricted funds to have been spent first, followed by committed, assigned and unassigned, respectively.

**U. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

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

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**V. LOCAL CONTROL FUNDING FORMULA/PROPERTY TAX**

The District's local control funding formula is received from a combination of local property taxes, state apportionments, and other local sources.

The County of Colusa is responsible for assessing, collecting and apportioning property taxes. Taxes are levied for each fiscal year on taxable real and personal property in the county. Taxes are levied for each fiscal year on taxable real and personal property in the county. Secured property taxes attach as an enforceable lien on property as of March 1. Property taxes become delinquent after December 10 and April 10, respectively.

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 control funding formula (LCFF) sources by the District.

The California Department of Education reduces the District's entitlement by the District's local property tax revenue. The balance is paid from the State General Fund, and is known as the state apportionment.

**W. CHANGE IN ACCOUNTING PRINCIPLE**

Effective July 1, 2020, the District adopted GASB Statement No. 84, Fiduciary Activities. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**W. CHANGE IN ACCOUNTING PRINCIPLE (CONTINUED)**

This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. Prior to GASB 84 implementation, the District accounted for the Associated Student Body activity as Fiduciary Activities within the Agency Funds, which are now called Custodial Funds. The Associated Student Body activity no longer fit the criteria to be considered Fiduciary Activities. As a result, the Associated Student Body activity will be reported as a governmental activity under the Student Activity Fund in the basic financial statements. Beginning of year net position has been restated as follows:

Net position previously reported, June 30, 2020	\$ 3,447,843
Change in accounting principle - Student Activity	<u>154,073</u>
Net position as restated	<u><u>\$ 3,601,916</u></u>

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**2. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents as of June 30, 2021 consist of the following:

	Governmental Activities
Cash in County Treasury	\$ 9,389,340
Cash in revolving fund	6,100
Cash with fiscal agent	<u>1,210,928</u>
Total	<u>\$ 10,606,368</u>

**A. 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. Cash balances held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation.

**B. CASH IN REVOLVING FUNDS**

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

**C. CASH WITH FISCAL AGENT**

Cash with Fiscal Agent represents funds held by third parties restricted for the repayment of the capital lease.

**D. CASH IN COUNTY TREASURY**

County pool investments consist of District cash held by the Colusa 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 weighted average maturity of the pool is 2,399 days. The pool is rated AAA by Standard and Poor's.

**Interest Rate Risk.** California Government Code Section 53601 limits the District's investments to maturities of five years. 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.

**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.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**3. INTERFUND TRANSACTIONS**

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 are imbursement. All other interfund transactions are treated as transfers. The unpaid balances at year-end, as a result of such transactions, are shown as due to and due from other funds.

	Interfund Receivables	Interfund Payables
Major Fund		
General Fund	\$ 27,869	\$ -
Nonmajor Funds		
Cafeteria Fund	-	27,869
Total	<u>\$ 27,869</u>	<u>\$ 27,869</u>

Interfund Transfers

Interfund transfers consist of operating transfers from funds receiving resources to funds through which the resources are to be expended. As of June 30, 2021, the interfund transfers were as follows:

Transfer from General Fund to Capital Facilities Fund to cover K-1 complex payment.	\$ 200,000
Transfer from General Fund to contribute to the Cafeteria Fund.	<u>306,939</u>
Total Transfers	<u>\$ 506,939</u>



**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**4. CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2021, was as follows:

	Balance July 1, 2020	Additions and Adjustments	Deductions and Adjustments	Balance June 30, 2021
Non-depreciable assets:				
Land	\$ 589,309	\$ -	\$ -	\$ 589,309
Work in progress	10,874,545	1,569,479	10,211,764	2,232,260
	<u>11,463,854</u>	<u>1,569,479</u>	<u>10,211,764</u>	<u>2,821,569</u>
Depreciable assets:				
Sites and improvements	6,036,876	-	-	6,036,876
Building and improvements	12,891,622	10,280,338	-	23,171,960
Furniture and equipment	2,456,111	315,364	24,641	2,746,834
Subtotal	<u>21,384,609</u>	<u>10,595,702</u>	<u>24,641</u>	<u>31,955,670</u>
Totals, at cost	<u>32,848,463</u>	<u>12,165,181</u>	<u>10,236,405</u>	<u>34,777,239</u>
Accumulated depreciation:				
Sites and improvements	(2,139,516)	(274,021)	-	(2,413,537)
Building and improvements	(6,396,993)	(496,929)	-	(6,893,922)
Furniture and equipment	<u>(1,290,986)</u>	<u>(138,397)</u>	<u>(24,641)</u>	<u>(1,404,742)</u>
Subtotal	<u>(9,827,495)</u>	<u>(909,347)</u>	<u>(24,641)</u>	<u>(10,712,201)</u>
Depreciable assets, net	<u>11,557,114</u>	<u>9,686,355</u>	<u>-</u>	<u>21,243,469</u>
Capital assets, net	<u>\$ 23,020,968</u>	<u>\$ 11,255,834</u>	<u>\$ 10,211,764</u>	<u>\$ 24,065,038</u>

The entire amount of depreciation expense was unallocated.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**5. LONG TERM LIABILITIES**

**A. SCHEDULE OF CHANGES IN LONG-TERM LIABILITIES**

A schedule of changes in long-term liabilities for the fiscal year ended June 30, 2021, is shown below:

	<b>Balance</b>			<b>Balance</b>	<b>Due</b>
	<b>July 1, 2020</b>	<b>Additions</b>	<b>Deductions</b>	<b>June 30, 2021</b>	<b>Within</b>
					<b>One Year</b>
GO Bonds	\$ 10,125,000	\$ -	\$ 65,000	\$ 10,060,000	\$ 55,000
Capital Lease	2,349,983	-	147,266	2,202,717	155,693
Certificate of Participation	6,245,000	-	230,000	6,015,000	230,000
Net OPEB Liability	965,352	141,094	-	1,106,446	-
Net Pension Liability	14,174,398	839,398	-	15,013,796	-
Compensated Absences	64,276	23,741	-	88,017	88,017
	<u>\$ 33,924,009</u>	<u>\$ 1,004,233</u>	<u>\$ 442,266</u>	<u>\$ 34,485,976</u>	<u>\$ 528,710</u>

The General Fund and Capital Facilities Fund make payments for the capital leases. The accrued vacation (compensated absences) and other postemployment benefits will be paid by the fund for which the employee works. Payments on the General Obligation Bonds are made from the Bond Interest and Redemption Fund. The Certificates of Participation will be paid by the County School Facilities Fund.

**B. QZAB PROGRAM**

On January 29, 2014, the District entered a QZAB Lease program for the amount of \$2,885,000. The QZAB program consists generally of solar installation and lighting, retrofits to install energy efficient lighting and building repair and rehabilitation, along with electrical distribution upgrades at Williams Junior Senior High School, Williams Upper Elementary School, and Williams Elementary School, and is known as the Williams Unified School District Zone Academies, as more particularly described in the District's application to the California Department of Education, School Facilities Planning Division.

The equipment and improvements are financed by the lease, including (without limitation) installation of solar array energy system, photovoltaic equipment and related property, including (without limitation) photovoltaic modules, inverters, transformers, switches and interconnection equipment, together with all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions located on the Leased Property.

The lease details are included under the capital lease schedules on the following page.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**5. LONG TERM LIABILITIES (CONTINUED)**

**C. CAPITAL LEASES**

Description	Date of Issue	Interest Rates	Maturity Date	Amount of Original Issue	Outstanding July 1, 2020	Additions	Redeemed Current Year	Outstanding June 30, 2021
John Deere	10/1/2017	4.50%	9/4/2022	\$ 55,069	\$ 22,780	\$ -	\$ 11,134	\$ 11,646
QZAB Lease	1/29/2014	1.40% - 5.34%	1/29/2032	2,885,000	2,327,203	-	136,132	2,191,071
				<u>\$ 2,940,069</u>	<u>\$ 2,349,983</u>	<u>-</u>	<u>\$ 147,266</u>	<u>\$ 2,202,717</u>

The leases have minimum payments as follows:

Year Ended June 30,	Principal	Interest	Total
2022	\$ 155,693	\$ 30,351	\$ 186,044
2023	164,201	27,799	192,000
2024	166,512	25,488	192,000
2025	175,856	23,144	199,000
2026	199,478	20,522	220,000
2027-2031	1,143,454	58,266	1,201,720
2032-2036	197,523	1,384	198,907
Totals	<u>\$ 2,202,717</u>	<u>\$ 186,954</u>	<u>\$ 2,389,671</u>

**D. CERTIFICATES OF PARTICIPATION**

In 2016, the District issued Certificates of Participation in the aggregate principal amount of \$3,490,000 for the purpose of financing the acquisition, construction, installation, improvement and equipping of various District facilities, the Certificates, purchase a reserve fund municipal bond insurance policy in lieu of cash funding a bond reserve fund for the Certificates, and pay costs of delivery of the Certificates. The 2016 Certificates of Participation mature through May 2041, and have interest rates ranging from 2.0% to 3.125%.

In 2019, the District issued Certificates of Participation in the aggregate principal amount of \$3,185,000 to (a) finance the acquisition, construction, installation, improvement and equipping of various District facilities, as described herein, (b) purchase a municipal bond insurance policy and a reserve fund municipal bond insurance policy in lieu of cash funding a bond reserve fund for the Certificates; and (c) pay the costs of the execution and delivery of the Certificates. The 2019 Certificates of Participation mature through November 2039, and have interest rates ranging from 2.0% to 4.0%.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**5. LONG TERM LIABILITIES (CONTINUED)**

**D. CERTIFICATES OF PARTICIPATION (CONTINUED)**

Description	Date Of Issue	Interest Rates	Maturity Date	Amount of Original Issue	Outstanding July 1, 2020	Additions	Redeemed Current Year	Outstanding June 30, 2021
2016 COP	4/14/2016	2.00% - 3.125%	5/1/2041	\$ 3,490,000	\$ 3,060,000	\$ -	\$ 115,000	\$ 2,945,000
2019 COP	7/11/2019	2.00% - 4.000%	11/1/2039	3,185,000	3,185,000	-	115,000	3,070,000
				<u>\$ 6,675,000</u>	<u>\$ 6,245,000</u>	<u>-</u>	<u>\$ 230,000</u>	<u>\$ 6,015,000</u>

The table below is a schedule of the future payments for the 2016 Certificates of Participation as of June 30, 2021.

Year Ended June 30,	Principal	Interest	Total
2022	\$ 230,000	\$ 189,388	\$ 419,388
2023	240,000	181,238	421,238
2024	245,000	175,238	420,238
2025	250,000	168,988	418,988
2026	255,000	162,738	417,738
2027-2031	1,400,000	690,325	2,090,325
2032-2036	1,660,000	430,520	2,090,520
2037-2041	1,735,000	123,645	1,858,645
Totals	<u>\$ 6,015,000</u>	<u>\$ 2,122,080</u>	<u>\$ 8,137,080</u>

Payments of Certificates of Participation are made from the General Fund.

**E. GENERAL OBLIGATION BONDS**

On August 23, 2017, the District issued Measure C Series A (2017) General Obligation Bonds (the "Bonds") in the aggregate principal amount of \$4,000,000 for the purpose of financing the school facility improvements and to pay certain costs of issuance associated therewith.

On May 23, 2018, the District issued Measure C Series B (2018) General Obligation Bonds (the "Bonds") in the aggregate principal amount of \$4,000,000 for the purpose of financing the school facility improvements and to pay certain costs of issuance associated therewith.

On July 11, 2019, the District issued Measure C Series C (2019) General Obligation Bonds (the "Bonds") in the aggregate principal amount of \$3,000,000 to modernize, renovate and/or construct classrooms, restrooms, libraries and school facilities, make health, safety and handicapped accessibility improvements, replace temporary portables and upgrade P.E. fields and facilities for school and community use.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**5. LONG TERM LIABILITIES (CONTINUED)**

**E. GENERAL OBLIGATION BONDS (CONTINUED)**

The Bonds are payable from the proceeds of *ad valorem* property taxes which the Board of Supervisors of the Colusa County are obligated to levy and collect on all taxable property in the District for the payment of principal and interest on the Bonds when due. The Series A, Series B, and Series C bonds carry interest rates ranging from 2.0% to 5.0% and mature in staggered amounts each year starting in August 1, 2018 up through August 1, 2048.

Description	Date Of Issue	Interest Rates	Maturity Date	Amount of Original Issue	Outstanding July 1, 2020	Additions	Redeemed Current Year	Outstanding June 30, 2021
GO Bond Election of 2016, Series A	8/23/2017	2.25% - 5.00%	8/1/2047	\$ 4,000,000	\$ 3,125,000	\$ -	\$ 65,000	\$ 3,060,000
GO Bond Election of 2016, Series B	5/3/2018	2.00% - 5.00%	8/1/2047	4,000,000	4,000,000	-	-	4,000,000
GO Bond Election of 2016, Series C	7/11/2019	2.00% - 5.00%	8/1/2048	3,000,000	3,000,000	-	-	3,000,000
				<u>\$ 11,000,000</u>	<u>\$ 10,125,000</u>	<u>\$ -</u>	<u>\$ 65,000</u>	<u>\$ 10,060,000</u>

The annual requirements to amortize the bonds as of June 30, 2021 are as follows:

Year Ended June 30,	Principal	Interest	Total
2022	\$ -	\$ 121,550	\$ 121,550
2023	55,000	429,175	484,175
2024	65,000	426,975	491,975
2025	20,000	424,375	444,375
2026	45,000	423,750	468,750
2027-2031	505,000	2,091,501	2,596,501
2032-2036	1,115,000	1,970,225	3,085,225
2037-2041	1,960,000	1,710,806	3,670,806
2042-2046	3,180,000	1,182,500	4,362,500
2047-2050	3,115,000	307,050	3,422,050
Totals	<u>\$ 10,060,000</u>	<u>\$ 9,087,907</u>	<u>\$ 19,147,907</u>

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**6. EMPLOYEE RETIREMENT SYSTEMS**

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

**Plan Description**

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

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 CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Headquarters, 400 Q Street, Sacramento, California 95811.

**State Teachers' Retirement System (STRS)**

The District contributes to the State Teachers' Retirement System (STRS), a cost-sharing, multiple-employer, public employee retirement system defined benefit pension plan administered by STRS. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. STRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from the STRS Headquarters, 100 Waterfront Place, West Sacramento, California 95605.

The Plans' provisions and benefits in effect at June 30, 2021, are summarized as follows:

	<b>CalPERS</b>		<b>CalSTRS</b>	
	Prior to January 1, 2013	On or after January 1, 2013	Prior to January 1, 2013	On or after January 1, 2013
Hire date				
Benefit formula	2% @ 55	2% @ 62	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	55	62	60	62
Monthly benefits, as a % of eligible compensation	2.0%	2.0%	2.0%	2.0%
Required employee contribution rates	7%	7%	10.25%	10.205%
Required employer contribution rates	20.700%	20.700%	16.15%	16.15%

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

Contributions

**CalPERS**

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. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. 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.

**STRS**

Required member, employer and state contribution rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. Contribution rates are expressed as a level percentage of payroll using the entry age normal actuarial cost method.

For the fiscal year ended June 30, 2021, the contributions reported as deferred outflows of resources related to pensions recognized as part of pension expense for each Plan were as follows:

	<u>CalPERS</u>	<u>STRS</u>	<u>Total</u>
Contributions - employer	\$ 459,974	\$ 969,750	\$ 1,429,724
On behalf contributions - state	-	617,065	617,065
Total	<u>\$ 459,974</u>	<u>\$ 1,586,815</u>	<u>\$ 2,046,789</u>

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

As of June 30, 2021, the District's reported net pension liabilities for its proportionate share of the net pension liability of the Plans' of:

	<u>Proportionate Share of Net Pension Liability</u>
CalPERS	\$ 4,436,793
STRS	10,577,003
Total Net Pension Liability	<u>\$ 15,013,796</u>

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2020, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 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 for each Plan as of June 30, 2019 and 2020 measurement dates was as follows:

<b>Measurement</b>			
<b>Dates</b>	<b>Fiscal Year</b>	<b>CalPERS</b>	<b>STRS</b>
June 30, 2019	2019-20	0.01462%	0.01098%
June 30, 2020	2020-21	0.01446%	0.01091%
Change - Increase (Decrease)		-0.00016%	-0.00006%

For the fiscal year ended June 30, 2021, the District recognized pension expense of \$872,789. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>CalPERS</b>		<b>STRS</b>		<b>Total</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Pension contributions subsequent to measurement date	\$ 459,974	\$ -	\$ 1,586,815	\$ -	\$ 2,046,789	\$ -
Difference between proportionate share of aggregate employer contributions and actual contributions for 2019-20	61,634	34,239	84,588	256,178	146,222	290,417
Changes of Assumptions	222,228	-	3,496,610	-	3,718,838	-
Differences between Expected and Actual Experience	394,529	-	68,145	692,598	462,674	692,598
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	264,157	543,118	435,859	543,118	700,016
Net differences between projected and actual investment earnings on pension plan investments	92,097	-	-	242,960	92,097	242,960
Total	\$ 1,230,462	\$ 298,396	\$ 5,779,276	\$ 1,627,595	\$ 7,009,738	\$ 1,925,991



**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

The amounts reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows/(inflows) of resources related to pensions will be recognized as pension expense as follows:

<b>Year Ended June 30</b>	<b>CalPERS</b>	<b>STRS</b>	<b>Total Deferred Outflows/ (Inflows) of Resources</b>
2022	\$ 252,338	\$ 450,205	\$ 702,543
2023	114,542	609,291	723,833
2024	80,093	669,789	749,882
2025	25,119	538,093	563,212
2026	-	183,795	183,795
Thereafter	-	113,693	113,693
Total	<u>\$ 472,092</u>	<u>\$ 2,564,866</u>	<u>\$ 3,036,958</u>

Actuarial Assumptions

The total pension liabilities in the June 30, 2019 actuarial valuations were determined using the following actuarial assumptions:

	<b>CalPERS</b>	<b>STRS</b>
Valuation Date	June 30, 2019	June 30, 2019
Measurement Date	June 30, 2020	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost	Entry-Age Normal Cost
Actuarial Assumptions		
Discount Rate	7.15%	7.10%
Inflation	2.50%	2.75%
Payroll Growth Rate	2.75%	3.50%
Projected Salary Increase	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return <sup>(1)</sup>	7.15%	7.10%
Mortality	Derived using CalPERS' Membership Data for all Funds	Derived using STRS' Membership Data for all Funds

<sup>(1)</sup> Net of pension plan investment expenses, including inflation

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

STRS changed the mortality assumptions based on the July 1, 2015 through June 30, 2018, experience study adopted by the board in January 2020. STRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are STRS custom tables derived to best fit the patterns of mortality among our members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table issued by the Society of Actuaries.

**Discount Rate**

**CalPERS**

The discount rate used to measure the total pension liability for the Plan was 7.15%. 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.

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 and forecasted information for all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

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

<b>Asset Class</b>	<b>Assumed Asset Allocation</b>	<b>Real Return Years 1 - 10 <sup>(a)</sup></b>	<b>Real Return Years 11+ <sup>(b)</sup></b>
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
	<u>100.0%</u>		

<sup>(a)</sup> An expected inflation of 2.00% used for this period

<sup>(b)</sup> An expected inflation of 2.92% used for this period

**Discount Rate**

**STRS**

The discount rate used to measure the total pension liability was 7.10%, which was unchanged from 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 in accordance with the rate increases actuarially determined. 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 Plan'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 STRS investment staff and investment consultants as inputs 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, STRS' 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 the June 30, 2020 measurement date, are summarized in the table on the following page:

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

<b>Asset Class</b>	<b>Assumed Asset Allocation</b>	<b>Long-Term Expected Real Rate of Return <sup>(a)</sup></b>
Public Equity	42.0%	4.80%
Real Estate	15.0%	3.60%
Private Equity	13.0%	6.30%
Fixed Income	12.0%	1.30%
Risk Mitigating Strategies	10.0%	1.80%
Inflation Sensitive	6.0%	3.30%
Cash/Liquidity	2.0%	-0.40%
Total	100%	

<sup>(a)</sup> 20-year average

**Sensitivity of the 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 for each Plan, calculated using the discount rate for each Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<b>CalPERS</b>		
	<b>Discount Rate - 1% (6.15%)</b>	<b>Current Discount Rate (7.15%)</b>	<b>Discount Rate + 1% (8.15%)</b>
Plan's Net Pension Liability/(Asset)	\$ 6,378,699	\$ 4,436,793	\$ 2,825,109

	<b>STRS</b>		
	<b>Discount Rate - 1% (6.10%)</b>	<b>Current Discount Rate (7.10%)</b>	<b>Discount Rate + 1% (8.10%)</b>
Plan's Net Pension Liability/(Asset)	\$ 15,980,379	\$ 10,577,003	\$ 6,115,756

**Pension Plan Fiduciary Net Position**

Detailed information about each pension plan's fiduciary net position is available in the separately-issued CalPERS and STRS comprehensive annual financial reports available on the CalPERS' and STRS' websites.

**Payable to the Pension Plan**

As of June 30, 2021, the District had no outstanding required contributions to the pension plans.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

General Information about the OPEB Plan

*Plan description.* The plan is a single-employer defined benefit plan. The plan provides other medical, dental, and vision coverage for eligible certificated, classified, and management employees of the District. The authority to establish and amend the benefit terms and financing requirements are governed by collective bargaining agreements with plan members. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. The Plan does not issue financial statements.

*Benefits provided.* For retirees who meet the additional age and service requirements shown below, the District pays up to 100% of the medical, dental, and/or vision premiums for the retiree only, not to exceed the maximum amount(s) shown below. Coverage ends when the retiree reaches age 65.

Employee Type	Certificated		Classified	Management & Confidential
District Date of Hire	Before 7/1/2014	On/After 7/1/2014	Any	Before 7/1/2011
Benefit Provided	Medical		Medical, Dental, & Vision	
Duration of Benefits	To age 65			
Required Service	15	20	15	15
Minimum Age at Retirement	55	59	60	55
District Contribution	100% Retiree Only Premium up to District Cap			
District Cap	\$900		\$800	Follows Certificated or Classified

*Contributions.* The contribution requirements of Plan members and the District are established and may be amended by the District, the Williams Teachers Association (WTA), and the local California School Employees Association (CSEA) chapter. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2020-21, the District contributed \$58,509 to the Plan, all of which was used for current premiums.

*Employees covered by benefit terms.* At the June 30, 2020 valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	6
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	98
Total	<u>104</u>

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)**

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019.

*Actuarial assumptions.* The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Funding Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	Not applicable (\$0; no OPEB trust has been established)
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered.
Municipal Bond Index	Bond Buyer GO 20 Bond Index
Discount Rate	2.21% as of June 30, 2020 3.51% as of June 30, 2019
General Inflation Rate	2.5% per year
Salary Increase	3.0% per year; since benefits do not depend on salary, this is used to allocate the cost of benefits between service years.
Healthcare cost trend rates	5.4% grading down to 4% for years 2076 and later

Demographic actuarial assumptions used in this valuation are based on the following two studies:

*For CalPERS members:* From the December 2017 experience study of the California Public Employees Retirement System using data from 1997 to 2015, except for a different basis used to project future mortality improvements. Representative mortality rates were those published by CalPERS adjusted to back out 15 years of Scale MP 2016 to central year 2015 before being projected forward.

*For CalSTRS members:* On the December 2016 CalSTRS experience study report. The representative mortality rates were those published by CalSTRS in the 2016 study before projection; applying the mortality improvement described below.

Mortality Improvement	MacLeod Watts Scale 2020 applied generationally, from 2015 for CalPERS members and from 2016 for CalSRES members
-----------------------	--

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)**

Changes in the Net OPEB Liability

	<b>Increase (Decrease)</b>		
	<b>Total OPEB Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net OPEB Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a) - (b)</b>
Balances at June 30, 2020	\$ 965,352	\$ -	\$ 965,352
Changes for the year:			
Service cost	60,436	-	60,436
Interest cost	34,978	-	34,978
Plan experience	-	-	-
Employer contributions	-	58,509	(58,509)
Assumption changes	104,189		104,189
Net investment income	-	-	-
Benefit payments	(58,509)	(58,509)	-
Administrative expense	-	-	-
Net changes	141,094	-	141,094
Balances at June 30, 2021	<u>\$ 1,106,446</u>	<u>\$ -</u>	<u>\$ 1,106,446</u>

*Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates.* The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21 percent) or 1-percentage-point higher (3.21 percent) than the current discount rate:

	<b>1% Decrease (1.21%)</b>	<b>Discount Rate (2.21%)</b>	<b>1% Increase (3.21%)</b>
Net OPEB liability (asset)	\$ 1,191,618	\$ 1,106,446	\$ 1,025,652

*Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates.* The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<b>1% Decrease</b>	<b>Current Trend</b>	<b>1% Increase</b>
Net OPEB liability (asset)	\$ 1,002,795	\$ 1,106,446	\$ 1,226,991

*OPEB plan fiduciary net position.* The plan has no assets.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**7. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)**

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2021, the District recognized OPEB expense of \$20,541. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 233,225
Changes of assumptions	111,080	-
Net difference between projected and actual earnings on OPEB plan investments	-	-
Contributions made subsequent to measurement date	63,175	-
Total	<u>\$ 174,255</u>	<u>\$ 233,225</u>

The District will recognize the contributions made subsequent to the measurement date in the next fiscal year. Other amounts reported as deferred outflows/(inflows) of resources related to OPEB will be recognized as OPEB expense as follows:

<b>Year Ended June 30</b>	<b>Total Deferred Outflows/(Inflows) of Resources</b>
2022	\$ (11,698)
2023	(11,698)
2024	(11,698)
2025	(11,698)
2026	(11,698)
Thereafter	(63,655)
Total	<u>\$ (122,145)</u>

Payable to the OPEB Plan

At June 30, 2021, the District had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2021.



**WILLIAMS UNIFIED SCHOOL DISTRICT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**8. FUND BALANCES**

The District reports fund balances in accordance with Governmental Accounting Standards Board Statement No. 54. All fund balance categories are reported in the aggregate on the face of the balance sheet. All components of those fund balances and specific purposes are identified as follows:

	General Fund	Non-Major Funds	Total
Nonspendable:			
Prepaid Expenses	\$ 32,926	\$ -	\$ 32,926
Stores	-	16,253	16,253
Revolving Cash	6,050	50	6,100
Total Nonspendable	<u>38,976</u>	<u>16,303</u>	<u>55,279</u>
Restricted:			
California Clean Energy Jobs Act	56,802	-	56,802
Lottery: Instructional Materials	382,461	-	382,461
Classified School Employee Professional Development Block Grant	8,994	-	8,994
SB 117 COVID-19 LEA Response Funds	15,583	-	15,583
Expanded Learning Opportunities Grant	464,604	-	464,604
Expanded Learning Opportunities Grant: Paraprofessional Staff	96,144	-	96,144
Low-Performing Students Block Grant	9,311	-	9,311
Student Activity Funds	-	143,515	143,515
Child Nutrition: School Programs	-	207,095	207,095
Child Nutrition: Child Care Food Program (CCFP)	-	1,423	1,423
Other Restricted State	3,199	-	3,199
Other Restricted Local	126,334	1,625,370	1,751,704
Total Restricted	<u>1,163,432</u>	<u>1,977,403</u>	<u>3,140,835</u>
Assigned:			
Affordable Care Act	50,000	-	50,000
Construction Contingency	1,000,000	-	1,000,000
Board Reserve Policy	2,783,439	-	2,783,439
Lottery	371,290	-	371,290
Other Assignments	2,445,220	1,186,862	3,632,082
Total Assigned	<u>6,649,949</u>	<u>1,186,862</u>	<u>7,836,811</u>
Unassigned:			
Reserve for Economic Uncertainties	543,704	-	543,704
Total Unassigned	<u>543,704</u>	<u>-</u>	<u>543,704</u>
Total Fund Balances	<u>\$ 8,396,061</u>	<u>\$ 3,180,568</u>	<u>\$ 11,576,629</u>

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**9. JOINT VENTURES**

The District participates in three joint ventures under joint powers agreements (JPAs); the Tri-Counties Self Insurance Group (Tri-Counties SIG), the North Valley Schools Insurance Group (NVSIG) and the Schools Excess Liability Fund (SELF) for property, liability, workers' compensation, health benefits and excess liability coverage. 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 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 JPAs management.

Condensed financial information for the JPAs for the most recent fiscal year are available as follows:

	Tri-Counties SIG	NVSIG	SELF
	June 30, 2020*	June 30, 2020*	June 30, 2020*
Total Assets	\$ 31,162,833	\$ 3,462,129	\$ 174,621,313
Deferred Outflows of Resources	193,233	-	312,483
Total Liabilities	9,491,036	1,470,494	141,193,559
Deferred Inflows of Resources	79,963	-	64,325
Net Position	\$ 21,785,067	\$ 1,991,635	\$ 33,675,912
Revenues	\$ 46,777,391	\$ 14,333,771	\$ 77,945,029
Expenditures	44,211,743	14,073,808	64,133,389
Change in Net Position	\$ 2,565,648	\$ 259,963	\$ 13,811,640

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**10. EXCESS EXPENDITURES**

The District incurred unanticipated expenditures in excess of appropriations in expenditure classifications for which the budget was not revised.

Excess of expenditures over appropriations for the year ended June 30, 2021 were as follows:

	<u>Excess Expenditures</u>
General Fund	
Certificated Salaries	\$ 93,902
Employee Benefits	58,844

The excess is not in accordance with Education Code 42600. The excess expenditures result from the adding of another full-time Technology TOSA and extra duty pay for professional development.

**11. COMMITMENTS AND CONTINGENCIES**

The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. If the review or audit discloses exceptions, the District may incur a liability to grantor agencies.

**12. SUBSEQUENT EVENTS**

In March 2020, the World Health Organization declared the novel coronavirus (“COVID-19”) a global pandemic and recommended containment and mitigation measures worldwide. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected public education, workforces, economies, and financial markets globally, potentially leading to an economic downturn. It has also disrupted the normal operations of many businesses and organizations. It is not possible for management to predict the duration or magnitude of the adverse results of the outbreak and its disruptive effects on the District’s operations and financial results at this time.

The District’s management has reviewed its financial statements and evaluated subsequent events for the period of time from its year ended June 30, 2021 through October 28, 2021, the date the financial statements were issued. Management is not aware of any subsequent events, other than those described above, that would require recognition or disclosure in the accompanying financial statements.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET (NON-GAAP) AND ACTUAL**

**GENERAL FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b>Budget</b>			<b>Variance with Final Budget Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES</b>				
LCFF sources	\$ 13,840,934	\$ 15,043,056	\$ 15,043,053	\$ (3)
Federal revenue	1,011,409	3,023,822	2,785,957	(237,865)
Other state revenues	1,134,544	2,774,598	2,036,730	737,868
Other local revenues	284,477	519,004	519,001	(3)
Total revenues	16,271,364	21,360,480	20,384,741	499,997
<b>EXPENDITURES</b>				
Certificated salaries	6,464,594	6,502,373	6,596,275	(93,902)
Classified salaries	2,115,920	2,002,395	1,993,496	8,899
Employee benefits	3,776,780	3,507,348	3,566,192	(58,844)
Books and supplies	673,765	2,313,427	1,635,100	678,327
Services and other operating expenditures	1,667,305	2,571,336	2,241,220	330,116
Capital outlay	88,175	430,432	383,939	46,493
Other outgo	1,140,806	1,374,442	867,504	506,938
Debt service expenditures				
Principal	251,608	262,266	262,266	-
Interest	112,830	114,215	114,214	1
Total expenditures	16,291,783	19,078,234	17,660,206	1,418,028
Excess (deficiency) of revenues over expenditures	(20,419)	2,282,246	2,724,535	442,289
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers out	(250,000)	(315,944)	(506,939)	(190,995)
Total other financing sources (uses)	(250,000)	(315,944)	(506,939)	(190,995)
Net change in fund balance	(270,419)	1,966,302	2,217,596	251,294
Fund balance, July 1, 2020	6,178,465	6,178,465	6,178,465	-
Fund balance, June 30, 2021	\$ 5,908,046	\$ 8,144,767	\$ 8,396,061	\$ 251,294

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS**

**JUNE 30, 2021**

	<u>2021*</u>	<u>2020*</u>	<u>2019*</u>	<u>2018*</u>
<b>Total OPEB liability</b>				
Service cost	\$ 60,436	\$ 79,094	\$ 76,977	\$ 74,917
Interest	34,978	42,849	41,744	39,349
Plan experience	-	(275,171)	-	-
Changes of assumptions	104,189	17,500	-	-
Benefit payments	(58,509)	(88,140)	(90,445)	(82,286)
<b>Net change in total OPEB liability</b>	<u>141,094</u>	<u>(223,868)</u>	<u>28,276</u>	<u>31,980</u>
<b>Total OPEB liability - beginning</b>	<u>965,352</u>	<u>1,189,220</u>	<u>1,160,944</u>	<u>1,128,964</u>
<b>Total OPEB liability - ending (a)</b>	<u>\$ 1,106,446</u>	<u>\$ 965,352</u>	<u>\$ 1,189,220</u>	<u>\$ 1,160,944</u>
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 58,509	\$ 88,140	\$ 90,445	\$ 82,286
Benefit payments	(58,509)	(88,140)	(90,445)	(82,286)
<b>Net change in plan fiduciary net position</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Plan fiduciary net position - beginning</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>District's net OPEB liability - ending (a) - (b)</b>	<u><u>\$ 1,106,446</u></u>	<u><u>\$ 965,352</u></u>	<u><u>\$ 1,189,220</u></u>	<u><u>\$ 1,160,944</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	\$ 8,608,752	\$ 8,330,082	\$ 8,297,710	\$ 8,297,710
District's net OPEB liability as a percentage of covered-employee payroll	12.9%	11.6%	14.3%	14.0%

\* GASB 75 requires presentation of the 10-year history of changes in the Net OPEB Liability. Since this is the fourth year of implementation, only results for fiscal years 2018 through 2021 are shown in this table.

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<b>CalPERS</b>	<b>June 30, 2014 <sup>(1)</sup></b>	<b>June 30, 2015 <sup>(1)</sup></b>	<b>June 30, 2016 <sup>(1)</sup></b>	<b>June 30, 2017 <sup>(1)</sup></b>	<b>June 30, 2018 <sup>(1)</sup></b>	<b>June 30, 2019 <sup>(1)</sup></b>	<b>June 30, 2020 <sup>(1)</sup></b>
Proportion of the net pension liability (asset)	0.01468%	0.01719%	0.01773%	0.01694%	0.01593%	0.01462%	0.01446%
Proportionate share of the net pension liability (asset)	\$ 1,666,423	\$ 2,533,116	\$ 3,502,388	\$ 4,044,654	\$ 4,248,155	\$ 4,260,752	\$ 4,436,793
Covered payroll <sup>(2)</sup>	\$ 1,497,859	\$ 1,890,360	\$ 1,814,840	\$ 1,931,962	\$ 1,807,031	\$ 1,854,607	\$ 2,615,894
Proportionate Share of the net pension liability (asset) as a percentage of covered payroll	111.25%	134.00%	192.99%	209.35%	235.09%	229.74%	169.61%
Plan fiduciary net position as a percentage of the total pension liability (asset)	83.38%	79.43%	73.90%	71.87%	70.85%	70.05%	70.00%
Proportionate share of aggregate employer contributions <sup>(3)</sup>	\$ 176,313	\$ 223,951	\$ 252,045	\$ 300,053	\$ 326,386	\$ 365,747	\$ 541,490
<b>STRS</b>	<b>June 30, 2014 <sup>(1)</sup></b>	<b>June 30, 2015 <sup>(1)</sup></b>	<b>June 30, 2016 <sup>(1)</sup></b>	<b>June 30, 2017 <sup>(1)</sup></b>	<b>June 30, 2018 <sup>(1)</sup></b>	<b>June 30, 2019 <sup>(1)</sup></b>	<b>June 30, 2020 <sup>(1)</sup></b>
Proportion of the net pension liability (asset)	0.01066%	0.01002%	0.01069%	0.01063%	0.01148%	0.01098%	0.01091%
Proportionate share of the net pension liability (asset)	\$ 6,228,709	\$ 6,746,556	\$ 8,643,019	\$ 9,830,722	\$ 10,548,191	\$ 9,913,646	\$ 10,577,003
Covered payroll <sup>(2)</sup>	\$ 4,410,664	\$ 3,849,292	\$ 4,542,464	\$ 4,911,594	\$ 5,415,135	\$ 5,617,082	\$ 6,615,703
Proportionate Share of the net pension liability (asset) as a percentage of covered payroll	141.22%	175.27%	190.27%	200.15%	194.79%	176.49%	159.88%
Plan fiduciary net position as a percentage of the total pension liability (asset)	76.52%	74.02%	70.04%	69.46%	70.99%	72.56%	71.82%
Proportionate share of aggregate employer contributions <sup>(3)</sup>	\$ 391,667	\$ 413,029	\$ 571,442	\$ 708,743	\$ 881,584	\$ 960,521	\$ 1,068,436

<sup>(1)</sup> Historical information is required only for measurement periods for which GASB 68 is applicable.

<sup>(2)</sup> Covered Payroll represented above is based on pensionable earnings provided by the employer.

<sup>(3)</sup> The Plan's proportionate share of aggregate contributions may not match the actual contributions made by the employer during the measurement period. The Plan's proportionate share of aggregate contributions is based on the Plan's proportion of fiduciary net position as well as any additional side fund (or unfunded liability) contributions made by the employer during the measurement period.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF PENSION CONTRIBUTIONS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<b>CalPERS</b>	<b>Fiscal Year 2014-15 <sup>(1)</sup></b>	<b>Fiscal Year 2015-16 <sup>(1)</sup></b>	<b>Fiscal Year 2016-17 <sup>(1)</sup></b>	<b>Fiscal Year 2017-18 <sup>(1)</sup></b>	<b>Fiscal Year 2018-19 <sup>(1)</sup></b>	<b>Fiscal Year 2019-20 <sup>(1)</sup></b>	<b>Fiscal Year 2020-21 <sup>(1)</sup></b>
Contractually required contribution <sup>(2)</sup>	\$ 176,313	\$ 223,951	\$ 252,045	\$ 300,053	\$ 326,386	\$ 365,747	\$ 541,490
Contributions in relation to the contractually required contribution <sup>(2)</sup>	(225,913)	(252,463)	(299,662)	(326,946)	(367,253)	(412,647)	(459,974)
Contribution deficiency (excess)	<u>\$ (49,600)</u>	<u>\$ (28,512)</u>	<u>\$ (47,617)</u>	<u>\$ (26,893)</u>	<u>\$ (40,867)</u>	<u>\$ (46,900)</u>	<u>\$ 81,516</u>
Covered payroll <sup>(3)</sup>	\$ 1,497,859	\$ 1,890,360	\$ 1,814,840	\$ 1,931,962	\$ 1,807,031	\$ 1,854,607	\$ 2,615,894
Contributions as a percentage of covered payroll <sup>(3)</sup>	11.771%	11.847%	13.888%	15.531%	18.062%	19.721%	20.700%
<b>STRS</b>	<b>Fiscal Year 2014-15 <sup>(1)</sup></b>	<b>Fiscal Year 2015-16 <sup>(1)</sup></b>	<b>Fiscal Year 2016-17 <sup>(1)</sup></b>	<b>Fiscal Year 2017-18 <sup>(1)</sup></b>	<b>Fiscal Year 2018-19 <sup>(1)</sup></b>	<b>Fiscal Year 2019-20 <sup>(1)</sup></b>	<b>Fiscal Year 2020-21 <sup>(1)</sup></b>
Contractually required contribution <sup>(2)</sup>	\$ 391,667	\$ 413,029	\$ 571,442	\$ 708,743	\$ 881,584	\$ 960,521	\$ 1,068,436
Contributions in relation to the contractually required contribution <sup>(2)</sup>	(433,994)	(575,762)	(723,721)	(894,120)	(967,748)	(1,045,555)	(969,750)
Contribution deficiency (excess)	<u>\$ (42,327)</u>	<u>\$ (162,733)</u>	<u>\$ (152,279)</u>	<u>\$ (185,377)</u>	<u>\$ (86,164)</u>	<u>\$ (85,034)</u>	<u>\$ 98,686</u>
Covered payroll <sup>(3)</sup>	\$ 4,410,664	\$ 3,849,292	\$ 4,542,464	\$ 4,911,594	\$ 5,415,135	\$ 5,617,082	\$ 6,615,703
Contributions as a percentage of covered payroll <sup>(3)</sup>	8.880%	10.730%	12.580%	14.430%	16.280%	17.100%	16.150%

<sup>(1)</sup> Historical information is required only for measurement periods for which GASB 68 is applicable.

<sup>(2)</sup> Employers are assumed to make contributions equal to the actuarially determined contributions (which is the actuarially determined contribution). However, some employers may choose to make additional contributions towards their side fund or their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions. CalPERS has determined that employer obligations referred to as "side funds" do not conform to the circumstances described in paragraph 120 of GASB 68, therefore are not considered separately financed specific liabilities.

<sup>(3)</sup> Covered Payroll represented above is based on pensionable earnings provided by the employer.



**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**1. PURPOSE OF SCHEDULES**

- A - Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP) and Actual – General Fund

The District employs budget control by object codes and by individual appropriation accounts. Budgets are prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. The budgets are revised during the year by the Board of Trustees to provide for revised priorities. Expenditures cannot legally exceed appropriations by major object code. The originally adopted and final revised budgets for the General Fund are presented as Required Supplementary Information. The basis of budgeting is the same as GAAP.

- B - Schedule of Changes in the District's Net OPEB Liability and Related Ratios

GASB 75 requires presentation of the 10-year history of changes in the Net OPEB Liability. Since this is the fourth year of implementation, only results for fiscal years 2018 through 2021 are shown in this table.

Changes in Assumptions

The discount rate changed from 3.51% to 2.21%, with the new rate equal to the applicable municipal bond index on the measurement date.

Changes in Benefit Terms

There were no changes in benefit terms since the previous valuation.

- C - Schedule of Proportionate Share of the Net Pension Liability

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

Changes in Assumptions

There were no changes in the assumptions used in the calculation of both the CalPERS and STRS collective net pension liabilities.

Changes in Benefit Terms

There were no changes in benefit terms since the previous valuations for both CalPERS and STRS Plans.

Fiscal year 2015 was the first year of implementation, therefore only seven years are shown.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

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

**D - Schedule of Pension Contributions**

If an employer's contributions to the plans are actuarially determined or based on statutory or contractual requirements, the employer's actuarially determined contribution to the pension plans (or, if applicable, its statutorily or contractually required contribution), the employer's actual contributions, the difference between the actual and actuarially determined contributions (or statutorily or contractually required), and a ratio of the actual contributions divided by covered-employee payroll. In the future, as data becomes available, ten years of information will be presented.

Fiscal year 2014-15 was the first year of implementation, therefore only seven years are shown.

	<b>CalPERS</b>	<b>STRS</b>
Valuation Date	June 30, 2019	June 30, 2019
Measurement Date	June 30, 2020	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost	Entry-Age Normal Cost
Actuarial Assumptions		
Discount Rate	7.15%	7.10%
Inflation	2.50%	2.75%
Payroll Growth Rate	2.75%	3.50%
Projected Salary Increase	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return <sup>(1)</sup>	7.15%	7.10%
Mortality	Derived using CalPERS' Membership Data for all Funds	Derived using STRS' Membership Data for all Funds

<sup>(1)</sup> Net of pension plan investment expenses, including inflation

## **SUPPLEMENTARY INFORMATION**

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2021**

	<b>Student Activity Fund</b>	<b>Cafeteria Fund</b>	<b>Building Fund</b>	<b>Capital Facilities Fund</b>	<b>County School Facilities Fund</b>	<b>Bond Interest and Redemption Fund</b>	<b>Totals</b>
<b>ASSETS</b>							
Cash and cash equivalents	\$ 143,515	\$ 241,704	\$ 128	\$ 564,420	\$ 1,209,909	\$ 1,060,950	\$ 3,220,626
Accounts receivable	-	434	-	-	-	-	434
Stores inventory	-	16,253	-	-	-	-	16,253
Total Assets	<u>\$ 143,515</u>	<u>\$ 258,391</u>	<u>\$ 128</u>	<u>\$ 564,420</u>	<u>\$ 1,209,909</u>	<u>\$ 1,060,950</u>	<u>\$ 3,237,313</u>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities							
Accounts payable	\$ -	\$ 5,701	\$ 128	\$ -	\$ 23,047	\$ -	\$ 28,876
Due to other funds	-	27,869	-	-	-	-	27,869
Total Liabilities	<u>-</u>	<u>33,570</u>	<u>128</u>	<u>-</u>	<u>23,047</u>	<u>-</u>	<u>56,745</u>
Fund balances							
Nonspendable	-	16,303	-	-	-	-	16,303
Restricted	143,515	208,518	-	564,420	-	1,060,950	1,977,403
Assigned	-	-	-	-	1,186,862	-	1,186,862
Total Fund Balances	<u>143,515</u>	<u>224,821</u>	<u>-</u>	<u>564,420</u>	<u>1,186,862</u>	<u>1,060,950</u>	<u>3,180,568</u>
Total Liabilities and Fund Balances	<u>\$ 143,515</u>	<u>\$ 258,391</u>	<u>\$ 128</u>	<u>\$ 564,420</u>	<u>\$ 1,209,909</u>	<u>\$ 1,060,950</u>	<u>\$ 3,237,313</u>

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES**

**ALL NON-MAJOR GOVERNMENTAL FUNDS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b>Student Activity Fund</b>	<b>Cafeteria Fund</b>	<b>Building Fund</b>	<b>Capital Facilities Fund</b>	<b>County School Facilities Fund</b>	<b>Bond Interest and Redemption Fund</b>	<b>Totals</b>
<b>REVENUES</b>							
Federal revenue	\$ -	\$ 478,961	\$ -	\$ -	\$ -	\$ -	\$ 478,961
Other state revenues	-	33,833	-	-	-	1,335	35,168
Other local revenues	57,296	5,418	11,287	90,286	10,238	501,262	675,787
Total revenues	57,296	518,212	11,287	90,286	10,238	502,597	1,189,916
<b>EXPENDITURES</b>							
Classified salaries	-	371,823	-	-	-	-	371,823
Employee benefits	-	161,740	-	-	-	-	161,740
Books and supplies	50,974	255,467	31,598	-	-	-	338,039
Services and other operating expenditures	16,880	6,971	-	-	-	-	23,851
Capital outlay	-	-	744,536	-	824,942	-	1,569,478
Other outgo	-	27,869	-	-	-	-	27,869
Debt service expenditures							
Principal	-	-	-	115,000	-	65,000	180,000
Interest	-	-	-	111,396	-	430,475	541,871
Total expenditures	67,854	823,870	776,134	226,396	824,942	495,475	3,214,671
Excess (deficiency) of revenues over expenditures	(10,558)	(305,658)	(764,847)	(136,110)	(814,704)	7,122	(2,024,755)
<b>OTHER FINANCING SOURCES (USES)</b>							
Operating transfers in	-	306,939	-	200,000	-	-	506,939
Other sources	-	-	-	-	-	1,441	1,441
Total other financing sources (uses)	-	306,939	-	200,000	-	1,441	508,380
Net change in fund balances	(10,558)	1,281	(764,847)	63,890	(814,704)	8,563	(1,516,375)
Fund balances, July 1, 2020	-	223,540	764,847	769,550	2,001,566	1,052,387	4,811,890
Prior period adjustment		-	-	(269,020)	-	-	(269,020)
Change in Accounting Principle (see note 1W)	154,073	-	-	-	-	-	154,073
Fund balances, July 1, 2020, as restated	154,073	223,540	764,847	500,530	2,001,566	1,052,387	4,696,943
Fund balances, June 30, 2021	\$ 143,515	\$ 224,821	\$ -	\$ 564,420	\$ 1,186,862	\$ 1,060,950	\$ 3,180,568

# **WILLIAMS UNIFIED SCHOOL DISTRICT**

## **ORGANIZATION**

**JUNE 30, 2021**

---

The Williams Unified School District (the “District”) is located in Williams, California. There were no changes in the boundaries of the District during the current year. The District is currently operating one elementary school, one upper elementary school, one junior high school, one junior senior high school, and a continuation high school.

### **GOVERNING BOARD**

<u>Name</u>	<u>Office</u>	<u>Term Expires December</u>
Patricia Ash	President	2024
Kathleen Bautista	Vice President	2024
Heather Covarrubias	Member	2022
Edward Davis	Member	2022
Cesar Perez	Member	2024

### **ADMINISTRATION**

Sandra Ayón  
Superintendent

Mechele Coombs  
Director of Fiscal Services and Accountability

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF INSTRUCTIONAL TIME**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

<b>Grade Level</b>	<b>Instructional Days</b>	<b>Status</b>
Kindergarten	179*	In compliance
Grade 1	179*	In compliance
Grade 2	179*	In compliance
Grade 3	179*	In compliance
Grade 4	179*	In compliance
Grade 5	179*	In compliance
Grade 6	179*	In compliance
Grade 7	179*	In compliance
Grade 8	179*	In compliance
Grade 9	179*	In compliance
Grade 10	179*	In compliance
Grade 11	179*	In compliance
Grade 12	179*	In compliance

\* Due to severe weather causing power outages at all school sites and downed power lines on school grounds, the District incurred one day of school closures.

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**SCHEDULE OF CHARTER SCHOOLS**

**FOR FISCAL YEAR ENDED JUNE 30, 2021**

---

<u>Charter School ID Number</u>	<u>Charter Schools Chartered by the District</u>	<u>Included in the District Financial Statements, or Separate Report</u>
-------------------------------------	--	--

---

There are currently no charter schools chartered by the District.



**WILLIAMS UNIFIED SCHOOL DISTRICT**

**RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH  
AUDITED FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

	Student Activity Fund	County School Facilities Fund
Balance, June 30, 2021, Annual Financial and Budget Report	\$ 136,475	\$ 1,205,441
Adjustments and Reclassifications		
Increase in:		
Cash in Bank(s)	7,040	-
Decrease in:		
Cash with a Fiscal Agent/Trustee	-	(18,559)
Accounts Receivable	-	(20)
Net Adjustments and Reclassifications	7,040	(18,579)
Balance, June 30, 2021, Audited Financial Statements	<u>\$ 143,515</u>	<u>\$ 1,186,862</u>

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<b>Assistance Listing Number</b>	<b>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</b>	<b>Pass- Through Entity Identifying Number</b>	<b>Federal Expenditures</b>
<u>U.S. Department of Education</u>			
<i>Passed through California Department of Education</i>			
84.010	ESEA (ESSA): Title I, Part A, Basic Grants Low-Income and Neglected	14329	\$ 189,038
84.010	ESEA: ESSA School Improvement (CSI) Funding for LEAs	15438	143,250
84.367	ESEA (ESSA): Title II, Part A, Supporting Effective Instruction Local Grants	14341	42,511
84.365	ESEA (ESSA): Title III, English Learner Student Program	14346	97,256
84.287	ESEA (ESSA): Title IV, Part B, 21st Century Community Learning Centers Program	14349	203,742
84.215G	Innovative Approaches to Literacy Program	N/A	19,999
84.424	ESEA (ESSA): Title IV, Part A, Student Support and Academic Enrichment Grants	15396	1,974
84.377A	NCLB: Title I, School Improvement Grant (SIG) Cohort 4 L/A	15364	383,959
Education Stabilization Fund (ESF) Cluster			
84.425D	Elementary and Secondary School Emergency Relief (ESSER) Fund	15536	* 129,791
84.425C	Governor's Emergency Education Relief (GEER) Fund: Learning Loss Mitigation	15517	* 42,949
84.425	Child Nutrition: COVID CARES Act Supplemental Meal Reimbursement	15535	* 33,589
Total Education Stabilization Fund (ESF) Cluster			206,329
Total U.S. Department of Education			1,288,058
<u>U.S Department of the Treasury</u>			
<i>Passed through California Department of Education</i>			
21.019	Coronavirus Relief Fund (CRF): Learning Loss Mitigation	25516	* 1,531,488
Total U.S. Department of the Treasury			1,531,488
<u>U.S. Department of Agriculture</u>			
<i>Passed through California Department of Education</i>			
Child Nutrition Cluster			
10.555	Child Nutrition: School Programs (NSL Sec 11)	13524	422,537
Total Cash Assistance Subtotal			422,537
10.555	School Lunch Program - Nonmonetary Assistance	13391	22,835
Total Non-Cash Assistance Subtotal			22,835
Total U.S. Department of Agriculture			445,372
Total Federal Programs			\$ 3,264,918

\* Tested as a major program

**WILLIAMS UNIFIED SCHOOL DISTRICT**

**SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b>Adopted Budget 2021/2022</b>	<b>Actuals 2020/2021</b>	<b>Actuals 2019/2020</b>	<b>Actuals 2018/2019</b>
<b><u>General Fund</u></b>				
Revenues and Other Financial Sources	\$ 18,583,840	\$ 20,384,741	\$ 18,110,881	\$ 18,279,403
Expenditures	18,953,891	17,660,206	16,681,460	17,540,865
Other Uses and Transfers Out	290,867	506,939	315,944	260,660
Total Outgo	19,244,758	18,167,145	16,997,404	17,801,525
Change in Fund Balance	(660,918)	2,217,596	1,113,477	477,878
Ending Fund Balance	\$ 7,735,143	\$ 8,396,061	\$ 6,178,465	\$ 5,064,988
Available Reserves	\$ 600,000	\$ 543,704	\$ 509,922	\$ 534,045
Reserve for Economic Uncertainties	\$ 600,000	\$ 543,704	\$ 509,922	\$ 534,045
Unappropriated Fund Balance	\$ -	\$ -	\$ -	\$ -
Available Reserves as a Percentage of Total Outgo	3.1%	3.0%	3.0%	3.0%
Total Long-Term Debt	\$ 33,957,266	\$ 34,485,976	\$ 33,924,009	\$ 29,436,788
Average Daily Attendance at P-2	1,228	1,259	1,259	1,239

The general fund balance has increased by \$3,808,951 over the past three years. The fiscal year 2021-2022 budget projects a decrease of \$660,918. For a District this size, the State of California recommends available reserves of at least 3 percent of total general fund expenditures, transfers out, and other uses (total outgo). The District met this requirement.

The District had an operating surplus all of the past three fiscal years.

Total long-term liabilities have increased by \$5,049,188 over the past two years due to the addition of the net pension liability and of the net OPEB liability, issuances of 2016 General Obligation Bonds and issuances of Certificates of Participations.

Average Daily Attendance (ADA) has increased by 20 over the past two years. The District anticipates ADA for the fiscal year 2021-2022 to decrease.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**NOTES TO SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**1. Schedule of Instructional Time**

This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of Education Code Sections 46201 through 46206. Districts must maintain their instructional minutes at the State's standard requirements as required by Education Code Section 46201(b).

**2. Schedule of Charter Schools**

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

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

This schedule provides information necessary to reconcile the Annual Financial and Budget Report to the audited financial statements.

**4. Schedule of Expenditures of Federal Awards**

The accompanying schedule of expenditures of federal awards includes federal grant activity of the District and is presented under the modified accrual basis of accounting. The July 2021 Edition of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance) requires a disclosure of the financial activities of all federally funded programs. This schedule was prepared to comply with the Uniform Guidance and state requirements. Therefore, some amounts presented in this schedule may differ from amounts used in the preparation of the general purpose financial statements. The District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

The schedule below provides a reconciliation between revenues reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances, and the related expenditures reported on the Schedule of Expenditures of Federal Awards. The reconciling amount consists of the fair value of federal food commodities received from the California Department of Education as a pass-through grant from the U.S. Department of Agriculture that are not reflected in the financial statements.

**5. 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**



**James Marta & Company LLP**  
*Certified Public Accountants*

*Accounting, Auditing, Consulting, and Tax*

---

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH STATE LAWS AND REGULATIONS**

Board of Trustees  
Williams Unified School District  
Williams, California

**Report on Compliance for Each State Program**

We have audited the compliance of Williams Unified School District (the "District") with the types of compliance requirements described in the State of California's 2020-21 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting (the "Audit Guide") to the state laws and regulations listed below for the year ended June 30, 2021.

**Management's Responsibility**

Compliance with the requirements of state laws and regulations is the responsibility of District's management.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the 2020-21 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state laws and regulations listed below occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

**Local Education Agencies Other Than Charter Schools**

<b>Description</b>	<b>Procedures Performed</b>
Attendance and Distance Learning	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Instructional Time	Yes
Instructional Materials	
General Requirements	Yes
Ratio of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	No, see below
Gann Limit Calculation	Yes
School Accountability Report Card	Yes

### **Local Education Agencies Other Than Charter Schools**

<b>Description</b>	<b>Procedures Performed</b>
K-3 Grade Span Adjustment	Yes
Apprenticeship: Related and Supplemental Instruction	No, see below
Comprehensive School Safety Plan	Yes
District of Choice	No, see below

### **School Districts, County Offices of Education, and Charter Schools**

<b>Description</b>	<b>Procedures Performed</b>
California Clean Energy Jobs Act	Yes
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes

### **Charter Schools**

<b>Description</b>	<b>Procedures Performed</b>
Independent Study-Course Based	No, see below
Attendance	No, see below
Mode of Instruction	No, see below
Nonclassroom-Based Instruction/Independent Study	No, see below
Determination of Funding for Nonclassroom-Based Instruction	No, see below
Charter School Facility Grant Program	No, see below

We did not perform any procedures related to Early Retirement Incentive Program, Apprenticeship: Related and Supplemental Instruction, and District of Choice because the District did not offer these programs.

We did not perform any procedures related to Independent Study-Course Based, Contemporaneous Records of Attendance for Charter Schools, Mode of Instruction for Charter Schools, Nonclassroom-Based Instruction/Independent Study for Charter Schools, Determination of Funding for Nonclassroom-Based Instruction for Charter Schools, Annual Instructional Minutes-Classroom Based for Charter Schools, and Charter School Facility Grant Program because the District did not have any charter schools.

## **Opinion on Compliance with State Laws and Regulations**

### ***Basis for Qualified Opinion on Compliance with State Laws and Regulations***

As described in Finding **2021-1** in the accompanying Schedule of Audit Findings and Questioned Costs, Williams Unified School District did not comply with requirements regarding Comprehensive School Safety Plan. Compliance with such requirements is necessary, in our opinion, for Williams Unified School District to comply with state laws and regulations applicable to these programs

### ***Qualified Opinion on Compliance with State Laws and Regulations***

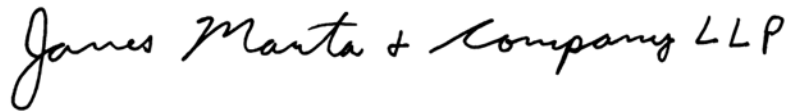
In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, Williams Unified School District complied, in all material respects, with the state laws and regulations referred to above for the year ended June 30, 2021.

***Unmodified Opinion on Each of the Other State Programs***

In our opinion, Williams Unified School District complied, in all material respects, with the other applicable state compliance requirements referred to above for the year ended June 30, 2021.

**Other Matters**

Williams Unified School District's response to the finding identified in our audit is included in the accompanying Schedule of Audit Findings and Questioned Costs. We did not audit the District's response and, accordingly, express no opinion on it.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
October 28, 2021





**James Marta & Company LLP**  
*Certified Public Accountants*

*Accounting, Auditing, Consulting, and Tax*

---

**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**

**INDEPENDENT AUDITOR'S REPORT**

Board of Trustees  
Williams Unified School District  
Williams, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Williams Unified School District (the "District"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 28, 2021.

**Internal Control Over Financial Reporting**

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

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

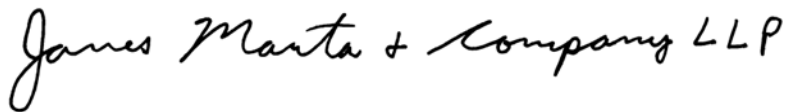
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

## **Compliance and Other Matters**

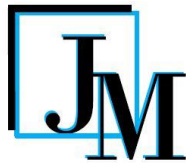
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

## **Purpose of this Report**

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

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
October 28, 2021



**James Marta & Company LLP**

*Certified Public Accountants*

*Accounting, Auditing, Consulting, and Tax*

---

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

**INDEPENDENT AUDITOR'S REPORT**

Board of Trustees  
Williams Unified School District  
Williams, California

**Report on Compliance for Each Major Federal Program**

We have audited Williams Unified School District's (the "District") compliance with the types of compliance requirements described in the July 2021 Edition of the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of the July 2021 Edition of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance), *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

**Opinion on Each Major Federal Program**

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

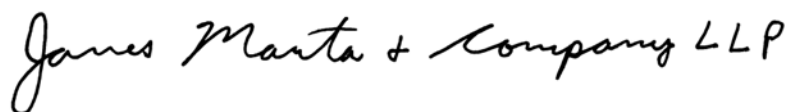
## Report on Internal Control Over Compliance

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

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

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

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

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
October 28, 2021

## **FINDINGS AND RECOMMENDATION**

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**Section I – Summary of Audit Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	_____ Yes	<u>  X  </u> No
Significant deficiency(ies) identified?	_____ Yes	<u>  X  </u> None reported

Noncompliance material to financial statements noted?

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

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?	_____ Yes	<u>  X  </u> No
Significant deficiency(ies) identified?	_____ Yes	<u>  X  </u> None reported

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

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance Section 200.516(a)

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425	Education Stabilization Fund Cluster
21.019	Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?

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

**State Awards**

Internal control over state programs:

Material weakness(es) identified?	_____ Yes	<u>  X  </u> No
Significant deficiency(ies) identified?	_____ Yes	<u>  X  </u> None reported

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

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**Section II – Financial Statement Findings**

No matters were reported.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

**Section III – Federal Award Findings and Questioned Costs**

No matters were reported.



**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

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

**2021-01 Comprehensive School Safety Plan (40000)**

**Criteria**

Education Code Sections 32280-32289 requires all California public schools operated by school districts develop a comprehensive school safety plan that addresses the safety concerns identified through a systematic planning process, reviewed, updated, and adopted by March 1.

**Condition**

The District's safety plan was not updated by March 1, 2021. The plan was last updated on February 25, 2020.

**Cause**

There was an oversight on the District's review of the compliance requirements of the plan.

**Effect**

The District's plan did not comply with the requirement to update the plan annually, by March 1 of every year.

**Fiscal Impact**

None

**Repeat Finding**

No

**Recommendation**

It is recommended that management ensures oversight and a process of review and understanding of the District's comprehensive school safety plan to ensure compliance with statutory requirements.

**Corrective Action Plan**

Management will review the Comprehensive School Safety Plan requirements and ensure they update the plan to ensure compliance the applicable laws and regulations. Subsequent to updating the safety plans, the District will submit to the school site committee for approval before March 1 of every year.

**WILLIAMS UNIFIED SCHOOL DISTRICT**  
**STATUS OF PRIOR YEAR AUDIT FINDINGS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

No matters were reported.