FRESNO UNIFIED SCHOOL DISTRICT

FINANCIAL STATEMENTS
June 30, 2024

FRESNO UNIFIED SCHOOL DISTRICT
FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
For the year ended June 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Audit Committee and Board of Education
Fresno Unified School District
Fresno, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fresno Unified School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Fresno Unified School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Fresno Unified School District, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5 to 24 and the General Fund Budgetary Comparison Schedule, the Schedule of Changes in the District's Net Other Postemployment Benefits (OPEB) Liability, the Schedule of Money-Weighted Return of OPEB Plan Investments, the Schedule of the District's Proportionate Share of the Net Pension Liability, and the Schedule of the District's Contributions on pages 72 to 77 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

(Continued)

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2024 on our consideration of Fresno Unified School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Fresno Unified School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Fresno Unified School District's internal control over financial reporting and compliance.

Crowe LLP

Crowe LLP

Sacramento, California
December 2, 2024

Fresno Unified School District
Achieving our Greatest Potential!

December 11, 2024

Board of Trustees
Fresno Unified School District
Fresno, California 93721

Dear Trustees:

I am pleased to present the financial statements for the Fresno Unified School District (the District) for the fiscal year ended June 30, 2024, with the Independent Auditors' Reports on those financial statements and the Federal and State Compliance audits. These financial statements have been prepared in conformance with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB) and confirm that the District is fiscally sound as defined by the State Controller's Office, with a General Fund balance of $607,010,959.

The California Education Code requires the governing board provide for an annual audit made by certified public accountants licensed by the State Board of Accountancy. The licensed firm of Crowe LLP rendered the attached auditors' reports. I believe that the data, as presented, is accurate in all material respects, that it is a fair presentation of the financial position and the results of the District's operations, and that the audit satisfies the requirements of the Education Code.

The District has prepared its financial statements since 2001 using the financial reporting requirements as prescribed by Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments (GASB No. 34). GASB No. 34 requires that Management provide a narrative introduction, overview, and analysis to accompany the Basic Financial Statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

The financial statements for the year ended June 30, 2024 present the District's sound financial condition and, along with the MD&A as well as the included note disclosures, provide the reader with an understanding of the District's financial affairs.

Respectfully Submitted,

Patrick Jensen
Chief Financial Officer

Fresno Unified School District

Preparing Career Ready Graduates

This section of Fresno Unified School District's annual financial report presents a discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2024. Readers are encouraged to consider the information presented in conjunction with the District's financial statements. This discussion and analysis provide a comparison between fiscal year 2023/24 and 2022/23.

ABOUT FRESNO UNIFIED SCHOOL DISTICT

Located in the heart of the Central Valley, Fresno Unified School District serves more than 68,213 students K to 12th grade and 2,901 preschool students, with an additional 5,845 adult learners served through Fresno Adult School. Through high quality instruction, district programs, and services and resources, the District is focused on building college and career ready graduates among its 67 elementary schools, 14 middle schools, 10 high schools, 6 alternative schools, 3 special education schools, and one adult school. In addition, the district provides oversight and evaluation to 10 neighborhood charter schools.

FINANCIAL HIGHLIGHTS

- The primary governmental fund has a deficit net position in governmental activities totaling $345.4 million at June 30, 2024.

- The total net position of the District increased by $207.0 million during fiscal year 2023/24. This is mainly due to an increase in investments in capital assets offset by increases in the Net Pension Liabilities and Other Post Employment Benefits (OPEB) Liability.

- Fund balance of the District's governmental funds decreased by $50.3 million resulting in an ending fund balance of $859.1 million. This was mainly due the conclusion of Measure Q Series C debt payments.

- At the end of the 2023/24 fiscal year, the balance in the District's Unrestricted General Fund increased by $26.7 million resulting in an ending unrestricted fund balance of $355.0 million. The changes were mainly due to operational savings from one-time grant funds.

- Governmental Accounting Standards Board (GASB) Statement No. 68 recognizes the District's portion of the California State Teachers' Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS) pension liabilities, deferred inflows, deferred outflows, and pension expenses at June 30, 2024. The District recognized a net increase of $4.7 million in the net position as a result of the changes in the net position liability related to deferred outflows and inflow of resources.

- The District's long-term obligations increased by $85.1 million to $2.5 billion mainly due to the following: general obligation bonds decreased $90.4 million, net OPEB liability decreased $76.7 million, net pension liabilities increased $97.5 million, and compensated absences increased $1.3 million.

- GASB Statement No. 31 requires government agencies to record the fair value of investments held by governmental external investment pools to record any unrealized gains/losses to revenue. The Fresno County investment pool reported unrealized losses of (3.03%) as of June 30, 2024. As a result, the District recognized a decrease in the fair value adjustments to cash in county treasury which resulted in a lower ending fund balance to the impacted funds by $34.0 million.

- GASB Statement No. 75 requires an actuarial valuation of the District's Retiree Health Benefits Plan and full recognition of the total net Other Post Employment Benefits (OPEB) liability. The total OPEB liability of $799.8 million, as of June 30, 2024, is offset with the 2023/24 net assets in the District's Irrevocable Trust for OPEB liabilities of $79.2 million. The net OPEB liability at the end of 2023/24 is $720.7 million. The liability increased by $76.7 million mainly due to increase lifetime benefits for qualified employees. In addition, the District transfers $3.5 million into an irrevocable trust from the General and Self Insurance Funds on an annual basis.

- The District maintained a positive financial position for 2023/24 as reflected by Moody's credit rating of Aa3 issued in August 2024. In its report to potential investors, Moody's Investor Services noted "Growing central valley economy, long-term enrollment trends will remain relatively stable, and healthy finances with reserves at 26% of operating revenues." The rating report highlights that "The district's finances will stay sound despite projected spend downs, benefiting from prudent management, conservative budgeting practices and an adopted reserve policy."

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis presents an introduction to the District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The *Government-wide Financial Statements* are designed to provide the reader of the District's Annual Financial Report, a broad overview of the financial activities in a manner similar to a private sector business. The government-wide financial statements include the *Statement of Net Position* and the S*tatement of Activities.*

- The *Statement of Net Position* presents information about the District's assets and liabilities. The difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as net position. Over time, changes in net position may serve as a useful indicator whether the financial position of the District is improving or deteriorating.

- The *Statement of Activities* presents information showing how the net position of the District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement even though the resulting cash flow may be recorded in a future period.

The *Government-wide Financial Statements* consolidate governmental and internal service activities that are supported from taxes and intergovernmental revenues. The District's *Government-wide Financial Statements* include the following types of funds: General, Special Revenue, Capital Project, Debt Service, and Internal Service Funds.

We exclude these activities from the District's *Government-wide Financial Statements* because the District cannot use these assets to finance its operations.

Fund Financial Statements

Fund Financial Statements are designed to demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. *Fund Financial Statements* for the District include governmental funds and proprietary funds.

Governmental funds account for essentially the same information reported in the governmental activities of the *Government-wide Financial Statements*. However, unlike the *Government-wide Financial Statements*, the *Governmental Fund Financial Statements* focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.

Since the governmental funds and the governmental activities report information use the same functions, it is useful to compare the information presented. Because the focus of each report differs, reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The District maintains 12 different governmental funds. As of June 30, 2024, the major funds are the General Fund, Building Fund, and the Bond Interest and Redemption Fund. They are presented separately in the *Fund Financial Statements* with the remaining governmental funds combined into a single aggregated presentation labeled *All Non-Major Funds*. Individual fund information for the non-major funds is presented in the Supplementary Information section.

The District adopts an annual appropriated budget for each of the governmental funds. A budgetary comparison schedule for the General Fund is included in the *Fund Financial Statements* to demonstrate compliance with the adopted budget.

The District maintains one type of proprietary fund which is the Self Insurance Fund.

The *Fund Financial Statements* of the proprietary fund provide the same information as the *Government-wide Financial Statements,* only in more detail. The Internal Service Fund is used to accumulate and allocate costs internally among the governmental functions.

Individual internal service fund information is presented in the *Fund Financial Statements* as the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and Statement of Cash Flows – Proprietary Fund. These statements consolidate the District's Internal Service Funds including the Property and Liability Fund, Workers' Compensation Fund, Health Fund, and the Defined Benefits Fund.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

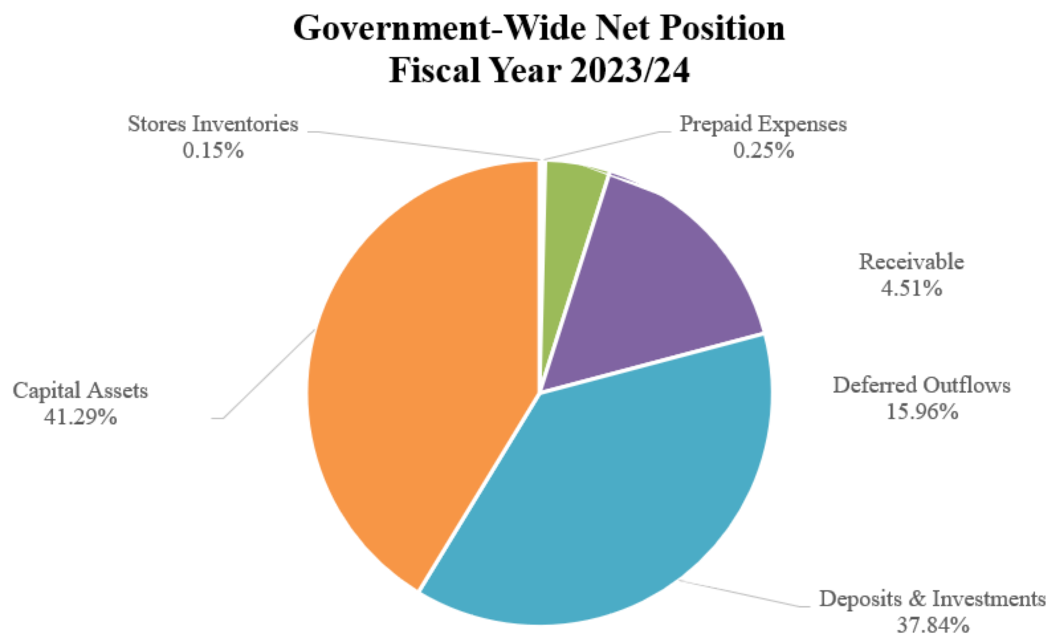
Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also contains other supplementary information concerning the District's non-major governmental funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

	Governmental Activities			
	2024	2023	Change	Change
Current and other assets	$ 1,252,568,326	$ 1,287,287,092	$ (34,718,766)	-2.70%
Capital assets	1,209,639,185	1,099,099,178	$ 110,540,007	10.06%
Total Assets	2,462,207,511	2,386,386,270	75,821,241	3.18%
Deferred Outflows	467,563,271	396,227,651	71,335,620	18.00%
Current liabilities	270,285,067	275,334,297	(5,049,230)	-1.83%
Long-term liabilities	2,548,903,271	2,463,790,214	85,113,057	3.45%
Total Liabilities	2,819,188,338	2,739,124,511	80,063,827	2.92%
Deferred Inflows	455,943,653	595,855,647	(139,911,994)	-23.48%
Net invested in capital assets	496,887,312	395,708,280	101,179,032	25.57%
Restricted	524,967,001	548,994,377	(24,027,376)	-4.38%
Unrestricted	(1,367,215,522)	(1,497,068,894)	129,853,372	-8.67%
Total Net Position	$ (345,361,209)	$ (552,366,237)	$ 207,005,028	-37.48%



Government-wide Net Position

The assets of the District are classified as follows: cash, investments, receivables, prepaid expenses, stores inventory, and capital assets. Current and other assets are available to provide resources for the near-term operations of the District. The majority of the current assets are the result of State apportionment and property tax resources.

Capital assets are used in the operations of the District. These assets include land, land improvements, buildings, equipment, and work-in-process.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, unearned revenue, and self-insurance claims liabilities. The liquidation of current liabilities is anticipated to be either from current available resources, current assets or new resources that became available during the 2023/24 fiscal year. Long-term liabilities such as general obligation bonds and compensated absences will be liquidated from resources that will become available after the 2023/24 fiscal year.

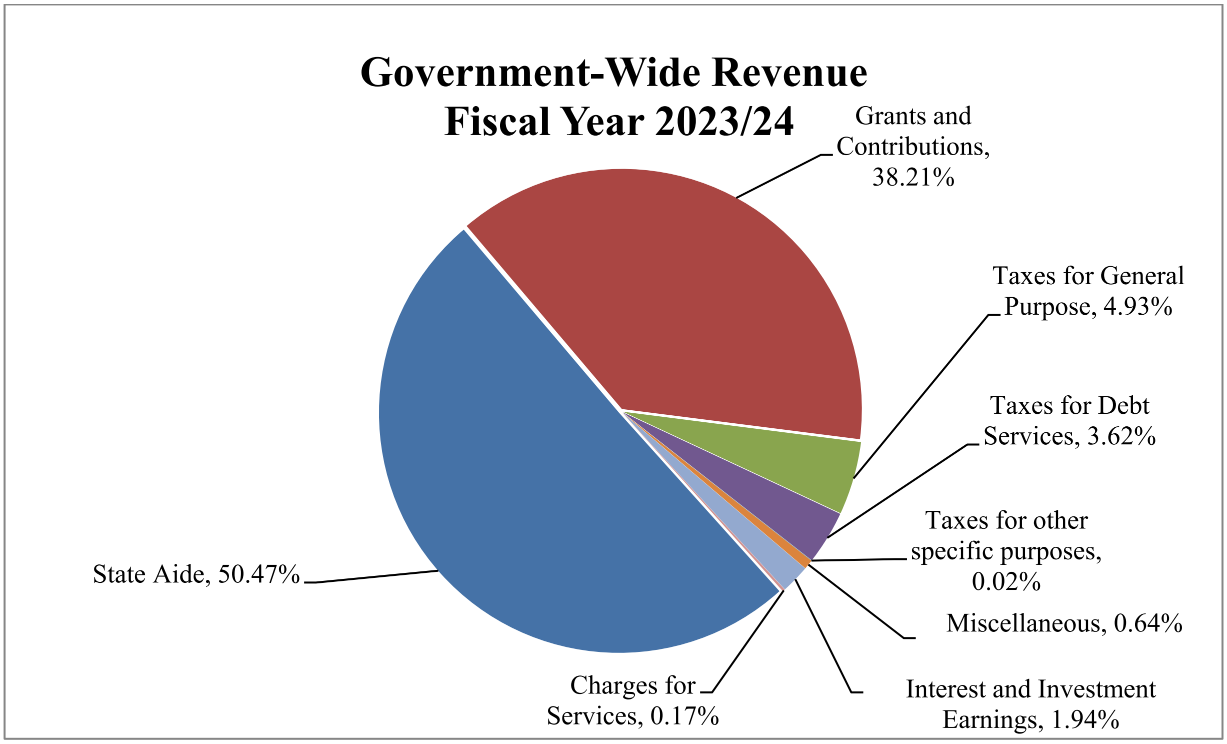
The liabilities and deferred inflows of the primary governmental activities exceed the assets and deferred outflows by $345.4 million. The total net position of the primary governmental activities does not include internal balances. Internal balances are interfund payables and receivables within the governmental activities. The amounts reported in the accounts are eliminated to avoid the "gross up" effect on the assets and liabilities.

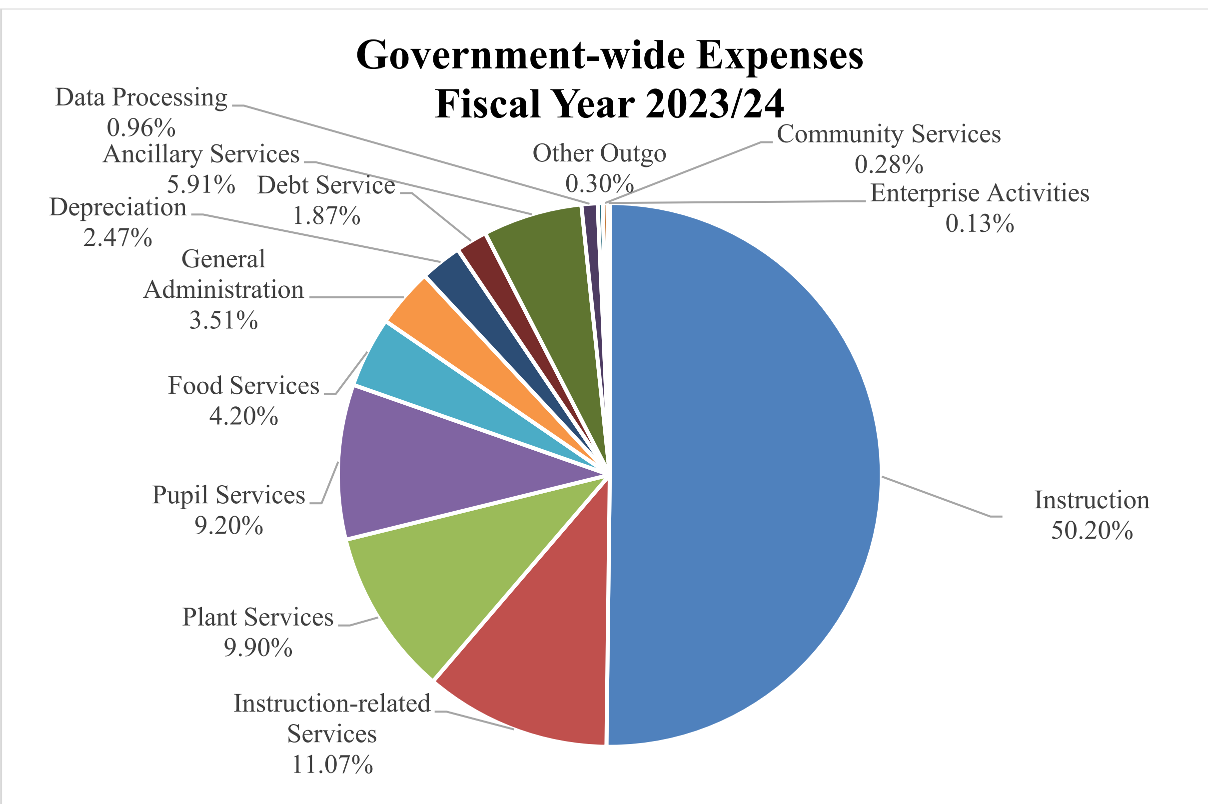
A net investment of $1.21 billion in land, land improvements, buildings, equipment, and work-in-process, represents 49% of the District's total assets. The District serves 68,213 public school students including transitional kindergarten through 12th grade. In addition, the District participates in the State preschool program in which 2,901 students are enrolled.

The table and chart above summarize the District's *Government-wide Net Position*.

Statement of Activities

	Governmental Activities 2024	2023	Change
Program Revenues			
Charges for Services	$ 3,114,200	$ 3,966,631	-21.49%
Operating Grants & Contributions	716,362,443	748,902,099	-4.34%
Capital Grants & Contributions	799,150	21,361,963	
General Revenues			
Taxes and Subventions	160,938,948	148,815,596	8.15%
Federal and State Aid, Unrestricted	947,263,302	893,451,320	6.02%
Interest and Investment Earnings	36,338,447	(5,349,747)	-779.26%
Other General Revenues	11,951,596	15,456,181	-22.67%
Total Revenues	$ 1,876,768,086	$ 1,826,604,043	2.75%
Expenses			
Instruction	838,472,690	717,027,201	16.94%
Instructional Related	184,801,211	170,446,179	8.42%
Student Support Services	223,802,854	200,867,881	11.42%
General Administrative	74,502,378	56,674,457	31.46%
Maintenance and Operations	165,226,009	147,749,062	11.83%
Depreciation	41,242,676	37,267,662	10.67%
Other	141,715,240	102,783,039	37.88%
Total Expenses	1,669,763,058	1,432,815,481	16.54%
Change in Net Position	$ 207,005,028	$ 393,788,562	47.43%


Government-Wide Revenue
Fiscal Year 2023/24
Grants and Contributions, 38.21%
Taxes for General Purpose, 4.93%
Taxes for Debt Services, 3.62%
Taxes for other specific purposes, 0.02%
Miscellaneous, 0.64%
Interest and Investment Earnings, 1.94%
Charges for Services, 0.17%
State Aide, 50.47%


Government-wide Expenses
Fiscal Year 2023/24
Data Processing 0.96%
Ancillary Services 5.91%
Debt Service 1.87%
Depreciation 2.47%
General Administration 3.51%
Food Services 4.20%
Pupil Services 9.20%
Plant Services 9.90%
Instruction-related Services 11.07%
Other Outgo 0.30%
Community Services 0.28%
Enterprise Activities 0.13%
Instruction 50.20%

Financial Analysis of the District's Governmental Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental activities – Capital Project Funds for the District provide the same type of information presented in the government-wide financial statements but in greater detail. The following highlights significant activity in the District's Capital Project Funds for fiscal year 2023/24:

- The County School Facilities Fund spent $63.1 million on projects (Measure X – $16.3 million, Measure M – $42.8 million), and savings from state facility projects totaling $4.0 million.

- The County School Facilities Fund's major projects and activities included the following:

  - Construction and Maintenance major projects and activities totaling $37.3 million:
    - Del Mar Elementary $ 10.7 million
    - Edison High $ 7.2 million
    - Farber $ 5.9 million
    - Sunnyside High $ 5.1 million
    - Addams Elementary $ 3.4 million
    - Jefferson Elementary $ 1.4 million
    - 21 other sites totaling $ 3.6 million

  - Modernization Projects included the following sites totaling $25.8 million:
    - Ericson Elementary $ 6.3 million
    - Hoover High $ 3.5 million
    - Bullard High $ 1.5 million
    - Farber $ 1.5 million
    - Roeding Elementary $ 1.4 million
    - Yosemite Middle $ 1.2 million
    - 105 other sites totaling $10.4 million

The General Fund is the chief operating fund of the District. Student enrollment decreased by 1,087 students during the fiscal year. The average daily attendance (ADA) for fiscal year 2023/24 decreased by 174 ADA from 2022/23, however, the district is funded on a 3-year prior year average, which is approximately 2,644 ADA higher than 2023/24 ADA. The 3-year prior year average provides an additional $43.2 million of relief due to declining ADA.

The Bond Interest and Redemption Fund has adequate resources accumulated to make the principal and interest payments.

The Cafeteria Fund's key elements that highlight the activities in the 2023/24 fiscal year are as follows:

- Approximately 16,200 breakfasts, 57,200 lunches, and 3,500 snacks per day were served, equating to 13.8 million meals annually which is an increase of 600,000 meals overall from the prior year due to students continuing to return to campus.

- The District received a grant for 60 elementary school sites to participate in the Fresh Fruit and Vegetable Program, making the District the largest grant recipient from the California Department of Education.

- The District continues to participate in the National School Lunch and School Breakfast Programs under the Community Eligibility Provision (CEP), which allows all students at every site to receive a healthy breakfast, lunch, and snack every day.

- Meals are served at 107 locations, utilizing 473 full and part-time employees. The volume of meals served has enabled the program to operate on Federal and State reimbursement without additional contribution from the Unrestricted General Fund.

General Fund Budgetary Highlights

The General Fund budget is composed of the unrestricted and restricted fund budgets. Restricted funds are grants or entitlements that have specified rules on how the funds can be spent. Unrestricted funds may be used as determined by the Board of Education. Education Code 41011 requires unified districts to spend at least 55% towards classroom compensation. In 2023/24, Fresno Unified spent 55.38% towards classroom compensation.

Over the course of the year, the District revised the annual operating budget six times. These budget amendments are authorized per Education Code 42601 and fall into the following categories:

- Changes made to recognize revenue anticipated/received from sources outside the District
- Changes made to recognize expenses

The District is required to present year-end projections at two different intervals (December and March).

The District, as a general rule, requires restricted budgets to stay within their State and/or Federal allocation. The major exceptions include Special Education and Ongoing & Major Maintenance Account. In addition to the State and/or Federal allocation, the District contributes Unrestricted General Fund resources to these programs.

Unrestricted Ending Balance

The adopted unrestricted ending balance for 2023/24 was projected to be $296.3 million. The actual 2023/24 ending balance is $355.0 million, a gain of $58.7 million, mainly due to the following:

2022/23 Ending Fund Balance Impacts

- Actual general fund balance in 2021/22 was lower than the adopted budget by $7.1 million mainly due to:
  - School site and department expenditures lower than anticipated
  - Transportation contract savings
  - Safety Office savings due to lower police contracts and shared Safe 2 Schools contract savings with the Liability Fund
  - Additional one-time transportation revenue, lottery, interest income, and Medi-Cal Administrative Activity (MAA) revenue
  - Record the fair value investments held in Fresno County investment pool which reported unrealized losses of (4.54%)
  - Reduction of Supplemental and Concentration carryover offset by increased allocation to one-time facility projects

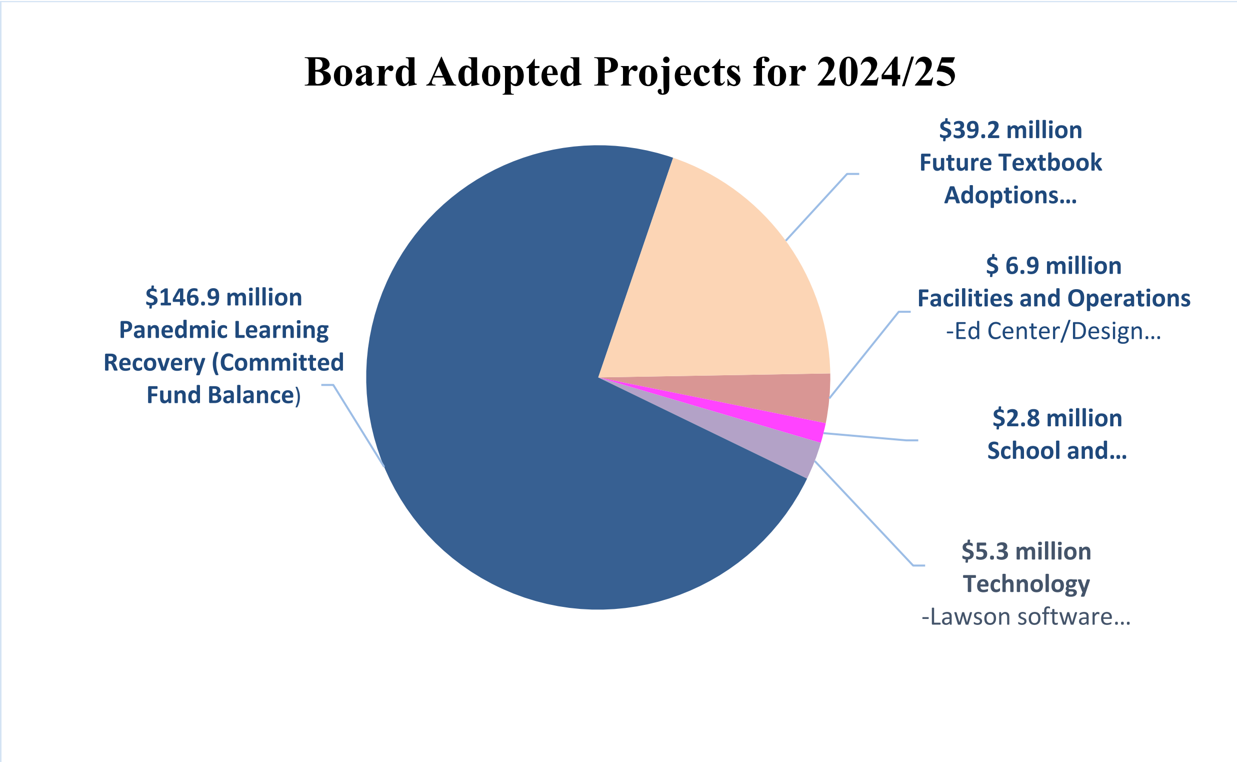
2023/24 Impacts

- An increase in Local Control Funding Formula (LCFF) revenue of $1.4 million due to final Average Daily Attendance (ADA) and Unduplicated Pupil Percentage (UPP) adjustments
- An increase in State income of $9.3 million mainly due to transportation and lottery revenue
- An increase of
- An increase of local income of $24.9 million mainly due to one-time Medi-Cal Administrative Activity (MAA) revenue, interest income, and adjust unrealized loss of investments held with the Fresno County Treasury
- Total expenditures and contributions increased by $31.2 million was recognized due to the following changes:
  - Increased cost to provide an ongoing 8.5% raise from Adopted Budget of 4% offset by decreased health contribution from $24,370 to $22,000 and negotiation cost of ($15.2 million)

- Increased cost to provide increased hours for special education Paraeducators and rate increase for substitutes of ($9.5 million)
- Salaries were lower than anticipated by $12.3 million
- School site/department expenditures were lower than anticipated by $5.6 million
- Utilities savings of $3.1 million
- Transportation contract savings of $1.7 million
- Maintenance contract savings of $1.1 million
- One-time connectivity funds supported computer costs of $1.5 million
- Reduce Local Control Accountability Plan (LCAP) Carryover due to actual expenditures of $5.1 million
- One-time savings of federal recovery savings due to lower facility projects anticipated supported general fund expenditures including Social Workers, Child Welfare Assistants, Noon Time Assistants, Home and Hospital, Custodial Support, student laptops, Special Education Teacher and Paraeducator substitutes of $25.5 million

The Board designated funds for the 2024/25 budget in the amount of $201.1 million for future projects as follows:

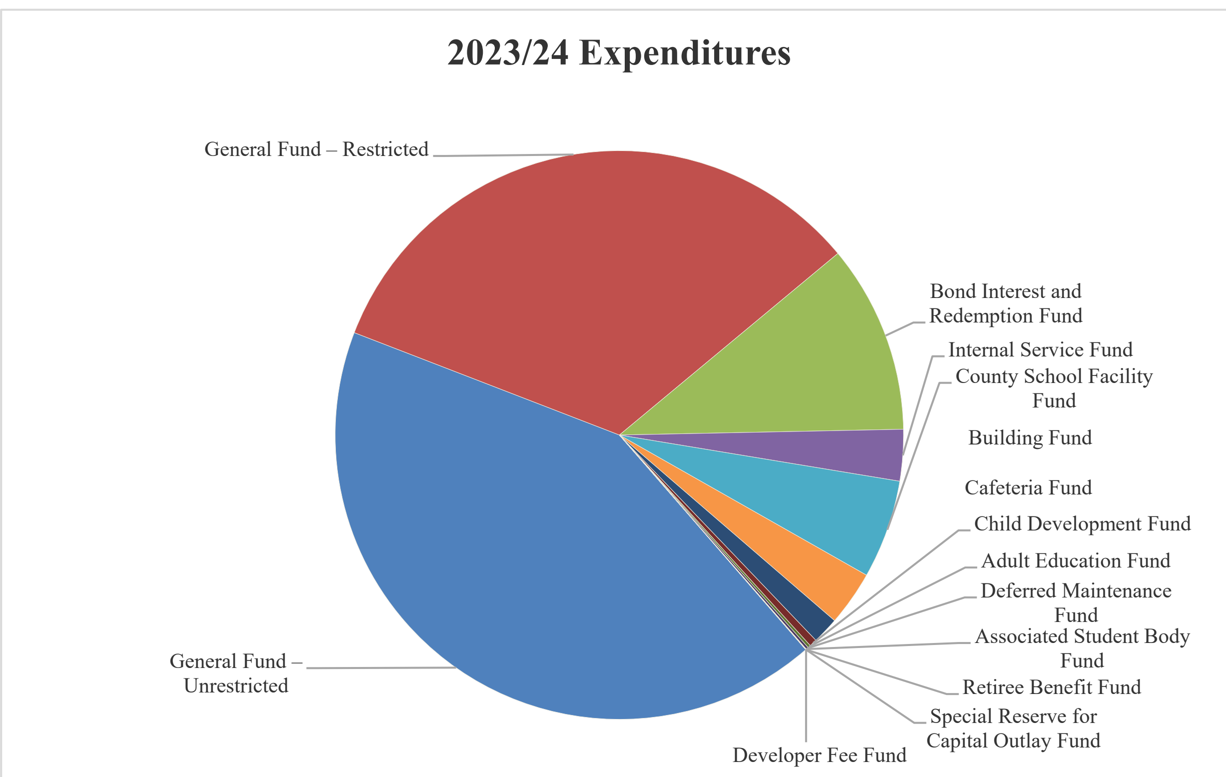
Committed Fund Balance:	
Future Textbook Adoptions	$ 39.2 million
Pandemic Learning	$146.9 million
Assigned Fund Balance:	
Ed Center/Fulton St. Remodel	$ 6.0 million
Site and Department Carryover	$ 2.8 million
Information Technology Infrastructure	$ 2.8 million
Lawson Software Upgrade	$ 2.5 million
Design Science Facility	$ 0.9 million


Board Adopted Projects for 2024/25
$39.2 million
Future Textbook
Adoptions...
$ 6.9 million
Facilities and Operations
-Ed Center/Design...
$146.9 million
Panedmic Learning
Recovery (Committed
Fund Balance)
$2.8 million
School and...
$5.3 million
Technology
-Lawson software...

Total expenditures for 2023/24 were $2.2 billion, representing a increase from 2022/23 of $237 million as listed below (in millions):

Expenses	2023/24 Unaudited Actuals Expenses	2022/23 Unaudited Actuals Expenses	Difference	Change
General Fund – Unrestricted	$913.6	$835.9	$77.7	9.3%
General Fund – Restricted	715.5	615.1	100.4	16.3%
Bond Interest and Redemption Fund	231.6	64.4	167.2	259.6%
Internal Service Fund	63.2	211.0	(147.8)	(70.1%)
County School Facility Fund	121.2	46.7	74.5	159.6%
Building Fund	67.5	48	19.5	40.5%
Cafeteria Fund	32.8	60.9	(28.1)	(46.1%)
Child Development Fund	9.3	27.3	(18.0)	(65.9%)
Adult Education Fund	3.4	8.4	(5.0)	(59.9%)
Deferred Maintenance Fund	3.1	3.4	(0.3)	(7.6%)
Associated Student Body Fund	0.0	3.4	(3.4)	(99.3%)
Developer Fee Fund	0.7	0.1	0.6	563.4%
Special Reserve for Capital Outlay Fund	0.2	0.4	(0.2)	(43.8%)
Retiree Benefit Fund [(A)]	0.1	0.1	(0.0)	(38.2%)
Total	$2,162.2	$1,925.1	$237.1	12.2%

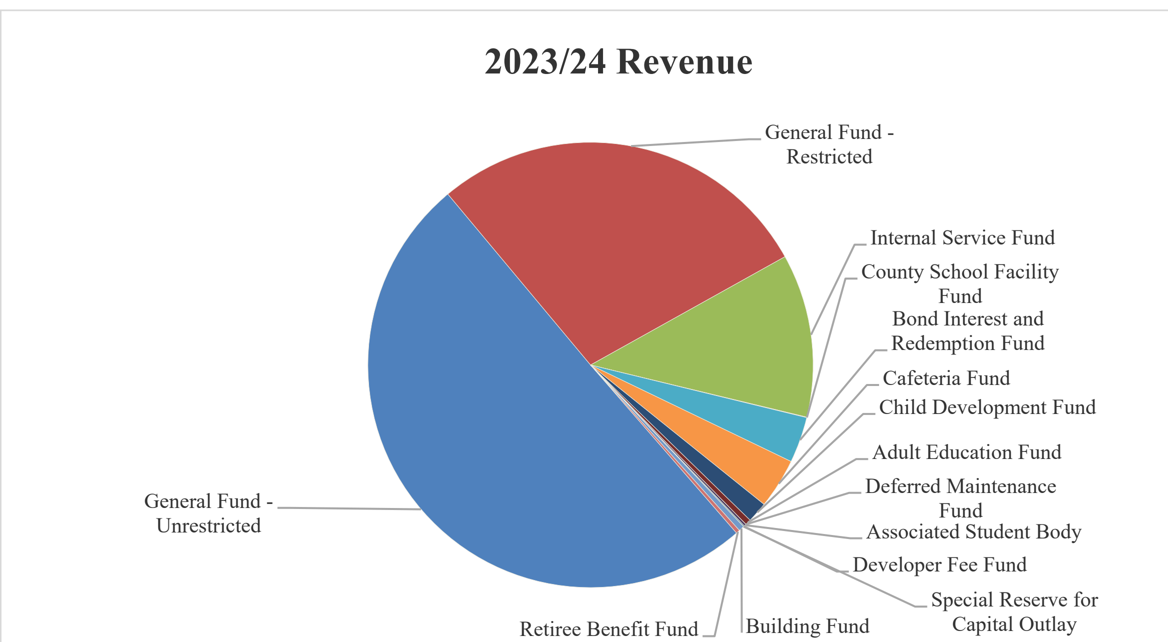
(A) The Retiree Benefit Fund is not included in the District's financial statements. The funds in the California Employers' Retiree Benefit Trust (CERBT) are held in trust and will be administered by the CalPERS as an agent multiple-employer plan. The District's contributions to the irrevocable trust are included in the CERBT, which is included in the CalPERS Annual Comprehensive Financial Report (ACFR).



Total revenue for 2023/24 was $2.1 billion, representing an decrease from 2022/23 of $130.1 million as listed below (in millions):

Revenue	2023/24 Unaudited Actuals Revenue	2022/23 Unaudited Actuals Revenue	Difference	Change
General Fund - Unrestricted	$1,077.0	$986.5	$ 90.5	9.2%
General Fund - Restricted	599.0	654.0	(55.0)	-8.4%
Internal Service Fund	253.8	248.5	5.3	2.1%
County School Facility Fund	0.9	65.3	(64.4)	-98.6%
Bond Interest and Redemption Fund	71.4	68.4	3.0	4.3%
Cafeteria Fund	77.7	72.0	5.7	7.9%
Child Development Fund	32.2	27.4	4.8	17.5%
Adult Education Fund	9.1	7.8	1.3	17.3%
Deferred Maintenance Fund	0.0	3.4	(3.4)	-99.9%
Associated Student Body	3.4	3.7	(0.3)	-8.8%
Developer Fee Fund	1.6	2.2	(0.6)	-27.4%
Special Reserve for Capital Outlay	-	0.1	(0.1)	-58.0%
Building Fund	8.5	125.5	(117.0)	-93.2%
Retiree Benefit Fund [(A)]	5.9	5.9	0.0	0.7%
Total	$2,140.5	$ 2,270.7	(130.2)	-5.7%

[(A)] The Retiree Benefit Fund is not included in the District's financial statements. The funds in the CERBT are held in trust and will be administered by the CalPERS as an agent multiple-employer plan. The District's contributions to the irrevocable trust are included in the CERBT, which is included in the CalPERS Annual Comprehensive Financial Report (ACFR).



Summary of Capital Assets

Governmental Activities, Capital Assets	2024	2023	$ Change	% Change
Land	$ 66,411,797	66,411,797	-	0.00%
Work-in-process	315,270,525	266,026,724	49,243,801	18.51%
Land improvements	189,650,945	134,424,158	55,226,787	41.08%
Buildings	1,193,834,648	1,156,826,700	37,007,948	3.20%
Equipment	63,338,229	53,055,159	10,283,070	19.38%
Capital Assets, cost	1,828,506,144	1,676,744,538	151,761,606	9.05%
Accumulated Depreciation	(618,866,959)	(577,645,360)	(41,221,599)	7.14%
Governmental Activities Capital Assets, net	$ 1,209,639,185	1,099,099,178	110,540,007	10.06%

The District's investment in Capital Assets for its governmental activities as of June 30, 2024 was $1.2 billion (net of accumulated depreciation).

Capital Assets include land, land improvements, buildings, equipment, and work-in-process. Capital Assets continued to grow in the governmental activities as District-wide construction continued due to utilization of Measure M and Measure X funds.

Summary of Long-Term Liabilities

	2024	2023	$ Change	% Change
Governmental Activities				
General Obligation Bonds	$ 801,692,063	$883,477,511	(81,785,448)	(9.26%)
Accreted Interest	25,107,520	31,837,361	(6,729,841)	(21.14%)
Unamortized Premium	35,828,037	37,687,554	(1,859,517)	(4.93%)
Other Postemployment Benefits	720,662,249	644,006,970	76,655,279	11.90%
Compensated Absences	5,354,402	4,025,818	1,328,584	33.00%
Net Pension Liability	960,259,000	862,755,000	97,504,000	11.30%
Governmental Long-Term Liabilities	2,548,903,271	2,463,790,214	85,113,057	3.45%

As of June 30, 2024, the District had a total outstanding bonded debt of $801.7 million backed by the full faith and credit of the District.

Total long-term debt for the District increased by $85.1 million. The change in the long-term debt was due mainly to the following: General Obligation Bonds decreased $90.4 million, net OPEB liability increased $76.7 million, pension liabilities increased $97.5 million , and compensated absences increased $1.3 million .

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was 2.92%.

Economic Factors and Budgets and Rates for 2024/25

The annual process to develop the District's budget begins in the fall with an update to the Board of Education and stakeholders regarding the District's Local Control and Accountability Plan (LCAP) actions and investment areas. The following January the Governor proposes the State budget. Since most of the District's revenue comes from the State, the District carefully derives assumptions from the Governor's proposal, guidance from the Fresno County Superintendent of Schools, and enrollment projections. The 2024/25 Proposed Budget includes recommendations that continue to balance the Board of Education's investments in extensive student programs, competitive employee compensation, and prudent fiscal responsibility.

On June 20, 2024, the Board of Education approved an Adopted Budget for fiscal year 2024/25. The Adopted Budget included an 8.06% unrestricted reserve.

- **The major State assumptions are:**
    - Statutory cost-of-living adjustment of 1.07%
    - The cash flow projected a positive balance of $306.8 million on June 30, 2025
    - Educational Protection Account continues, as required by Proposition 30 (November 2012), which represents 49% ($222.0 million) of the Local Control Funding Formula (LCFF)
    - The District is projected to be funded on the three year prior rolling average ADA
    - LCFF Supplemental and Concentration funding of $278.1 million
- **The local assumptions are as follows:**
    - The Elementary School Aligned Instructional System: Designated sites, instructional aides including kindergarten aides, home school liaisons, police chaplains and campus safety assistants, custodial, clerical supports, administrative support, and health care professionals including a registered nurse, licensed vocational nurse or health assistant and school psychologist
        - Classroom Teachers per the Collective Bargaining Agreement reduce class size guidelines by 1 student per teacher
            - Kindergarten through 3rd grade – 1 teacher to 23 students (was 24 students)
            - 4th grade through 6th grade – 1 teacher to 28 students (was 29 students)
            - Teacher choice of augmentation aide or up to $5,000 annual stipend if exceeding Classroom Guidelines of 1-3 students or 4 or more students
    - The Middle School Aligned Instructional System: Transition teachers and campus culture support, safety investments include campus assistants, custodial support, clerical support, home school liaison, administrative support, and health care professionals including a registered nurse and licensed vocational nurse or health assistant, and school psychologist
        - Classroom Teachers per the Collective Bargaining Agreement reduce class size guidelines by 1 student per teacher
            - 7th grade – 8th grade – 1 teacher to 27 students (was 28 students)
            - Teacher choice of augmentation aide or up to $5,000 annual stipend if exceeding Classroom Guidelines of 1-3 students or 4 or more students
    - The High School Aligned Instructional System: Professional learning, librarian, student engagement, campus culture assistant and athletic director support, safety investments include school resource officer, probation officer and campus assistants, custodial support including PE custodians, pool custodians and auditorium custodians, clerical supports including a library technician, administrative support, and health care professionals including a registered nurse and licensed vocational nurse on a daily basis and school psychologist
        - Classroom Teachers per the Collective Bargaining Agreement reduce class size guidelines by 1 student per teacher
            - 9th grade – 12th grade – 1 teacher to 28 students (was 29 students)
            - Teacher choice of augmentation aide or up to $5,000 annual stipend if exceeding Classroom Guidelines of 1-3 students or 4 or more students
    - Teacher Supply Allocations: For 2024/25 increase teacher supply allocation from $315 to $500 per Collective Bargaining Agreement

Improve academic performance at challenging levels

- Analysis, Measurement, and Accountability – Additional 1.0 FTE Executive Officer (offset by reductions in Data Psychometrics), 2.0 FTE Executive Directors offset by reductions of 1.0 FTE Program Technician, 1.0 FTE Information System Specialist, substitute salaries, contracts and sub-agreements, equipment and graphics totaling a net decrease of ($266,000)
- Health Services: Additional 9.0 FTE nurses ($1.5 million already included in multi-year projections) offset by reductions in contracted nurse services, material and supplies totaling a net decrease of ($3.0 million). In addition, an increase of 8.75 FTE licensed Vocational Nurses will be delayed from 2024/25 to 2025/26
- School Safety and Security: Additional 41.0 FTE Campus Safety ($2.5 million already included in multi-year), additional 3.0 FTE Security Guards (offset with CIS contract and funded by the Liability Fund), increase for transportation cost, badge software and safe routes to schools offset by reduction in supplies and contracts totaling a net increase of $93,000. In addition, the Proposed Budget includes $300,000 in one-time funds to support an additional 15 sites for safe routes to schools
- Emergency Response: Reduction of a Manager II and Administrative Secretary totaling a decrease of ($320,000)
- African American Academic Acceleration: Reduction of $765,000. Subsequently, as presented at the April 24, 2024, Board meeting, all reductions were restored. In addition, the Proposed Budget includes $1.3 million in one-time funds to support expanded student leadership
- Alternative Education: Consolidation of JE Young, Cambridge, and eLearn at Farber. The consolidation includes reduction of two FTE Principals, a Vice Principal, a Guidance Learning Coordinator, an Attendance Records Assistant, an Office Assistant, .20 FTE Athletic Director, an Office Manager, conversion of two Registrars to Registrar Assistants, and conversion of a Counselor-to-Counselor Resource Assistant. In addition, a reduction of Library Technician, Teacher supplemental salaries, and materials and supplies totaling a decrease of ($1.6 million)
- Instructional Division: Reduction of teachers on special assignment to 185 days, a Budget Technician, a Teacher on Special Assignment, 0.5 FTE Analyst I, and supplemental contracts. In addition, restructure of Data Psychometrics with reduction of an Assistant Superintendent, an Administrative Analyst, an Administrative Secretary, a Teacher on Special Assignment and conversion of 2.0 Executive Officers to Analysis, Measurement, and Accountability and Department of Equity Inclusion totaling a decrease of ($2.5 million)
- Curriculum and Instruction: Reduction of 0.50 FTE Analyst, a Literacy Coach, a Customer Service Representative, a Director, a Manager II, supplemental salaries, professional consulting contracts, travel and materials and supplies totaling a decrease of ($1.6 million). In addition, K-6 History textbooks will be allocated from the Committed Fund Balance of $11.4 million. Subsequently, as presented at the April 24, 2024, Board meeting, the Proposed Budget includes $1.4 million in one-time funds to continue recovery supports
- Special Education: Reduction of four Regional Instructional Managers, and reassignment of three Literacy Coaches and six Teachers on Special Assignment to return to classroom instruction totaling a decrease of ($2.1 million)
- Information Technology Learner Support: Reduction of supplies and services offset by increase for district Microsoft licenses and 5% contract increases ($250,000 already included in the multi-year projections) totaling an increase of $270,000. In addition, a request of one-time support for district cyber security training of $143,000

- Enterprise Services: reduction of a Technical Support Specialist, facility rental contract, conversion of a Software Developer II to Systems Administrator, conversion of Technician Support Specialist to Technician Support Specialist II offset by increase of Human Enterprise system maintenance ($250,000 already included in multi-year projections), and increase of Financial system maintenance ($300,000 already included in multi-year projections) totaling a decrease of ($149,000). In addition, a request of one-time support for Human Enterprise system upgrade ($2.5 million already included in multi-year projections)
- Learner Support Services: Reduction of a Help Desk support, a Customer Service Representative, classroom software management, T-Mobile hot spots based on usage, supplies offset by expansion of computer refresh to site office staff of equipment refresh, additional Coordinator II, and a Technician Support Specialist totaling an increase of $725,000
- Network: Reduction of supplies and services totaling a decrease of ($80,000)

Increase student engagement in the school & community

- Student Engagement: Reduction in supplemental salaries, supplies, travel, and services totaling a decrease of ($1.1 million). Subsequently, as presented at the April 24, 2024, Board meeting, the Proposed Budget includes $90,000 to support know more contract and $1.2 million in one-time funds to support the athletic bridge program
- Arts and Music Education: Reduction in supplemental salaries, supplies and services totaling a decrease of ($190,000). In addition, Proposition 28 Arts and Music Education Funding allocates $12.9 million to 100 school sites. Site plans were developed in winter 2023 and allocates 46.4 Teacher FTE
- Early Learning: Reassignment of three Teachers on Special Assignment to return to classroom instruction totaling a decrease of ($480,000)
- Department of Prevention and Intervention: reassignments of eight Climate and Culture Specialist and one Teacher on Special Assignment to return to classroom instruction. Furthermore, reductions of 3 Counseling Resource Assistants, one Clinical Social Worker, 1.0 FTE Prevention Intervention Specialist, one School Counselor, one Social Emotional Manager, two Social Emotional Manager duty days, 0.80 FTE Teacher, supplemental salaries, travel, supplies and services offset by an additional Secretary totaling a net decrease of ($3.0 million). In addition, the Proposed Budget includes one-time allocations for three years utilizing the Committed Fund Balance for Pandemic Recovery for the following supports: three Restorative Practice Counselors, a Manager III, ten Clinical Social Workers, two Behavior Intervention Specialist, one Behavior Support Advisor, a Child Welfare & Attendance Specialist, contract for Registered Behavior Technicians, Care Solace contract, and professional learning supports totaling $4.5 million
- Diversity, Equity, & Inclusion: Additional 1.0 FTE Executive Officer (offset by reductions in Data Psychometrics), one Manager III offset by reduction in supplemental salaries and services totaling a decrease of ($65,000)
- Plant Maintenance: Maintaining the required 3% contribution of the general fund
- Nutrition Services: Conversion 20 employees from 3.5-hours to 6-hours, additional Nutrition Services Manager, a 0.875 FTE Cook/Baker offset by reduction of 1.8 FTE Nutrition Services Operator and an Office Assistant totaling $375,000
- Transportation: Reduction of First Student contract based on experience totaling a decrease of ($1.0 million)
- Purchasing and Warehouse: Reduction of baseline classroom materials based on actual experience, copier maintenance, and equipment totaling a decrease of ($390,000)

Expand student centered and real-world learning experiences

- Expanded Learning: Reassignment of two Teachers on Special Assignment to return to classroom instruction and shift summer school support to the Expanded Learning Opportunities Program totaling a decrease of ($1.5 million). In addition, the Expanded Learning Program has reserved $49.3 million to assist with the Aviation facility

- College and Career Readiness: reduction of 1.2 FTE Senior High Teacher extra periods, travel, supplies, and services totaling a decrease of ($720,000). Subsequently, as presented at the April 24, 2024, Board meeting, the Proposed Budget includes $30,000 to support Latino Student Union Coordinator
- Career Technical Education: Reassignment of two Teachers on Special Assignment to return to classroom instruction and reduction of supplemental salaries, travel, and supplies and services totaling a decrease of ($1.3 million)
- English Learners: Reassignment of four Teachers on Special Assignment to return to classroom instruction totaling a decrease of ($640,000)

Increase inclusive opportunities for families to engage in their student's education

- Communications: Reduction for event costs of ($120,000)
- Parent University: Reduction for contracts of ($250,000)
- Translation Services: Shift of two Senior Bilingual Interpreters from ESSER and translating services totaling $540,000
- School Leadership: Reduction of a Manager III, supplemental salaries, classified substitute salaries, supplies, services, and bus passes based on usage totaling a decrease of ($1.0 million)
- Engagement & External Partnership: Reductions of supplies and services totaling a decrease of ($60,000)

Increase recruitment and retention of staff reflecting the diversity of the community

- Board Office: Reductions for supplemental salaries, supplies, and services totaling a decrease of ($28,000). In addition, a request of one-time support for 2024 election costs of $35,000 (already included in multi-year projections)
- Superintendent's Office: Reductions of an Administrator and reduction of travel totaling a decrease of ($267,000)
- Business Financial Services: Reductions of contracts totaling a decrease of ($37,000)
- Fiscal Services: Reductions of supplies and services totaling a decrease of ($25,000)
- Payroll: Reductions an Analyst II and an Employee Service Center Specialist offset by an additional Administrative Analyst totaling a decrease of ($75,000)
- State and Federal: Reductions of two Program Technicians, supplemental salaries, supplies, travel, and services offset by an additional Budget Technician II totaling a decrease of ($150,000)
- Risk Management and Worker's Compensation: Three Security Guards offset by contract reductions. In addition, the proposed rate for the liability rate remains the same at 1.15% and Workers' Compensation rate changes from 1.30% to .85% due to savings in claims. Subsequently, as presented at the April 24, 2024, Board meeting, the Proposed Budget includes $250,000 to create the Office of Accessibility
- Health Benefits & Defined Benefits: Employee contribution of $22,000 per active employee. The Budget is provided by the Joint Health Management Board (JHMB)
- Teacher Development: Reassignment of 15 Teachers on Special Assignment to return to classroom instruction and reduction of supplemental salaries totaling a decrease of ($2.5 million)
- Human Resources: Reduction of a Manager I, a Coordinator I, an Administrative Secretary II, supplies, and services totaling a decrease of ($695,000).
- A 3% ongoing salary increase and 2.5% one-time salary increase

- Multi-Year Items:
  - Future Textbook Adoptions: Designate $11.4 million for K-6 History Textbook Adoption in 2024/25

- Pandemic Learning Recovery: Designate $8.5 million to continue recovery social emotional supports, curriculum and instruction, African American student leadership supports, and Athletic Bridge program; $22.5 million to support 2.5% one-time salary increase of $21.2 million; Support 2024/25 lower Cost-of-Living and lower attendance rate of $33.2 million to total $64.2 million
- STRS and PERS increased employer rates:

Year	STRS Employer Rate	PERS Employer Rate	Annual Increase/Decrease to District Contribution	Annual District Contribution
2024/25	19.10%	27.80%	$1.8 million	$221.7 million
2025/26	19.10%	28.50%	$0.8 million	$222.5 million
2026/27	19.10%	28.90%	$1.0 million	$223.5 million

- Workers' Compensation Rate – Decreased to 0.85% for a savings of $2.7 million.
- An Unrestricted General Fund contribution of $1.5 million and a $2.0 million contribution from the Health Fund to the OPEB irrevocable trust for all years

- Benefit Rates:
    - Maintain the Health rate in accordance with the current employee bargaining agreements of $22,000 for 2023/24, 2024/25, and 2025/26. For 2026/27, the rate is estimated to be $24,547 for an increase of $5.9 million
    - Workers' Compensation Rate – Decreased to maintain a 90% liability reserve for a savings of $2.7 million

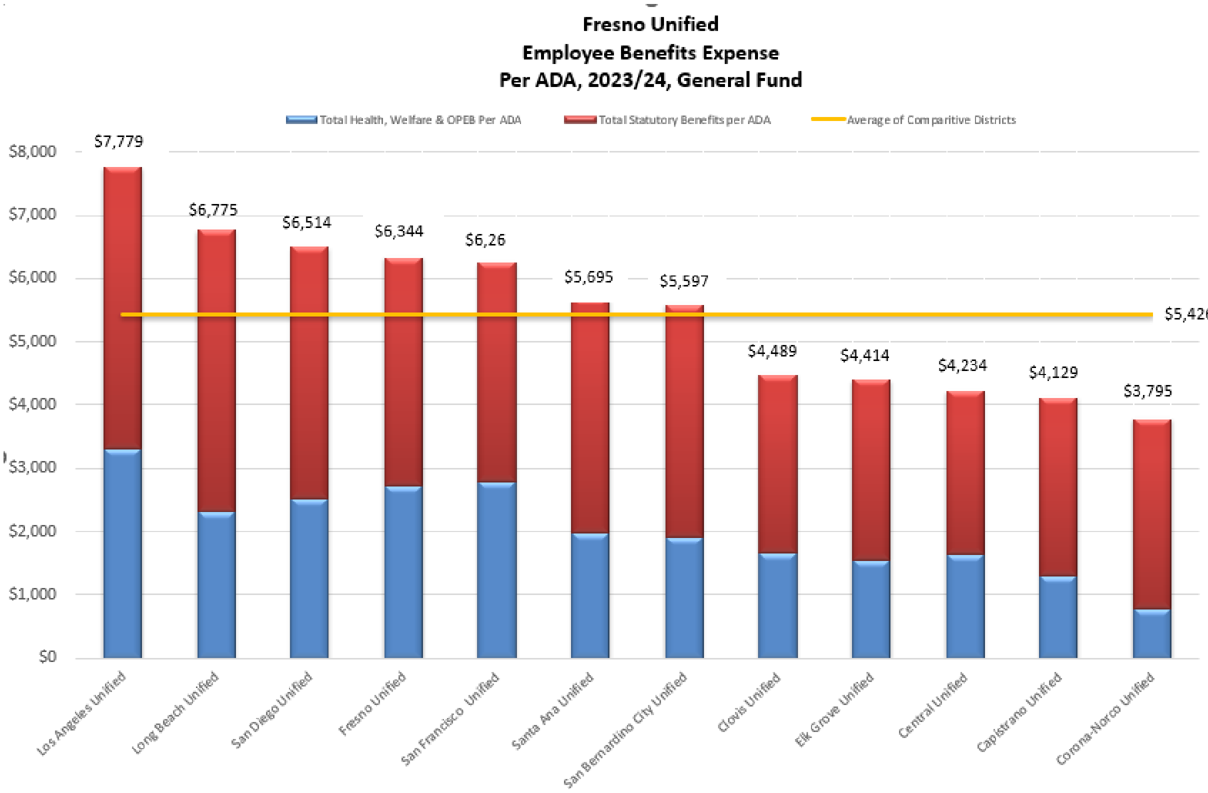
Employee Benefits

The District provides post-employment health benefits to all District employees (employed before July 1, 2005) and their dependents, with a minimum of 16 years of service who retire at a minimum of 57½ years of age. For employees hired on or after July 1, 2005, effective July 1, 2023, retirees who enroll in Medicare Parts A and B will be covered under the Aetna Medicare Advantage Plan. Retirees over age 65 who are not enrolled in Medicare remain on the self-insured plan GASB 74 and GASB 75, are governmental accounting standards that direct how State and local governments will account for these benefits.

The District's most recent actuarial study calculated the total gross liability for post-employment benefits to be $799.8 million in September 2024 which is a increase of $86.0 million since September 2023. The District established an irrevocable trust in 2013/14. The Trust Fund increased by $9.4 million and at the end of 2023/24 had an ending fund balance of $79.2 million. In 2024/25, the District plans to transfer $3.5 million to the OPEB irrevocable trust. At June 30, 2024, the total net OPEB liability was $825.1 million.

Included in total employee statutory benefits are the District's contributions to CalPERS and CalSTRS on behalf of employees' pensions. The employer contribution rates for CalSTRS and CalPERS began to increase in 2014/15 from rates of 8.25% and 11.44% respectively. CalSTRS rates are currently legislated to remain at 19.1% through 2026/27 and CalPERS projects rate increases through 2026/27 to 28.9%.

Fresno Unified ranks fourth in spending for total employee benefits per ADA when compared to the largest ten districts in the State and two of the largest local districts. The District outspends the average by $918/ADA. If the District spent at the average of those other districts of $5,426/ADA, annual savings generated equates to $59.5 million. Furthermore, the District's total benefits per ADA expense for 2023/24 increased by $408 over 2022/23.



Source: 2023/24 Unaudited Actual Standardized Account Code Structure; Health and Welfare: Unaudited Actual Expenditure by Object, Health and Welfare Benefits (3401/3402); OPEB (3701,3702,3751,3752); Divided by: 2023/24

Pension Liability

The District contributes to CalSTRS and CalPERS on behalf of employees. GASB 68 is a governmental accounting standard that directs how state and local governments will account for these pensions. GASB 68 requires all employers to recognize the long-term pension liability on their financial statements. The District has made the statutory contribution and does not make any investment decisions on the fund, as these plans are governmental controlled plans.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional financial information, contact the Office of the Chief Financial Officer, Office Business and Financial Services at (559) 457-6226.

BASIC FINANCIAL STATEMENTS

FRESNO UNIFIED SCHOOL DISTRICT
STATEMENT OF NET POSITION
June 30, 2024

	Governmental Activities
ASSETS	
Cash and cash equivalents (Note 2)	$ 1,108,691,038
Receivables	132,168,714
Prepaid expenses	7,323,499
Stores inventory	4,385,075
Non-depreciable capital assets (Note 4)	381,682,322
Depreciable capital assets, net of accumulated depreciation (Note 4)	827,956,863
Total assets	2,462,207,511
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources - pensions (Notes 8 and 9)	386,395,927
Deferred outflows of resources - loss from refunding of debt	11,628,112
Deferred outflows of resources - OPEB (Note 10)	69,539,232
Total deferred outflows	467,563,271
LIABILITIES	
Accounts payable and other current liabilities	153,344,047
Unearned revenue	49,354,808
Self-insurance claims liability (Note 5)	67,586,212
Long-term liabilities (Note 6):	
Due within one year	35,119,784
Due after one year	2,513,783,487
Total liabilities	2,819,188,338
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources - pensions (Notes 8 and 9)	85,717,000
Deferred inflows of resources - OPEB (Note 10)	370,226,653
Total deferred inflows	455,943,653
NET POSITION	
Net investment in capital assets	496,887,312
Restricted:	
Legally restricted programs	286,990,589
Capital projects	33,406,504
Debt service	70,490,913
Self insurance	134,078,995
Unrestricted	(1,367,215,522)
Total net position	$ (345,361,209)

See accompanying notes to financial statements.

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities
Governmental activities:					
Instruction	$ 838,472,690	$ 923,075	$ 397,046,854	$ 799,150	$ (439,703,611)
Instruction-related services:					
Supervision of instruction	87,573,821	280,323	46,921,839	-	(40,371,659)
Instructional library and technology	15,789,880	-	7,164,262	-	(8,625,618)
School site administration	81,437,510	35,413	8,965,763	-	(72,436,334)
Pupil services:					
Home-to-school transportation	24,726,532	-	1,694,656	-	(23,031,876)
Food services	70,104,606	67,664	81,384,268	-	11,347,326
All other pupil services	128,971,716	1,432,112	48,333,370	-	(79,206,234)
General administration:					
Data processing	15,961,371	-	242,216	-	(15,719,155)
All other general administration	58,541,007	43,847	16,763,968	-	(41,733,192)
Plant services	165,226,009	154,059	17,418,395	-	(147,653,555)
Ancillary services	98,647,856	-	83,619,883	-	(15,027,973)
Community services	4,739,771	34,582	4,696,150	-	(9,039)
Enterprise activities	2,204,582	12,868	404,997	-	(1,786,717)
Interest on long-term liabilities	31,167,148	-	-	-	(31,167,148)
Other outgo	4,955,883	130,257	1,705,822	-	(3,119,804)
Depreciation (unallocated) (Note 4)	41,242,676	-	-	-	(41,242,676)
Total governmental activities	$1,669,763,058	$ 3,114,200	$ 716,362,443	$ 799,150	(949,487,265)
General revenues:					
Taxes and subventions:					
Taxes levied for general purposes					92,582,243
Taxes levied for debt service					67,981,576
Taxes levied for other specific purposes					375,129
Federal and state aid not restricted to specific purposes					947,263,302
Interest and investment earnings					36,338,447
Miscellaneous					11,951,596
Total general revenues					1,156,492,293
Change in net position					207,005,028
Net position, July 1, 2023					(552,366,237)
Net position, June 30, 2024					$ (345,361,209)

See accompanying notes to financial statements.

FRESNO UNIFIED SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2024

	General Fund	Building Fund	County School Facilities Fund	All Non-Major Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents:					
Cash in County Treasury	$ 609,681,045	$ 138,692,323	$ 15,479,557	$ 121,404,881	$ 885,257,806
Cash in revolving fund	66,128	-	-	550	66,678
Cash on hand and in banks	14,278,432	-	-	4,723,338	19,001,770
Receivables	109,910,650	1,103,116	2,378,688	17,372,398	130,764,852
Prepaid expenditures	3,451,535	-	-	-	3,451,535
Due from other funds	33,963,711	19,452,584	41,889,470	4,108,558	99,414,323
Stores inventory	2,296,649	-	-	2,088,426	4,385,075
Total assets	$ 773,648,150	$ 159,248,023	$ 59,747,715	$ 149,698,151	$1,142,342,039
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 121,616,784	$ 13,000	$ 14,189,418	$ 2,104,020	$ 137,923,222
Unearned revenue	36,263,897	-	-	13,090,911	49,354,808
Due to other funds	8,756,510	46,094,908	19,236,169	21,907,120	95,994,707
Total liabilities	166,637,191	46,107,908	33,425,587	37,102,051	283,272,737
Fund balances:					
Nonspendable	5,814,312	-	-	2,088,976	7,903,288
Restricted	251,969,778	113,140,115	26,322,128	110,507,124	501,939,145
Committed	186,120,000	-	-	-	186,120,000
Assigned	14,981,000	-	-	-	14,981,000
Unassigned	148,125,869	-	-	-	148,125,869
Total fund balances	607,010,959	113,140,115	26,322,128	112,596,100	859,069,302
Total liabilities and fund balances	$ 773,648,150	$ 159,248,023	$ 59,747,715	$ 149,698,151	$1,142,342,039

FRESNO UNIFIED SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2024

Total fund balances - Governmental Funds		$ 859,069,302
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used for governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets is $1,828,506,144 and the accumulated depreciation is $618,866,959 (Note 4).		1,209,639,185
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at June 30, 2024 consisted of (Note 6):		
General Obligation Bonds	$ (801,692,063)	
Unamortized premiums	(35,828,037)	
Accreted interest	(25,107,520)	
Net OPEB liability (Note 10)	(720,662,249)	
Net pension liability (Notes 8 and 9)	(960,259,000)	
Compensated absences	(5,354,402)	
		(2,548,903,271)
Internal service funds are included in the government-wide financial statements.		134,078,995
Losses on refundings of debt are categorized as deferred outflows and are amortized over the shorter life of the refunded or refunding of the debt.		11,628,112
In government funds, deferred outflows and inflows of resources relating to pensions and OPEB are not reported because they are applicable to future periods. In the statement net position, deferred outflows and inflows of resources relating to pensions are reported.		
Deferred outflows of resources - pensions (Note 8 and 9)	$ 386,395,927	
Deferred outflows of resources - OPEB (Note 10)	69,539,232	
Deferred inflows of resources - pensions (Notes 8 and 9)	(85,717,000)	
Deferred inflows of resources - OPEB (Note 10)	(370,226,653)	
		(8,494)
Unmatured interest on long-term liabilities is recognized in the period incurred.		(10,865,038)
Total net position - governmental activities		$ (345,361,209)

See accompanying notes to financial statements.

FRESNO UNIFIED SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN
FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended June 30, 2024

	General Fund	Building Fund	(Formerly nonmajor) County School Facilities Fund	(Formerly major) Bond Interest and Redemption Fund	All Non-Major Funds	Total Governmental Funds
Revenues:						
Local Control Funding Formula (LCFF):						
State apportionment	$ 923,881,882	$ -	$ -		$ -	$ 923,881,882
Local sources	87,683,577	-	-		-	87,683,577
Total LCFF	1,011,565,459	-	-		-	1,011,565,459
Federal sources	305,157,899	-	-		64,598,129	369,756,028
Other state sources	302,822,513	-	799,150		51,270,795	354,892,458
Other local sources	56,468,257	9,372,098	98,679		79,543,133	145,482,167
Total revenues	1,676,014,128	9,372,098	897,829		195,412,057	1,881,696,112
Expenditures:						
Current:						
Certificated salaries	582,600,928	-	-		12,962,966	595,563,894
Classified salaries	214,039,435	-	945,643		26,075,399	241,060,477
Employee benefits	412,976,517	-	534,245		26,322,722	439,833,484
Books and supplies	109,526,189	-	1,824,383		38,565,792	149,916,364
Contract services and operating expenditures	226,466,820	224,958	7,657,888		6,886,783	241,236,449
Other outgo	4,955,883	-	-		-	4,955,883
Capital outlay	82,218,563	-	52,205,188		3,778,170	138,201,921
Debt service:						
Principal retirement	-	-	-		81,785,448	81,785,448
Interest	-	-	-		39,426,290	39,426,290
Total expenditures	1,632,784,335	224,958	63,167,347		235,803,570	1,931,980,210
Excess (deficiency) of revenues over (under) expenditures	43,229,793	9,147,140	(62,269,518)		(40,391,513)	(50,284,098)
Other financing sources (uses):						
Transfers in	13,269,022	-	38,474,584		3,361,720	55,105,326
Transfers out	(3,361,720)	(41,836,304)	-		(9,907,302)	(55,105,326)
Total other financing sources (uses)	9,907,302	(41,836,304)	38,474,584		(6,545,582)	-
Net change in fund balances	53,137,095	(32,689,164)	(23,794,934)		(46,937,095)	(50,284,098)
Fund balances, July 1, 2023	553,873,864	145,829,279	-	$ 120,327,312	89,322,945	909,353,400
Changes w ithin the reporting entity	-	-	50,117,062	(120,327,312)	70,210,250	-
Fund balances, July 1, 2023, as adjusted	553,873,864	145,829,279	50,117,062	-	159,533,195	909,353,400
Fund balances, June 30, 2024	$ 607,010,959	$ 113,140,115	$ 26,322,128		$ 112,596,100	$ 859,069,302

See accompanying notes to financial statements.

Net change in fund balances - Total Governmental Funds		$ (50,284,098)
Amounts reported for governmental activities in the statement of activities are different because:		
Acquisition of capital assets is an expenditure in the governmental funds, but increases capital assets in the statement of net position (Note 4).	$ 151,782,683	
Depreciation of capital assets is an expense that is not recorded in the governmental funds (Note 4).	(41,242,676)	
In the governmental funds, debt issued at a premium is recognized as an other financing source. In the government-wide statements debt issued at a premium is amortized as interest over the life of the debt (Note 6).	1,859,517	
Repayment of principal on long-term liabilities is an expenditure in the governmental funds, but decreases the long-term liabilities in the statement of net position (Note 6).	81,785,448	
Accreted interest is an expense that is not recorded in the governmental funds (Note 6).	6,729,841	
Interest on long-term liabilities is recognized in the period it is incurred, in governmental funds it is only recognized when it is due.	395,572	
Activities of the internal service fund are reported with governmental activities.	20,218,990	
Losses on refundings of debt are categorized as deferred outflows and are amortized over the shortened life of the refunded or refunding of the debt.	(725,788)	
In the governmental funds, OPEB is recognized when employers contributions are made. In the government-wide statements, other post-employment benefits are recognized on the accrual basis (Note 6 and 10).	33,072,560	
In the 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 (Note 8 and 9).	4,741,563	
In the statement of activities, expenses related to compensated absences are measured by the amounts earned during the year. In the governmental funds, expenditures are measured by the amount of financial resources used (Note 6).	(1,328,584)	257,289,126
Change in net position of governmental activities		$ 207,005,028

See accompanying notes to financial statements.

STATEMENT OF NET POSITION – PROPRIETARY FUND
SELF-INSURANCE FUND – GOVERNMENTAL ACTIVITIES
June 30, 2024

ASSETS	
Current assets:	
Cash and investments (Note 2):	
Cash in County Treasury	$ 204,364,504
Cash on hand and in banks	280
Receivables	1,403,862
Due from other funds (Note 3)	4,431,537
Prepaid expenditures	3,871,964
Total current assets	214,072,147
LIABILITIES	
Current liabilities:	
Accounts payable	4,555,787
Due to other funds (Note 3)	7,851,153
Self-insurance claims liability (Note 5)	67,586,212
Total current liabilities	79,993,152
NET POSITION	
Net position - restricted	$ 134,078,995

See accompanying notes to financial statements.

FRESNO UNIFIED SCHOOL DISTRICT
STATEMENT OF CHANGE IN NET POSITION – PROPRIETARY FUND
SELF-INSURANCE FUND – GOVERNMENTAL ACTIVITIES
For the year ended June 30, 2024

Operating revenues:	
Self insurance premiums	$ 246,888,860
Operating expenses:	
Classified salaries	1,864,035
Employee benefits	1,096,169
Books and supplies	8,611
Contract services	228,629,988
Total operating expenses	231,598,803
Operating income	15,290,057
Non-operating revenues (expense):	
Interest income	5,086,477
Net increase in fair value of Cash in County Treasury	1,842,456
Contribution to California Employers' Retiree Benefit Trust (CERBT)	(2,000,000)
Total non-operating revenues	4,928,933
Change in net position	20,218,990
Net position, July 1, 2023	113,860,005
Net position, June 30, 2024	$ 134,078,995

See accompanying notes to financial statements.

FRESNO UNIFIED SCHOOL DISTRICT
STATEMENT OF CASH FLOWS – PROPRIETARY FUND
SELF-INSURANCE FUND – GOVERNMENTAL ACTIVITIES
For the year ended June 30, 2024

Cash flows from operating activities:	
Cash received from self-insurance premiums	$ 234,336,938
Cash received from user charges	10,230,305
Cash paid for employee benefits	(214,948,345)
Cash paid for salaries	(2,960,204)
Cash paid for other expenses	(8,611)
Net cash provided by operating activities	26,650,083
Cash flows from noncapital financing activities:	
Contribution to CERBT	(2,000,000)
Cash flows from investing activities:	
Change in Cash in County Treasury value	1,842,456
Interest income received	4,862,725
Net cash provided by investing activities	6,705,181
Increase in cash and investments	31,355,264
Cash and investments, July 1, 2023	173,009,520
Cash and investments, June 30, 2024	$ 204,364,784
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$ 15,290,057
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase in:	
Amount due from other funds	(2,321,617)
Prepaid expenditures	(456,854)
Increase (decrease) in:	
Accounts payable	87,431
Amount due to other funds	7,368,122
Unpaid claims and claim adjustment expenses	6,682,944
Total adjustments	11,360,026
Net cash provided by operating activities	$ 26,650,083

See accompanying notes to financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity: The Board of Education is the level of government which has governance responsibilities over all activities related to public school education in Fresno Unified School District. The Board is not included in any other governmental "reporting entity" as defined by the Governmental Accounting Standards Board since Board members have decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters.

The District receives funding from local, state and federal government sources and must comply with all the requirements of these funding source entities.

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

Basis of Presentation - Government-Wide Financial Statements: The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole.

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

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

Allocation of indirect expenses: The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense and interest on general long-term liabilities are considered indirect expenses and are reported separately on the Statement of Activities.

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A - Major Funds

1 - *General Fund*:

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

2 - *Building Fund*:

The Building Fund is a capital project funds used to account for resources used for the acquisition of capital facilities by the District.

3 – *County School Facilities Fund*:

The County School Facilities Fund is a capital project funds used to account for resources used for the acquisition of capital facilities by the District.

B - Other Funds

1 - *Special Revenue Funds*:

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

2 - *Capital Project Funds*:

The Capital Project Funds are used to account for resources used for the acquisition of capital facilities by the District. This includes the Capital Facilities, and Special Reserve for Capital Outlay Projects Funds.

3 - *Bond Interest and Redemption Fund*:

The Bond Interest and Redemption Fund is a debt service fund used to account for resources used for the payment of general long-term liabilities principal, interest and related costs.

4 - *Self Insurance Fund*:

The Self-Insurance Fund is an internal service fund which is used to account for the District's property and liability claims, workers' compensation claims, and health benefits to current and retired employees, including medical, vision, dental and long-term sick leave. Included in the Self-Insurance Fund's nonoperating activities are contributions to fund the irrevocable OPEB trust fund and interest income.

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

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Receivables: Receivables are made up principally of amounts due from the State of California for the Local Control Funding Formula and categorical programs. The District has determined that no allowance for doubtful accounts was needed as of June 30, 2024.

Stores Inventory: Stores inventory in the General, Student Activity and Cafeteria Funds consists mainly of consumable supplies and instructional materials 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 and offices.

Capital Assets: Capital assets purchased or acquired, with an original cost of $15,000 or more, or an original cost of $5,000 or more when purchased with Federal resources, are recorded at historical cost or estimated historical cost. Contributed assets are reported at acquisition value for the contributed asset. Additions, improvements and other capital outlay that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method over 2 - 50 years depending on asset types.

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

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

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Certain investments are reported at fair value. The following is a summary of pension amounts in the aggregate:

	STRP	PERF B	Total
Deferred outflows of resources	$ 260,932,476	$ 125,463,451	$ 386,395,927
Deferred inflows of resources	$ 75,550,000	$ 10,167,000	$ 85,717,000
Net pension liability	$ 608,942,000	$ 351,317,000	$ 960,259,000
Pension expense	$ 142,532,970	$ 58,616,322	$ 201,149,292

Compensated Absences: Compensated absences benefits are recorded as a liability of the District. The liability of $5,354,402 is for the earned but unused benefits.

Accumulated Sick Leave: Sick leave benefits are accumulated for each employee. The employees do not gain a vested right to accumulated sick leave. Accumulated employee sick leave benefits are not recognized as liabilities of the District since cash payment of such benefits is not probable. Therefore, sick leave benefits are recorded as expenditures in the period that sick leave is taken.

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

Net Position: Net position is displayed in three components:

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

A - Nonspendable Fund Balance:

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

B - Restricted Fund Balance:

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

C - Committed Fund Balance:

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

D - Assigned Fund Balance:

The assigned fund balance classification reflects amounts that the District's Board of Education has approved to be used for specific purposes, based on the District's intent related to those specific purposes. The Board of Education can designate personnel within the District to assign fund balances. At June 30, 2024, the District had assigned a portion of the fund balance for the General Fund.

E - Unassigned Fund Balance:

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

While GASB Cod. Sec. 1300 and 1800 do not require districts to establish a minimum fund balance policy or a stabilization arrangement, GASB Cod. Sec. 1300 and 1800 do require the disclosure of a minimum fund balance policy and stabilization arrangements if they have been adopted by the Board of Education. On July 30, 2008, the Board approved Board Policy 3100 establishing levels for the general fund reserve for economic uncertainties of five percent to ten percent of total expenditures.

Property Taxes: Secured property taxes are attached as an enforceable lien on property as of January 1. Taxes are due in two installments on or before December 10 and April 10. Unsecured property taxes are due in one installment on or before August 31. The County of Fresno bills and collects taxes for the District. Tax revenues are recognized by the District when received.

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

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

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

(Continued)

NOTE 2 - CASH AND INVESTMENTS

District cash and investments at June 30, 2024 consisted of the following:

	Governmental Activities		
	Governmental Funds	Proprietary Fund	Total
Pooled Funds:			
Cash in County Treasury	$ 885,257,806	$ 204,364,504	$1,089,622,310
Deposits:			
Cash on hand and in banks	19,001,770	280	19,002,050
Cash in revolving fund	66,678	-	66,678
Total cash and investments	$ 904,326,254	$ 204,364,784	$ 1,108,691,038

Pooled Funds: In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the interest-bearing Fresno County Treasurer's Pooled Investment Fund. The District is considered to be an involuntary participant in an external investment pool. The fair value of the District's investment pool is reported in the financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party and the District's share of the pool does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual deposits and investments or related custodial credit risk classifications is required. In accordance with applicable state laws, the Fresno County Treasurer may invest in derivative securities with the State of California. However, at June 30, 2024, the Fresno County Treasurer has represented that the Pooled Investment Fund contained no derivatives or other investments with similar risk profiles.

Deposits - Custodial Credit Risk: The District limits custodial credit risk by ensuring uninsured balances are collateralized by the respective financial institution. Cash balances held in banks are insured up to $250,000 by the Federal Deposit Insurance Corporation (FDIC) and are collateralized by the respective financial institution. At June 30, 2024, the carrying amount of the District's accounts was $18,513,460 and the bank balances were $21,340,356. The total uninsured bank balance at June 30, 2024 was $20,270,233.

Cash balances held in credit unions are insured by the National Credit Union Association. At June 30, 2024, the carrying amount of the District's accounts was $555,268 and the credit union balances were $542,988. The total uninsured credit union balance at June 30, 2024 was $292,988.

Investment Interest Rate Risk: The District's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Investment Credit Risk: The District does not have a formal investment policy that limits the cash and investment maturities as a means of managing its exposure to fair value arising from increasing interest rates. As of June 30, 2024, the District had no significant interest rate risk related to investments held.

Concentration of Investment Credit Risk: The District does not place limits on the amount they may invest in any one issuer. At June 30, 2024, the District had no concentration of credit risk.

(Continued)

NOTE 3 - INTERFUND TRANSACTIONS

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

Interfund Receivables/Payables: Individual fund interfund receivable and payable balances at June 30, 2024 were as follows:

	Interfund Receivables	Interfund Payables
Governmental Activities		
Major Funds:		
General	$ 33,963,711	$ 8,756,510
Building	19,452,584	46,094,908
County School Facilities	41,889,470	19,236,169
Non-Major Funds:		
Student Activities	1,401	48,441
Adult Education	212,250	1,179,003
Child Development	-	2,833,772
Cafeteria	-	14,554,215
Deferred Maintenance	2,671,772	2,967,242
Capital Facilities	-	45,435
Special Reserve for Capital Outlay Projects	1,223,135	279,012
Proprietary Fund:		
Self-Insurance	4,431,537	7,851,153
Total	$ 103,845,860	$ 103,845,860

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

Transfers for the 2023-24 fiscal year were as follows:

Transfer from the Building Fund to the County School Facilities Fund to contribute for the local share by project.	$ 38,474,584
Transfer from the Cafeteria Fund to the General Fund to move the Kitchen Infrastructure Grant based on CDE guidance for recording of revenues.	7,671,941
Transfer from the General Fund to the Deferred Maintenance Fund for the State Deferred Allocation, as received in the General Fund.	3,361,720
Transfer from the Building Fund to the General Fund to contribute to Routine Restricted Maintenance.	3,361,720
Transfer from the Cafeteria Fund to the General Fund for indirect costs.	1,128,132
Transfer from the Child Development Fund to the General Fund for indirect costs.	857,491
Transfer from the Adult Education Fund to the General Fund for indirect costs.	205,850
Transfer from the Capital Facilities Fund to the General Fund for indirect costs.	43,888
	$ 55,105,326

(Continued)

NOTE 4 - CAPITAL ASSETS

A schedule of changes in capital assets for the year ended June 30, 2024 is shown below:

	Balance July 1, 2023	Transfers and Additions	Transfers and Deletions	Balance June 30, 2024
Governmental Activities				
Non-depreciable:				
Land	$ 66,411,797	$ -	$ -	$ 66,411,797
Work-in-process	266,026,724	141,499,613	92,255,812	315,270,525
Depreciable:				
Land improvements	134,424,158	55,226,787	-	189,650,945
Buildings	1,156,826,700	37,029,025	21,077	1,193,834,648
Equipment	53,055,159	10,283,070	-	63,338,229
Totals, at cost	1,676,744,538	244,038,495	92,276,889	1,828,506,144
Less accumulated depreciation:				
Land improvements	(68,657,513)	(6,989,750)	-	(75,647,263)
Buildings	(473,042,203)	(30,447,722)	(21,077)	(503,468,848)
Equipment	(35,945,644)	(3,805,204)	-	(39,750,848)
Total accumulated depreciation	(577,645,360)	(41,242,676)	(21,077)	(618,866,959)
Governmental activities capital assets, net	$ 1,099,099,178	$ 202,795,819	$ 92,255,812	$ 1,209,639,185

Depreciation expense was charged to governmental activities for the year end June 30, 2024 as follows:

Governmental activities:	
Unallocated	$ 41,242,676

(Continued)

NOTE 5 - SELF-INSURANCE

The District has established a self-insurance fund to account for the risk of loss for property and liability, workers' compensation, and employee health benefits. For the year ended June 30, 2024, the District was self-insured up to $2,000,000 for each workers' compensation claim, $250,000 for each property claim, and $1,000,000 for each liability claim. The District purchased commercial excess insurance for claims above the self-insured retention.

The property and liability claims liability of $5,426,047 is based on an actuarial projected estimate at June 30, 2024, discounted at .25%. The workers' compensation claims liability of $33,747,850 is based on an actuarial projected estimate at June 30, 2024, discounted at 3.5%. The health claims liability of $28,412,315 is based on an actuarial projected estimate at June 30, 2024, discounted at 3.0% - 6.0%. The liability for all programs includes a component for unallocated loss adjustment expenses. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years. Changes in the claims liability for the years ended June 30, 2024 and 2023 were as follows:

	Property and Liability	Workers' Compen-sation	Health	Total
Claims liability at June 30, 2022	$ 3,301,006	$ 32,301,272	$ 23,227,320	$ 58,829,598
Incurred claims	9,052,047	8,480,768	189,425,422	206,958,237
Paid claims	(7,185,389)	(8,684,169)	(187,601,221)	(203,470,779)
Claims liability at June 30, 2023	5,167,664	32,097,871	25,051,521	62,317,056
Incurred claims	10,511,453	9,024,087	208,547,299	228,082,839
Paid claims	(10,253,070)	(7,374,108)	(205,186,505)	(222,813,683)
Claims liability at June 30, 2024	$ 5,426,047	$ 33,747,850	$ 28,412,315	$ 67,586,212

(Continued)

NOTE 6 - LONG-TERM LIABILITIES

General Obligation Bonds

Series	Interest Rate %	Date of Issuance	Maturity Date	Original Issuance	Outstanding July 1, 2023	Issued Current Year	Redeemed Current Year	Outstanding June 30, 2024
2002 Series A	2.25 - 6.0%	2002	2027	$ 65,485,000	$ 13,450,000	$ -	$ 5,180,000	$ 8,270,000
2004 GO Refunding 1995 Series B	1.70 - 5.25%	2004	2028	58,040,000	13,470,000	-	3,585,000	9,885,000
2001 Series F	5.48%	2009	2026	29,429,022	8,029,133	-	2,530,083	5,499,050
2010 Measure Q Series C	2% - 5.5%	2012	2047	54,997,540	45,105,385	-	45,105,385	-
2015 GO Refunding	2.0% - 5.0%	2015	2031	14,555,000	9,715,000	-	765,000	8,950,000
2010 Series E Current Interest	2.0% - 5.0%	2015	2041	49,565,000	14,825,000	-	-	14,825,000
2010 Series E Capital Appreciation	2.0% - 5.0%	2015	2028	5,433,095	2,799,706	-	-	2,799,706
2016 GO Refunding Series A	3.13% - 3.6%	2016	2042	60,480,000	60,480,000	-	-	60,480,000
2010 Measure Q Series F	2.0% - 4.0%	2016	2042	30,010,000	25,890,000	-	-	25,890,000
2016 GO Refunding Series B	4.0% - 5.0%	2016	2047	59,590,988	59,590,988	-	-	59,590,988
2016 Series A Current Interest	2.0% - 5.0%	2018	2044	38,500,000	12,820,000	-	-	12,820,000
2016 Series A Capital Appreciation	2.0% - 5.0%	2018	2032	21,496,623	9,899,294	-	-	9,899,294
2019 GO Refunding	2.317 - 3.756%	2019	2042	103,738,005	103,738,005	-	599,980	103,138,025
2016 Measure X Series B	3.0 - 4.0%	2019	2044	75,000,000	53,840,000	-	-	53,840,000
2016 Measure X Series C	2.5 - 4.0%	2021	2044	45,000,000	36,295,000	-	-	36,295,000
2016 Measure X Series D	2.0 - 3.0%	2021	2037	45,000,000	41,620,000	-	5,130,000	36,490,000
2020 Measure M Series A	3.0 - 4.0%	2021	2056	80,000,000	65,740,000	-	1,800,000	63,940,000
2020 GO Refunding	0.237 - 3.013%	2021	2048	92,615,000	91,210,000	-	3,775,000	87,435,000
2022 GO Refunding Series A	4.0%	2022	2030	30,290,000	25,900,000	-	2,840,000	23,060,000
2022 GO Refunding Series B	0.538 - 3.197%	2022	2046	70,360,000	69,705,000	-	-	69,705,000
2020 Measure M Series B	3.48 - 5.00%	2023	2056	125,000,000	119,355,000	-	10,475,000	108,880,000
				$ 1,262,091,188	$ 883,477,511	$ -	$ 81,785,448	$ 801,692,063

(Continued)

NOTE 6 - LONG-TERM LIABILITIES (Continued)

The annual payments required to amortize the 2002, Series A, General Obligation Bonds outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 5,500,000	$ 483,000	$ 5,983,000
2026	2,550,000	152,400	2,702,400
2027	220,000	6,600	226,600
	$ 8,270,000	$ 642,000	$ 8,912,000

The annual payments required to amortize the 2004 Refunding, Series 95B, General Obligation Bonds outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 3,815,000	$ 510,037	$ 4,325,037
2026	3,985,000	309,487	4,294,487
2027	1,925,000	99,224	2,024,224
2028	160,000	4,200	164,200
	$ 9,885,000	$ 922,948	$ 10,807,948

In December 2009, the District issued Qualified School Construction Bonds (QSCB) through the Central Valley Support Services Joint Powers Agency (CVSS) with proceeds of $41,397,820. Also in December 2009, the District issued 2001, Series F, General Obligation Bonds with proceeds of $29,429,022. The proceeds from Series F were sold to CVSS for the purpose of completing the District's obligation to repay the outstanding QSCB balance. The District incurred $720,142 in expenses related to the cost of issuance of the QSCB and Series F. The remaining proceeds from the QSCB totaling $11,248,656 was deposited in the District Building Fund for use on District construction projects approved under Measure K.

Year Ending June 30,	Principal	Interest	Total
2025	$ 2,667,218	$ 228,350	$ 2,895,568
2026	2,831,832	77,621	2,909,453
	$ 5,499,050	$ 305,971	$ 5,805,021

NOTE 6 - LONG-TERM LIABILITIES (Continued)

The annual payments required to amortize the 2015 Refunding General Obligation Bonds, outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 2,370,000	$ 255,313	$ 2,625,313
2026	765,000	210,388	975,388
2027	650,000	185,338	835,338
2028	80,000	174,338	254,338
2029	1,955,000	141,319	2,096,319
2030-2031	3,130,000	93,451	3,223,451
	$ 8,950,000	$ 1,060,147	$ 10,010,147

The annual payments required to amortize the 2010 Series E, Current Interest General Obligation Bonds payable, outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ -	$ 578,306	$ 578,306
2026	-	578,306	578,306
2027	-	578,306	578,306
2028	-	578,306	578,306
2029	-	578,306	578,306
2030-2034	2,145,000	2,816,041	4,961,041
2035-2039	7,515,000	1,828,275	9,343,275
2040-2041	5,165,000	231,100	5,396,100
	$ 14,825,000	$ 7,766,946	$ 22,591,946

The annual payments required to amortize the 2010 Series E, Capital Appreciation General Obligation Bonds payable, outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 675,063	$ 219,937	$ 895,000
2026	662,569	267,431	930,000
2027	732,894	357,106	1,090,000
2028	729,180	420,820	1,150,000
	$ 2,799,706	$ 1,265,294	$ 4,065,000

NOTE 6 - LONG-TERM LIABILITIES (Continued)

The annual payments required to amortize the 2016 Refunding General Obligation Bonds, Series A, outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ -	$ 2,475,850	$ 2,475,850
2026	-	2,475,850	2,475,850
2027	-	2,475,850	2,475,850
2028	-	2,475,850	2,475,850
2029	-	2,475,850	2,475,850
2030-2034	12,870,000	11,258,625	24,128,625
2035-2039	25,715,000	7,143,100	32,858,100
2040-2042	21,895,000	1,362,500	23,257,500
	$ 60,480,000	$ 32,143,475	$ 92,623,475

The annual payments required to amortize the 2010 Election of 2010, Series F, outstanding as of June 30, 2024 are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ -	$ 840,050	$ 840,050
2026	-	840,050	840,050
2027	-	840,050	840,050
2028	-	840,050	840,050
2029	-	840,050	840,050
2030-2034	6,700,000	3,736,000	10,436,000
2035-2039	10,625,000	2,126,600	12,751,600
2040-2042	8,565,000	404,325	8,969,325
	$ 25,890,000	$ 10,467,175	$ 36,357,175

NOTE 6 - LONG-TERM LIABILITIES (Continued)

The annual payments required to amortize the 2016 Refunding General Obligation Bonds, Series B, outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ -	$ 1,649,600	$ 1,649,600
2026	-	1,649,600	1,649,600
2027	-	1,649,600	1,649,600
2028	-	1,649,600	1,649,600
2029	-	1,649,600	1,649,600
2030-2034	2,247,152	9,700,848	11,948,000
2035-2039	4,103,434	12,349,566	16,453,000
2040-2044	12,000,402	26,212,598	38,213,000
2045-2047	41,240,000	2,563,800	43,803,800
	$ 59,590,988	$ 59,074,812	$ 118,665,800

The annual payments required to amortize the 2016 Series A, Current Interest General Obligation Bonds payable, outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ -	$ 512,800	$ 512,800
2026	-	512,800	512,800
2027	-	512,800	512,800
2028	-	512,800	512,800
2029	-	512,800	512,800
2030-2034	-	2,564,000	2,564,000
2035-2039	-	2,564,000	2,564,000
2040-2044	12,820,000	2,060,800	14,880,800
	$ 12,820,000	$ 9,752,800	$ 22,572,800

The annual payments required to amortize the 2016 Series A, Capital Appreciation General Obligation Bonds payable, outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2028	$ 1,973,746	$ 676,254	$ 2,650,000
2029	1,981,907	813,093	2,795,000
2030-2032	5,943,641	3,361,359	9,305,000
	$ 9,899,294	$ 4,850,706	$ 14,750,000

(Continued)

NOTE 6 - LONG-TERM LIABILITIES (Continued)

The annual payments required to amortize the 2019 General Obligation Refunding Bonds payable, outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 802,445	$ 102,555	$ 905,000
2026	1,034,613	170,387	1,205,000
2027	3,260,694	664,306	3,925,000
2028	4,364,112	1,080,887	5,444,999
2029	5,228,353	1,511,647	6,740,000
2030-2034	32,267,558	16,255,784	48,523,342
2035-2039	35,343,766	30,266,316	65,610,082
2040-2042	20,836,484	24,378,002	45,214,486
	$ 103,138,025	$ 74,429,884	$ 177,567,909

The annual payments required to amortize the 2016 Series B General Obligation Bonds payable, outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ -	$ 1,959,350	$ 1,959,350
2026	-	1,959,350	1,959,350
2027	-	1,959,350	1,959,350
2028	1,475,000	1,929,850	3,404,850
2029	1,630,000	1,867,750	3,497,750
2030-2034	10,805,000	8,170,850	18,975,850
2035-2039	16,350,000	5,487,750	21,837,750
2040-2044	23,580,000	1,870,725	25,450,725
	$ 53,840,000	$ 25,204,975	$ 79,044,975

(Continued)

NOTE 6 - LONG-TERM LIABILITIES (Continued)

The annual payments required to amortize the 2016 Series C General Obligation Bonds payable, outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ -	$ 1,172,000	$ 1,172,000
2026	-	1,172,000	1,172,000
2027	1,775,000	1,136,500	2,911,500
2028	1,005,000	1,080,900	2,085,900
2029	1,100,000	1,038,800	2,138,800
2030-2034	7,205,000	4,411,700	11,616,700
2035-2039	10,610,000	2,810,950	13,420,950
2040-2044	14,600,000	975,025	15,575,025
	$ 36,295,000	$ 13,797,875	$ 50,092,875

The annual payments required to amortize the 2016 Series D General Obligation Bonds payable, outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 3,435,000	$ 854,250	$ 4,289,250
2026	2,810,000	785,550	3,595,550
2027	3,530,000	729,350	4,259,350
2028	2,075,000	658,750	2,733,750
2029	2,185,000	617,250	2,802,250
2030-2034	12,855,000	2,380,550	15,235,550
2035-2037	9,600,000	587,100	10,187,100
	$ 36,490,000	$ 6,612,800	$ 43,102,800

(Continued)

NOTE 6 - LONG-TERM LIABILITIES (Continued)

The annual payments required to amortize the 2020 Series A General Obligation Bonds payable, outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ -	$ 2,094,175	$ 2,094,175
2026	-	2,094,175	2,094,175
2027	-	2,094,175	2,094,175
2028	-	2,094,175	2,094,175
2029	-	2,094,175	2,094,175
2030-2034	2,565,000	10,286,375	12,851,375
2035-2039	5,890,000	9,422,875	15,312,875
2040-2044	9,825,000	7,869,375	17,694,375
2045-2049	14,885,000	5,638,588	20,523,588
2050-2054	20,580,000	3,151,050	23,731,050
2055-2056	10,195,000	310,425	10,505,425
	$ 63,940,000	$ 47,149,563	$ 111,089,563

The annual payments required to amortize the 2020 Refunding General Obligation Bonds payable, outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 2,215,000	$ 2,131,111	$ 4,346,111
2026	3,875,000	2,106,311	5,981,311
2027	3,890,000	2,066,873	5,956,873
2028	3,925,000	2,017,739	5,942,739
2029	2,110,000	1,974,674	4,084,674
2030-2034	11,025,000	9,254,784	20,279,784
2035-2039	12,830,000	8,021,714	20,851,714
2040-2044	14,325,000	6,106,055	20,431,055
2045-2048	33,240,000	2,835,685	36,075,685
	$ 87,435,000	$ 36,514,946	$ 123,949,946

NOTE 6 - LONG-TERM LIABILITIES (Continued)

The annual payments required to amortize the 2021 Refunding General Obligation Bonds, Series A, outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 2,870,000	$ 865,000	$ 3,735,000
2026	3,370,000	740,200	4,110,200
2027	3,645,000	599,900	4,244,900
2028	4,165,000	443,700	4,608,700
2029	4,430,000	271,800	4,701,800
2030	4,580,000	91,600	4,671,600
	$ 23,060,000	$ 3,012,200	$ 26,072,200

The annual payments required to amortize the 2021 Refunding General Obligation Bonds, Series B, outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ -	$ 2,124,845	$ 2,124,845
2026	-	2,124,845	2,124,845
2027	-	2,124,845	2,124,845
2028	-	2,124,845	2,124,845
2029	1,020,000	2,113,992	3,133,992
2030-2034	9,120,000	10,128,670	19,248,670
2035-2039	20,780,000	7,898,380	28,678,380
2040-2044	28,395,000	3,909,212	32,304,212
2045-2046	10,390,000	336,804	10,726,804
	$ 69,705,000	$ 32,886,438	$ 102,591,438

(Continued)

NOTE 6 - LONG-TERM LIABILITIES (Continued)

The annual payments required to amortize the 2020 Series B Bonds outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 8,520,000	$ 4,586,650	$ 13,106,650
2026	-	4,373,650	4,373,650
2027	-	4,373,650	4,373,650
2028	-	4,373,650	4,373,650
2029	-	4,373,650	4,373,650
2030-2034	1,860,000	21,746,000	23,606,000
2035-2039	7,175,000	20,621,875	27,796,875
2040-2044	14,060,000	18,013,750	32,073,750
2045-2049	23,585,000	13,469,750	37,054,750
2050-2054	35,470,000	7,401,400	42,871,400
2055-2056	18,210,000	741,200	18,951,200
	$ 108,880,000	$ 104,075,225	$ 212,955,225

Schedule of Changes in Long-Term Liabilities: A schedule of changes in long-term liabilities for the fiscal year ended June 30, 2024 is shown below:

Governmental Activities	Balance at July 1, 2023	Additions	Deletions	Balance at June 30, 2024	Amounts Due Within One Year
Debt:					
General Obligation Bonds	$ 883,477,511	$ -	$ 81,785,448	$ 801,692,063	$ 32,869,726
Unamortized premiums	37,687,554	-	1,859,517	35,828,037	1,927,566
Accreted interest	31,837,361	6,316,552	13,046,393	25,107,520	322,492
Other long-term liabilities:					
Net OPEB liability (Note 10)	644,006,970	76,655,279	-	720,662,249	-
Net pension liability (Notes 8 and 9)	862,755,000	97,504,000	-	960,259,000	-
Compensated absences	4,025,818	1,328,584	-	5,354,402	-
Totals	$2,463,790,214	$ 181,804,415	$ 96,691,358	$ 2,548,903,271	$ 35,119,784

Payments on the General Obligation Bonds are made from the Bond Interest Redemption Fund. Payments for compensated absences, net OPEB liability, and net pension liability are made from the fund for which the related employee worked.

(Continued)

NOTE 7 - FUND BALANCES

Fund balances, by category, at June 30, 2024 consisted of the following:

	General Fund	Building Fund	County School Facilities Fund	All Non-Major Funds	Total
Nonspendable:					
Revolving cash fund	$ 66,128	$ -	$ -	$ 550	$ 66,678
Prepaid expenditures	3,451,535	-	-	-	3,451,535
Stores inventory	2,296,649	-	-	2,088,426	4,385,075
Subtotal nonspendable	5,814,312	-	-	2,088,976	7,903,288
Restricted:					
Legally restricted:					
Grants	251,969,778	-	-	-	251,969,778
Student activities	-	-	-	2,675,418	2,675,418
Adult ed programs	-	-	-	1,230,160	1,230,160
Child development	-	-	-	95,355	95,355
Cafeteria operations	-	-	-	28,930,902	28,930,902
Capital projects	-	113,140,115	26,322,128	7,084,376	146,546,619
Debt service	-	-	-	70,490,913	70,490,913
Subtotal restricted	251,969,778	113,140,115	26,322,128	110,507,124	501,939,145
Committed:					
Pandemic learning recovery	146,900,000	-	-	-	146,900,000
Textbook Adoption	39,220,000	-	-	-	39,220,000
Subtotal committed	186,120,000	-	-	-	186,120,000
Assigned:					
Ed center remodel	6,020,000	-	-	-	6,020,000
Department and site carryover	2,749,000	-	-	-	2,749,000
Technology carryover	2,812,000	-	-	-	2,812,000
Financial softw are upgrade	2,500,000	-	-	-	2,500,000
Design Science facility	900,000	-	-	-	900,000
Subtotal assigned	14,981,000	-	-	-	14,981,000
Unassigned:					
Designated for economic uncertainty	148,125,869	-	-	-	148,125,869
Total fund balances	$ 607,010,959	$ 113,140,115	$ 26,322,128	$ 112,596,100	$ 859,069,302

(Continued)

NOTE 8 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN

General Information about the State Teachers' Retirement Plan

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

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

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

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

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

CalSTRS calculates retirement benefits based on a one-year final compensation for members who retired on or after January 1, 2001, with 25 or more years of credited service, or for classroom teachers with less than 25 years of credited service if the employer elected to pay the additional benefit cost prior to January 1, 2014. One-year final compensation means a member's highest average annual compensation earnable for 12 consecutive months calculated by taking the creditable compensation that a member could earn in a school year while employed on a full-time basis, for a position in which the person worked. For members with less than 25 years of credited service, final compensation is the highest average annual compensation earnable for any 36 consecutive months of credited service.

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

All CalSTRS 2% at 62 members have their final compensation based on their highest average annual compensation earnable for any 36 consecutive months of credited service.

(Continued)

NOTE 8 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

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

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

Members - Under CalSTRS 2% at 60, the member contribution rate was 10.250 percent of applicable member earnings for fiscal year 2022-23.

Under CalSTRS 2% at 62, members pay 9% toward the normal cost and an additional 1.205 percent as per the CalSTRS Funding Plan for a total member contribution rate of 10.205 percent. The contribution rate for CalSTRS 2% at 62 members is adjusted if the normal cost increases or decreases by more than 1% since the last time the member contribution rate was set. Based on the June 30, 2022, valuation adopted by the CalSTRS board in May 2023, the increase in normal cost was less than 1 percent. Therefore, the contribution rate for CalSTRS 2% at 62 members did not change effective July 1, 2023.

Employers - Employers are required to contribute a base contribution rate set in statute at 8.25%. Pursuant to the CalSTRS Funding Plan, employers also have a supplemental contribution rate to eliminate their share of the CalSTRS unfunded actuarial obligation by 2046.

The CalSTRS Funding Plan authorizes the CalSTRS board to adjust the employer supplemental contribution rate up or down by a maximum of 1% for a total rate of no higher than 20.25% and no lower than 8.25%. In May 2023, the CalSTRS board voted to keep the employer supplemental contribution rate at 10.85% for fiscal year 2023-24 for a total employer contribution rate of 19.10%.

The CalSTRS employer contribution rates effective for fiscal year 2022-2023 through fiscal year 2046-47 are summarized in the table below:

Effective Date	Base Rate	Supplemental Rate Per CalSTRS Funding Plan	Total
July 1, 2023	8.250%	10.850%	19.10%
July 1, 2024 to June 30, 2046	8.250%	(1)	(1)
July 1, 2046	8.250%	Increase from AB 1469 rate ends in 2046-47	

(1) The CalSTRS Funding Plan authorizes the board to adjust the employer contribution rate up or down by up to 1% each year, but no higher than 20.250% total and no lower than 8.250%.

The District contributed $106,994,476 to the plan for the fiscal year ended June 30, 2024.

(Continued)

NOTE 8 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

State – The state is required to contribute 10.828 percent of the members' creditable compensation from the two fiscal years prior.

The state is required to contribute a base contribution rate set in statute at 2.017%. Pursuant to the CalSTRS Funding Plan, the state also has a supplemental contribution rate, which the board can increase by up to 0.5% each fiscal year to help eliminate the state's share of the CalSTRS unfunded actuarial obligation by 2046. In May 2023, the CalSTRS board voted to keep the state supplemental contribution rate at 6.311% for fiscal year 2022-23 for a total contribution rate of 10.828%.

The CalSTRS state contribution rates effective for fiscal year 2023-2024 and beyond are summarized in the table below.

Effective Date	Base Rate	Supplemental Rate Per CalSTRS Funding Plan	SBMA Funding[(1)]	Total
July 01, 2023	2.017%	6.311%	2.50%	10.828%
July 01, 2024 to June 30, 2046	2.017%	(2)	2.50%	(2)
July 01, 2046	2.017%	(3)	2.50%	(3)

(1) The SBMA contribution rate excludes the $72 million that is reduced from the required contribution in accordance with Education Code section 22954.
(2) The CalSTRS board has limited authority to adjust the state contribution rate annually through June 2046 in order to eliminate the remaining unfunded actuarial obligation. The board cannot increase the supplemental rate by more than 0.5% in a fiscal year, and if there is no unfunded actuarial obligation, the supplemental contribution rate imposed would be reduced to 0%.
(3) From July 1, 2046, and thereafter, the rates in effect prior to July 1, 2014, are reinstated, if necessary, to address any remaining unfunded actuarial obligation.

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

At June 30, 2024, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	$ 608,942,000
State's proportionate share of the net pension liability associated with the District	291,765,000
Total	$ 900,707,000

The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating school districts and the State. At June 30, 2024, the District's proportion was 0.80 percent, which was an increase of 0.05 percent from its proportion as of June 30, 2023.

(Continued)

NOTE 8 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

For the year ended June 30, 2024, the District recognized pension expense of $142,532,970 and revenue of $43,683,928 for support provided by the State. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 47,853,000	$ 32,582,000
Changes of assumptions	3,526,000	-
Net differences between projected and actual earnings on investments	2,607,000	-
Changes in proportion and differences between District contributions and proportionate share of contributions	99,952,000	42,968,000
Contributions made subsequent to measurement date	106,994,476	-
Total	$ 260,932,476	$ 75,550,000

$106,994,476 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending June 30,	
2025	$ (4,956,583)
2026	(22,423,583)
2027	57,142,916
2028	12,477,250
2029	22,890,500
2030	13,257,500

Differences between expected and actual experience and changes in assumptions are amortized over a closed period equal to the average remaining service life of plan members, which is 7 years as of the June 30, 2023 measurement date. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed 5-year period.

NOTE 8 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

Actuarial Methods and Assumptions: The total pension liability for the STRP was determined by applying update procedures to the actuarial valuation as of June 30, 2022, and rolling forward the total pension liability to June 30, 2023 . The actuarial valuation as of June 30, 2022, used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2022
Experience Study	July 1, 2015 through June 30, 2018
Actuarial Cost Method	Entry age normal
Investment Rate of Return	7.10%
Consumer Price Inflation	2.75%
Wage Growth	3.50%
Post-retirement Benefit Increases	2.00% simple for DB, maintain 85% purchasing power level for DB

Discount Rate: The discount rate used to measure the total pension liability was 7.10 percent, which was unchanged from the prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates in accordance with the rate increase per AB 1469. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10 percent) and assuming that contributions, benefit payments, and administrative expense occur midyear. Based on those assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

(Continued)

NOTE 8 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

The actuarial investment rate of return assumption was adopted by the CalSTRS board in January 2020 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS consulting actuary reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of 20-year geometric real rates of return and the assumed asset allocation for each major asset class used as input to develop the actuarial investment rate of return are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term* Expected Real Rate of Return
Public Equity	38%	5.25%
Real Estate	15	4.05
Private Equity	14	6.75
Fixed Income	14	2.45
Risk Mitigating Strategies	10	2.25
Inflation Sensitive	6	3.65
Cash / Liquidity	2	(0.05)

* 20-year geometric average

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

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
District's proportionate share of the net pension liability	$ 1,021,452,000	$ 608,942,000	$ 266,305,000

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

(Continued)

NOTE 9 – NET PENSION LIABILITY – PUBLIC EMPLOYER'S RETIREMENT FUND B

General Information about the Public Employer's Retirement Fund B

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

The Plan was established to provide retirement, death and disability benefits to non-teaching and non- certified employees in schools. The benefit provisions for Plan employees are established by statute. CalPERS issues a publicly available financial report that can be obtained at: https://www.calpers.ca.gov/docs/forms-publications/acfr-2023.pdf

Benefits Provided: The benefits for the defined benefit plans are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Members become fully vested in their retirement benefits earned to date after five years (10 years for State Second Tier members) of credited service.

Contributions: The benefits for the defined benefit pension plans are funded by contributions from members and employers, and earnings from investments. Member and employer contributions are a percentage of applicable member compensation. Member contribution rates are defined by law and depend on the respective employer's benefit formulas. Employer contribution rates are determined by periodic actuarial valuations or by state statute. Actuarial valuations are based on the benefit formulas and employee groups of each employer. Employer contributions, including lump sum contributions made when districts first join PERF B, are credited with a market value adjustment in determining contribution rates.

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

Required contribution rates for active plan members and employers as a percentage of payroll for the year ended June 30, 2024 were as follows:

Members - The member contribution rate was 7.0 percent of applicable member earnings for fiscal year 2022-2023.

Employers - The employer contribution rate was 26.68 percent of applicable member earnings.

The District contributed $55,212,451 to the plan for the fiscal year ended June 30, 2024.

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

At June 30, 2024 , the District reported a liability of $351,317,000 or its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating school districts. At June 30, 2024, the District's proportion was 0.971 percent, which was a decrease of 0.022 percent from its proportion at June 30, 2023.

NOTE 9 – NET PENSION LIABILITY – PUBLIC EMPLOYER'S RETIREMENT FUND B (Continued)

For the year ended June 30, 2024, the District recognized pension expense of $58,616,322. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 12,821,000	$ 5,396,000
Changes of assumptions	16,185,000	-
Net differences between projected and actual earnings on investments	37,525,000	-
Changes in proportion and differences between District contributions and proportionate share of contributions	3,720,000	4,771,000
Contributions made subsequent to measurement date	55,212,451	-
Total	$ 125,463,451	$ 10,167,000

$55,212,451 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending June 30,	
2025	$ 17,142,583
2026	13,879,583
2027	27,894,084
2028	1,167,750

Differences between expected and actual experience, changes in assumptions and changes in proportion and differences between District contributions and proportionate share of contributions are amortized over a closed period equal to the expected average remaining service life of plan members, which was 3.8 years as of the June 30, 2023 measurement date. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed 5-year period.

(Continued)

NOTE 9 – NET PENSION LIABILITY – PUBLIC EMPLOYER'S RETIREMENT FUND B (Continued)

Actuarial Methods and Assumptions: The total pension liability for the Plan was determined by applying update procedures to the actuarial valuation as of June 30, 2022, and rolling forward the total pension liability to June 30, 2023. The actuarial valuation as of June 30, 2022 used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2022
Experience Study	June 30, 2000 through June 30, 2019
Actuarial Cost Method	Entry age normal
Investment Rate of Return	6.90%
Consumer Price Inflation	2.30%
Wage Growth	Varies by entry age and service
Post-retirement Benefit Increases	2.00% until Purchasing Power Protection Allowance Floor on Purchasing Power Applies, 2.30% thereafter

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries 80% of scale MP2020. For more details on this table, please refer to the 2021 experience study report.

All other actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from 2000 to 2019, including updates to salary increase, mortality and retirement rates. Further details of the Experience Study can be found at CalPERS' website.

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

Asset Class	Assumed Asset Allocation	Expected Real Rates of Return Years 1-10 (1) (2)
Global Equity – cap-weighted	30.00%	4.54%
Global Equity non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	(5.00%)	(0.59%)

(1) An expected inflation rate of 2.30% used for this period.
(2) Figures are based on the 2021-22 CalPERS Asset Liability Management Study.

(Continued)

NOTE 9 – NET PENSION LIABILITY – PUBLIC EMPLOYER'S RETIREMENT FUND B (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 6.90 percent. A projection of the expected benefit payments and contributions was performed to determine if assets would run out. The test revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Plan. The results of the crossover testing for the Plan are presented in a detailed report that can be obtained at CalPERS' website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability	$ 507,914,000	$ 351,317,000	$ 221,894,000

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

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS

General Information about the Other Postemployment Benefits (OPEB) Plan

Plan Description: In addition to the pension benefits described in Notes 8 and 9, the District provides postemployment health care benefits to eligible employees and their dependents under a single employer defined benefit OPEB plan. The plan does not issue separate financial statements.

The District established an irrevocable trust under the California Employer's Retiree Benefit Trust Program (CERBT) to prefund the costs of other postemployment benefits. The funds in the CERBT are held in trust and will be administered by the California Public Employees' Retirement System (CalPERS) as an agent multiple-employer plan. Benefit provisions are established and may be amended by District labor agreements which are approved by the Board of Education. The District's contributions to the irrevocable trust is included in the CERBT, which is included in the CalPERS ACFR. Copies of the CalPERS' ACFR may be obtained from the CalPERS Executive Office – 400 P Street – Sacramento, CA 95814.

The CERBT fund, which is an Internal Revenue Code (IRC) Section 115 Trust, is set up for the purpose of (i) receiving employer contributions to prefund health and other post-employment benefits for retirees and their beneficiaries, (ii) invest contributed amounts and income therein, and (iii) disburse contributed amounts and income therein, if any, to pay for costs of administration of the fund and to pay for health care costs or other post-employment benefits in accordance with the terms of the District's OPEB plan.

Benefits Provided: District employees hired before July 1, 2005, who retire after attaining age 57.5 and completing a requisite period of service, may receive District-paid medical and prescription drug coverage for life (with continuation to the surviving spouse, if any), and subject to retiree contributions shown in the table below. The requisite service is 10 years if hired before January 1, 1982 (July 1, 1982 for Classified), 16 years if hired between January 1, 1982 and July 1, 1994 (but 10 years if rehired with a pre-1982 original date of hire), and 16 years for those hired or re-hired after July 1, 1994 (but before July 1, 2005).

District employees hired on or after July 1, 2005, who retire after attaining age 60 and completing at least 25 years of service, receive District-paid coverage for the earlier of 5 years or until age 65. These benefits are also subject to retiree contributions, described below.

Effective July 1, 2023, retirees who enroll in Medicare Parts A and B will be covered under the Aetna Medicare Advantage Plan. Retirees over age 65 who are not enrolled in Medicare remain on the self-insured plan.

The District began collecting retiree contributions in July 2006. Retiree contributions will be charged only to individuals retiring after August 31, 2006.

The schedule for determining a retiree's monthly contributions is shown in the following table:

Retiree Age	Retiree	Spouse <65	Spouse 65-74	Spouse 75+	Child	Family
Under 65	$160	$60	$60	$60	$15	$70
Ages 65+	$-	$-	$-	$-	$-	N/A

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Employees Covered by Benefit Terms: The following is a table of plan participants at June 30, 2024:

	Number of Participants
Inactive Plan members, covered spouses, or beneficiaries currently receiving benefits	5,441
Active employees	8,794
	14,235

Contributions: California Government Code specifies that the District's contribution requirements for covered employees are established and may be amended by the Governing Board. Contributions to the Plan from the District were $47,774,453 for the year ended June 30, 2024. District contributions to the Trust are voluntary. Employees are not required to contribute to the OPEB plan.

OPEB Plan Investments: The plan discount rate of 5.75% was determined using the following asset allocation and assumed rate of return:

Asset Class	Long-Term* Assumed Asset Allocation	Expected Real Rate of Return
Global ex-U.S. Equity	34.0%	4.8%
U.S. Fixed Income	41.0	1.8
Real Estate	17.0	3.7
Treasury Inflation-Protected Securities	5.0	1.6
Commodities	3.0	1.9

*Geometric average

Rolling periods of time for all asset classes in combination we used to appropriately reflect correlation between asset classes. This means that the average returns for any asset class do not necessarily reflect the averages over time individually, but reflect the return for the asset class for the portfolio average. Additionally, the historic 30 year real rates of return for each asset class along with the assumed long-term inflation assumption was used to set the discount rate. The investment return was offset by assumed investment expenses of 25 basis points. It was further assumed that contributions to the plan would be sufficient to fully fund the obligation over a period not to exceed 30 years.

Money-weighted rate of return on OPEB plan investments	8.30%

The money-weighted rate of return expresses investment performance, net of OPEB plan investment expenses, adjusted for the changing amounts actually invested.

(Continued)

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions: The District's net OPEB liability was measured as of June 30, 2024 and the total OPEB liability used to calculate the net OPEB liability, was determined by an actuarial valuation as of that date.

Valuation Date	June 30, 2024
Pre-Retirement Mortality Rate	RP 2019 Employee Mortality Table, without projection
Post-Retirement Mortality Rate	RP 2019 Health Annuitant Mortality Table, without projection
Discount Rate	5.75%. Based on the long-term expected rate of return
Investment Rate of Return	5.75%
Retirement Rate	CalPERS (2019) and CalSTRS (2018) experience studies.
Healthcare cost trend rate	7.50% for 2024, 7.00% for 2025, 6.20% for 2026 5.60% for 2027, 5.50% for 2028, 5.40% for 2029, 5.25% for 2030-2034, 4.60% for 2035-2049, 4.50% for 2050-2064, 4.25% for 2065-2074, and 4.00% for 2075 and later . Medicare advantage: 4.50% for all years
Salary Increases	3.0% per year
Termination Rate	CalPERS (2019) and CalSTRS (2018) experience studies.
Percent of Retirees with Spouses	Future Retirees <65: 67% Future Retirees >65: 50%
Percent of Retirees with Eligible Dependents	Future Retirees: In proportion to current retirees Current Retirees: Actual dependent data was used
Funding Method	Entry Age Cost Method

(Continued)

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Changes in the Net OPEB Liability:

	Total OPEB Liability (a)	Total Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2023	$ 713,779,842	$ 69,772,872	$ 644,006,970
Changes for the year:			
Service cost	11,718,227	-	11,718,227
Interest	38,701,142	-	38,701,142
Difference between expected and actual experience	29,283,777	-	29,283,777
Changes in assumptions	11,158,248	-	11,158,248
Changes in plan provisions	39,450,572	-	39,450,572
Employer contributions	-	47,774,453	(47,774,453)
Net investment income	-	5,943,986	(5,943,986)
Administrative expense	-	(61,752)	61,752
Benefit payments	(44,274,453)	(44,274,453)	-
Net change	86,037,513	9,382,234	76,655,279
Balance at June 30, 2024	$ 799,817,355	$ 79,155,106	$ 720,662,249

Fiduciary Net Position as a % of the Total OPEB Liability, at June 30, 2024: 9.90%

The significant changes impacting the June 30, 2024 measurement include:

- Changes in plan provisions resulting from enhanced retiree benefits for employee hired after July 1, 2005.
- Changes in assumptions, including an update to the healthcare cost trend rate from a decreasing range of 6.00% to 4.00% at the June 30, 2023 measurement date, to a decreasing range of 7.50% to 4.00% at the June 30, 2024 measurement date. In addition, the discount rate was updated from 5.50% at the June 30, 2023 measurement date, to 5.75% at the June 30, 2024 measurement date.

Sensitivity of the Net OPEB Liability to Assumptions: The following presents the net OPEB liability calculated using the discount rate of 5.75 percent. The schedule also shows what the net OPEB liability would be if it were calculated using a discount rate that is 1 percent lower (4.75 percent) and 1 percent higher (6.75 percent):

	Discount Rate 1% Lower (4.75%)	Valuation Discount Rate (5.75%)	Discount Rate 1% Higher (6.75%)
Net OPEB liability	$ 811,781,205	$ 720,662,249	$ 642,969,762

(Continued)

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

The following table presents the net OPEB liability calculated using the heath care cost trend rate of 7.5-4.0 percent. The schedule also shows what the net OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percent lower (6.5-3.0 percent) and 1 percent higher (8.5-5.0 percent):

	Health Care Trend Rate 1% Lower (6.5 - 3.0%)	Valuation Health Care Trend Rate (7.5 - 4.0%)	Health Care Trend Rate 1% Higher (8.5 - 5.0%)
Net OPEB liability	$ 633,376,654	$ 720,662,249	$ 825,058,316

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

For the year ended June 30, 2024, the District recognized OPEB expense of $14,701,893. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 53,942,703	$ 28,378,118
Change in assumptions	9,441,594	338,702,374
Net differences between projected and actual earnings on investments	6,154,935	3,146,161
Total	$ 69,539,232	$ 370,226,653

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending June 30,	
2025	$ (71,365,648)
2026	(66,285,831)
2027	(66,585,416)
2028	(56,265,315)
2029	(43,296,136)
2030	3,110,925

Deferred outflows and deferred inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed 5-year period. Deferred outflows and deferred inflows related to changes in assumptions and differences between expected and actual experience which originated in fiscal years ended June 30, 2019 through June 30, 2022 are amortized over a closed 6.4-year period. Deferred outflows and deferred inflows related to changes in assumptions and differences between expected and actual experience which originated in the fiscal year ending June 30, 2023 are amortized over a closed 6.9-year period. Deferred outflows and deferred inflows related to changes in assumptions and differences between expected and actual experience which originated in the fiscal year ending June 30, 2024 are amortized over a closed 6.5-year period.

(Continued)

NOTE 11 - JOINT POWERS AGREEMENT

The District is a member with other school districts of a Joint Powers Authority, Central Valley Support Services (CVSS), to provide support services to educational agencies in the Central Valley of California. CVSS is governed by a board consisting of one district representative selected by each member district's superintendent, one member of the operations staff of each member district and the Treasurer of CVSS. The CVSS Board controls the operations of CVSS, independent of any influence by the member districts beyond their representation on the Board. The following is a summary of financial information of CVSS as of June 30, 2023 (the most recent information available):

Total assets	$ 33,422,073
Deferred outflows of resources	115,128,113
Total liabilities	129,912,225
Deferred inflows of resources	4,210,000
Net position	14,427,961
Total revenues	4,142,293
Total expenses	4,115,060
Change in net position	27,233

The relationship between Fresno Unified School District and the Joint Powers Authority is such that it is not a component unit of the District for financial reporting purposes.

NOTE 12 - CONTINGENCIES

Contingent Liabilities: The District is subject to legal proceedings and claims which arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to these actions will not materially affect the financial position or results of operations of the District. Also, the District has received federal and state funds for specific purposes that are subject to review or audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements will not be material.

Construction Commitments: As of June 30, 2024, the District had approximately $108.6 million in outstanding commitments on construction contracts.

NOTE 13 - FINANCIAL RESPONSIBILITY

The District has maintained a commitment to strategic guiding principles anchored in providing extensive student programs, competitive employee compensation, and prudent fiscal responsibility. These principles and approach to budget development have enabled the district to maintain a positive financial position. Recently, through use of one-time state and federal resources, the District has complimented these principles with addressing unfinished learning and responding to the impacts of the pandemic.

The District continues to maintain a positive reserve in the current and future years as shown in the 2024/25 adopted budget and a commitment to equity-based resource allocation as intended with implementation of the Local Control Funding Formula. The District has maintained a positive financial position since 2006/07 as reflected by Moody’s continued affirmation of the District's credit rating of Aa3 since 2010 during a time when other agencies have been lowered.

The District continues to monitor and budget for the current and future years to ensure financial stability and conservatively evaluate reserves to mitigate the effects of the prolonged state economic crisis.

(Continued)

NOTE 14 – SUBSEQUENT EVENTS

In August 2024, the District issued General Obligation Bonds of Election 2020, Series C in the amount $60,000,000. The bonds mature through August 1, 2055 with interest rates which range from 4.0% to 5.0%.

In August 2024, the District issued 2024 Refunding General Obligation Bonds totaling $18,610,000. The 2024 Refunding General Obligation bonds mature through August 1, 2025 with interest rates ranging from 4.618% and 5.478%. The 2024 Refunding General Obligation bonds will be used to refund specific issuances of 2015 Refunding Bonds and 2010 Series E Current Interest Bonds.

REQUIRED SUPPLEMENTARY INFORMATION

FRESNO UNIFIED SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the year ended June 30, 2024

	Budget Original	Budget Final	Actual	Over/ (Under) Budget
Revenues:				
Local Control Funding Formula (LCFF):				
State apportionment	$ 931,370,241	$ 923,881,882	$ 923,881,882	$ -
Local sources	78,798,352	88,343,907	87,683,577	(660,330)
Total LCFF	1,010,168,593	1,012,225,789	1,011,565,459	(660,330)
Federal sources	369,696,729	387,257,989	305,157,899	(82,100,090)
Other state sources	298,165,335	338,841,075	302,822,513	(36,018,562)
Other local sources	25,509,251	53,732,880	56,468,257	2,735,377
Total revenues	1,703,539,908	1,792,057,733	1,676,014,128	(116,043,605)
Expenditures:				
Current:				
Certificated salaries	555,496,567	585,560,789	582,600,928	2,959,861
Classified salaries	211,352,210	221,005,715	214,039,435	6,966,280
Employee benefits	481,941,283	460,520,913	412,976,517	47,544,396
Books and supplies	110,872,361	181,185,465	109,526,189	71,659,276
Contract services and operating expenditures	211,089,598	288,037,455	226,466,820	61,570,635
Other outgo	4,459,153	5,273,689	4,955,883	317,806
Capital outlay	248,259,734	194,301,939	82,218,563	112,083,376
Total expenditures	1,823,470,906	1,935,885,965	1,632,784,335	303,101,630
(Deficiency) excess of revenues (under) over expenditures	(119,930,998)	(143,828,232)	43,229,793	187,058,025
Other financing (uses) sources:				
Transfers in	7,694,320	3,514,761	13,269,022	9,754,261
Transfers out	(9,156,409)	(9,156,409)	(3,361,720)	5,794,689
Total other financing (uses) sources	(1,462,089)	(5,641,648)	9,907,302	15,548,950
Net change in fund balance	(121,393,087)	(149,469,880)	53,137,095	202,606,975
Fund balance, July 1, 2023	553,873,864	553,873,864	553,873,864	-
Fund balance, June 30, 2024	$ 432,480,777	$ 404,403,984	$ 607,010,959	$ 202,606,975

See accompanying notes to required supplementary information.

FRESNO UNIFIED SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE DISTRICT'S NET
OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY
For the year ended June 30, 2024

Last 10 fiscal years

	2018	2019	2020	2021	2022	2023	2024
Total OPEB liability							
Service cost	$ 19,392,480	$ 19,974,255	$ 16,341,671	$ 16,831,921	$ 16,808,552	$ 16,833,050	$ 11,718,227
Interest	57,806,121	60,369,696	61,778,007	64,400,035	60,440,115	62,970,376	38,701,142
Changes in benefit terms	-	-	-	-	-	-	39,450,572
Difference between expected and actual experience	-	-	82,504,316	-	20,924,804	(39,961,024)	29,283,777
Changes in assumptions	-	-	(120,311,404)	-	(133,956,614)	(339,676,866)	11,158,248
Benefit payments	(32,459,314)	(36,544,893)	(34,234,823)	(35,604,029)	(32,704,642)	(37,570,546)	(44,274,453)
Net change in total OPEB liability	44,739,287	43,799,058	6,077,767	45,627,927	(68,487,785)	(337,405,010)	86,037,513
Total OPEB liability, beginning of year	979,428,598	1,024,167,885	1,067,966,943	1,074,044,710	1,119,672,637	1,051,184,852	713,779,842
Total OPEB liability, end of year (a)	$ 1,024,167,885	$ 1,067,966,943	$ 1,074,044,710	$ 1,119,672,637	$ 1,051,184,852	$ 713,779,842	$ 799,817,355
Plan fiduciary net position							
Employer contributions	$ 35,959,314	$ 40,044,893	$ 37,734,823	$ 39,104,029	$ 36,204,642	$ 41,070,546	$ 47,774,453
Expected investment return (loss)	2,250,968	3,172,151	2,685,784	11,123,667	(8,985,231)	2,448,040	5,943,986
Administrative expense	(33,150)	(37,143)	(43,345)	(52,833)	(59,287)	(55,575)	(61,752)
Benefits payment	(32,459,314)	(36,544,893)	(34,234,823)	(35,604,029)	(32,704,642)	(37,570,546)	(44,274,453)
Change in plan fiduciary net position	5,717,818	6,635,008	6,142,439	14,570,834	(5,544,518)	5,892,465	9,382,234
Fiduciary trust net position, beginning of year	36,358,826	42,076,644	48,711,652	54,854,091	69,424,925	63,880,407	69,772,872
Fiduciary trust net position, end of year (b)	$ 42,076,644	$ 48,711,652	$ 54,854,091	$ 69,424,925	$ 63,880,407	$ 69,772,872	$ 79,155,106
Net OPEB liability, ending (a) - (b)	$ 982,091,241	$ 1,019,255,291	$ 1,019,190,619	$ 1,050,247,712	$ 987,304,445	$ 644,006,970	$ 720,662,249
Covered employee payroll	$ 550,120,072	$ 568,497,726	$ 595,678,953	$ 620,124,968	$ 714,683,611	$ 750,192,157	$ 838,498,778
Plan fiduciary net position as a percentage of the total OPEB liability	4.11%	4.56%	5.11%	6.20%	6.08%	9.78%	9.90%
Net OPEB liability as a percentage of covered-employee payroll	178.52%	179.29%	171.10%	169.36%	138.15%	85.85%	85.95%

This is a 10 year schedule, however the information in this schedule is not required to be presented retrospectively.

See accompanying notes to required supplementary information.

SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN OF OPEB PLAN INVESTMENTS
For the year ended June 30, 2024

Last 10 Fiscal Years

	2018	2019	2020	2021	2022	2023	2024
Money-weighted rate of return on OPEB plan investments	6.01%	6.98%	5.37%	19.65%	-12.65%	3.51%	8.30%

This is a 10 year schedule, however the information in this schedule is not required to be presented retrospectively.

State Teachers' Retirement Plan
Last 10 Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
District's proportion of the net pension liability	0.666%	0.696%	0.679%	0.664%	0.723%	0.740%	0.721%	0.649%	0.750%	0.800%
District's proportionate share of the net pension liability	$ 389,455,000	$ 468,883,000	$ 549,121,000	$ 613,982,000	$ 664,860,000	$ 668,050,000	$ 698,344,000	$ 295,209,000	$ 521,129,000	$ 608,942,000
State's proportionate share of the net pension liability associated with the District	235,171,000	247,987,000	312,634,000	363,228,000	380,665,000	364,468,000	381,640,000	175,644,000	294,556,000	291,765,000
Total net pension liability	$ 624,626,000	$ 716,870,000	$ 861,755,000	$ 977,210,000	$1,045,525,000	$1,032,518,000	$1,079,984,000	$ 470,853,000	$ 815,685,000	$ 900,707,000
District's covered payroll	$ 296,840,000	$ 323,258,000	$ 338,357,000	$ 351,408,000	$ 380,363,000	$ 402,574,000	$ 389,097,000	$ 365,132,000	$ 449,079,000	$ 508,744,000
District's proportionate share of the net pension liability as a percentage of its covered payroll	131.20%	145.05%	162.29%	174.72%	174.80%	165.95%	179.48%	80.85%	119.81%	177.05%
Plan fiduciary net position as a percentage of the total pension liability	76.52%	74.02%	70.04%	69.46%	70.99%	72.56%	71.82%	87.21%	81.20%	80.62%

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

(Continued)

Public Employer's Retirement Fund B
Last 10 Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
District's proportion of the net pension liability	0.845%	0.905%	0.919%	0.873%	0.907%	0.941%	0.962%	0.970%	0.993%	0.971%
District's proportionate share of the net pension liability	$ 95,928,000	$ 133,463,000	$ 181,422,000	$ 208,394,000	$ 241,867,000	$ 274,153,000	$ 295,181,000	$ 197,223,000	$ 341,626,000	$ 351,317,000
District's covered payroll	$ 88,704,000	$ 100,241,000	$ 110,204,000	$ 111,303,000	$ 123,132,000	$ 130,845,000	$ 138,577,000	$ 139,687,000	$ 151,163,000	$ 169,934,000
District's proportionate share of the net pension liability as a percentage of its covered payroll	108.14%	133.14%	164.62%	187.23%	196.43%	209.53%	213.01%	141.19%	224.50%	206.74%
Plan fiduciary net position as a percentage of the total pension liability	83.38%	74.02%	73.89%	71.87%	70.85%	70.05%	70.00%	80.97%	69.76%	69.96%

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

State Teachers' Retirement Plan
Last 10 Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution	$ 28,705,329	$ 36,305,716	$ 44,207,146	$ 54,886,374	$ 65,539,064	$ 71,921,290	$ 69,740,257	$ 85,774,027	$ 97,170,042	$ 106,994,476
Contributions in relation to the contractually required contribution	(28,705,329)	(36,305,716)	(44,207,146)	(54,886,374)	(65,539,064)	(71,921,290)	(69,740,257)	(85,774,027)	(97,170,042)	(106,994,476)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 323,258,000	$ 338,357,000	$ 351,408,000	$ 380,363,000	$ 402,574,000	$ 389,097,000	$ 365,132,000	$ 449,079,000	$ 508,744,000	$ 560,181,000
Contributions as a percentage of covered payroll	8.88%	10.73%	12.58%	14.43%	16.28%	17.10% (1)	16.15% (2)	16.92% (3)	19.10%	19.10%

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

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

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

(Continued)

Public Employer's Retirement Fund B
Last 10 Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution	$ 11,799,345	$ 13,055,815	$ 15,457,728	$ 19,123,632	$ 23,633,158	$ 27,391,892	$ 28,915,243	$ 34,631,522	$ 43,112,322	$ 55,212,451
Contributions in relation to the contractually required contribution	(11,799,345)	(13,055,815)	(15,457,728)	(19,123,632)	(23,633,158)	(27,391,892)	(28,915,243)	(34,631,522)	(43,112,322)	(55,212,451)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 100,241,000	$ 110,204,000	$ 111,303,000	$ 123,132,000	$ 130,845,000	$ 138,577,000	$ 139,687,000	$ 151,163,000	$ 169,934,000	$ 206,943,000
Contributions as a percentage of covered payroll	11.77%	11.85%	13.89%	15.53%	18.06%	19.72%	20.70%	22.91%	25.37%	26.68%

See accompanying notes to required supplementary information.

NOTE 1 - PURPOSE OF SCHEDULES

A - Budgetary Comparison Schedule:

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

B - Schedule of Changes in Net Other Postemployment Benefits (OPEB) Liability:

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

C - Schedule of Money-Weighted Rate of Return of OPEB Plan Investments:

The Schedule of Money-Weighted Rate of Return of OPEB Plan Investments presents the weighted average rate of return for the District's OPEB Plan investments. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

D - Schedule of the District’s Proportionate Share of the Net Pension Liability:

The Schedule of the District’s Proportionate Share of the Net Pension Liability is presented to illustrate the elements of the District’s Net Pension Liability. There is a requirement to show information for 10 years.

E - Schedule of District Contributions:

The Schedule of District Contributions is presented to illustrate the District’s required contributions relating to the pensions. There is a requirement to show information for 10 years.

F - Changes of Benefit Terms: In the June 30, 2024 measurement of the total OPEB liability, benefit provisions were updated to reflect enhanced retirement benefits for eligible employees hired on or after July 1, 2005. No other changes in benefit terms are reported in the Required Supplementary Information.

G - Changes of Assumptions: The following are the assumptions used for the District’s Other Postemployment Benefits Plan:

	Measurement Periods						
Assumption	As of June 30, 2024	As of June 30, 2023	As of June 30, 2022	As of June 30, 2021	As of June 30, 2020	As of June 30, 2019	As of June 30, 2018
Discount rate	5.75%	5.50%	6.00%	6.00%	6.00%	6.00%	6.00%
Healthcare trend rate range	7.50-4.00%	6.50-4.00%	5.60-4.00%	5.90-5.00%	5.90-5.00%	5.00-5.00%	5.00-5.00%

(Continued)

NOTE 1 - PURPOSE OF SCHEDULES (Continued)

In the June 30, 2019, 2020 and 2021 measurements for the total OPEB liability, mortality, retirement, and termination rates were based on the 2010 CalSTRS experience study and 2014 CalPERS experience study, as applicable for the District's employee groups. In the June 30, 2022, 2023 and 2024 measurements for the total OPEB liability, mortality, retirement, and termination rates were based on the 2018 CalSTRS experience study and 2019 CalPERS experience study, as applicable for the District's employee groups.

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

	Measurement Periods								
Assumption	As of June 30, 2023	As of June 30, 2022	As of June 30, 2021	As of June 30, 2020	As of June 30, 2019	As of June 30, 2018	As of June 30, 2017	As of June 30, 2016	As of June 30, 2015
Inflation rate	2.30%	2.30%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Discount rate	6.90%	6.90%	7.15%	7.15%	7.15%	7.15%	7.65%	7.65%	7.50%

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

	Measurement Periods								
Assumption	As of June 30, 2023	As of June 30, 2022	As of June 30, 2021	As of June 30, 2020	As of June 30, 2019	As of June 30, 2018	As of June 30, 2017	As of June 30, 2016	As of June 30, 2015
Consumer price inflation	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	3.00%	3.00%
Investment rate of return	7.10%	7.10%	7.10%	7.10%	7.10%	7.10%	7.10%	7.60%	7.60%
Wage growth	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.75%	3.75%	3.75%

SUPPLEMENTARY INFORMATION

FRESNO UNIFIED SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NON-MAJOR FUNDS
June 30, 2024

	Student Activity Fund	Adult Education Fund	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Capital Facilities Fund	Special Reserve for Capital Outlay Projects Fund	Bond Interest and Redemption Fund	Total
ASSETS									
Cash and investments:									
Cash in County Treasury	$ 871,598	$ 1,248,703	$ 14,084,930	$ 28,680,234	$ 301,255	$ 4,977,069	$ 1,241,195	$ 69,999,897	$ 121,404,881
Cash on hand and in banks	1,927,002	5,172	-	2,746,574	-	-	-	44,590	4,723,338
Cash in revolving fund	-	550	-	-	-	-	-	-	550
Receivables	6,541	1,107,158	2,151,306	13,613,812	1,131	35,250	10,774	446,426	17,372,398
Due from other funds	1,401	212,250	-	-	2,671,772	-	1,223,135	-	4,108,558
Stores inventory	266,635	-	-	1,821,791	-	-	-	-	2,088,426
Total assets	$ 3,073,177	$ 2,573,833	$ 16,236,236	$ 46,862,411	$ 2,974,158	$ 5,012,319	$ 2,475,104	$ 70,490,913	$ 149,698,151
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	$ 82,683	$ 163,982	$ 356,751	$ 1,415,088	$ 6,916	$ 12,793	$ 65,807	$ -	$ 2,104,020
Unearned revenue	-	138	12,950,358	140,415	-	-	-	-	13,090,911
Due to other funds	48,441	1,179,003	2,833,772	14,554,215	2,967,242	45,435	279,012	-	21,907,120
Total liabilities	131,124	1,343,123	16,140,881	16,109,718	2,974,158	58,228	344,819	-	37,102,051
Fund balances:									
Nonspendable	266,635	550	-	1,821,791	-	-	-	-	2,088,976
Restricted	2,675,418	1,230,160	95,355	28,930,902	-	4,954,091	2,130,285	70,490,913	110,507,124
Total fund balance	2,942,053	1,230,710	95,355	30,752,693	-	4,954,091	2,130,285	70,490,913	112,596,100
Total liabilities and fund balances	$ 3,073,177	$ 2,573,833	$ 16,236,236	$ 46,862,411	$ 2,974,158	$ 5,012,319	$ 2,475,104	$ 70,490,913	$ 149,698,151

FRESNO UNIFIED SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES
ALL NON-MAJOR FUNDS
For the year ended June 30, 2024

	Student Activity Fund	Adult Education Fund	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Capital Facilities Fund	Special Reserve for Capital Outlay Projects Fund	(Formerly major) Bond Interest and Redemption Fund	(Formerly nonmajor) County School Facilities Fund	Total
Revenues:										
Federal sources	$ -	$ 1,424,066	$ 1,814,313	$ 61,359,750	$ -	$ -	$ -	$ -		$ 64,598,129
Other state sources	-	6,980,559	28,155,769	15,260,196	-	-	-	874,271		51,270,795
Other local sources	3,376,053	744,594	2,217,196	1,059,148	4,757	1,598,271	42,046	70,501,068		79,543,133
Total revenues	3,376,053	9,149,219	32,187,278	77,679,094	4,757	1,598,271	42,046	71,375,339		195,412,057
Expenditures:										
Current:										
Certificated salaries	-	2,953,131	10,009,835	-	-	-	-	-		12,962,966
Classified salaries	-	1,564,976	5,614,984	18,624,031	-	949	270,459	-		26,075,399
Employee benefits	-	2,366,203	10,412,717	13,388,152	-	660	154,990	-		26,322,722
Books and supplies	3,126,461	1,306,364	1,829,614	32,303,353	-	-	-	-		38,565,792
Contract services and operating expenditures	15,114	909,704	1,327,160	1,262,411	3,132,979	14,715	224,700	-		6,886,783
Capital outlay	-	16,170	2,753,570	755,483	233,498	6,176	13,273	-		3,778,170
Debt service:										
Principal retirement	-	-	-	-	-	-	-	81,785,448		81,785,448
Interest	-	-	-	-	-	-	-	39,426,290		39,426,290
Total expenditures	3,141,575	9,116,548	31,947,880	66,333,430	3,366,477	22,500	663,422	121,211,738		235,803,570
Excess (deficiency) of revenues over (under) expenditures	234,478	32,671	239,398	11,345,664	(3,361,720)	1,575,771	(621,376)	(49,836,399)		(40,391,513)
Other financing (uses) sources:										
Transfers in	-	-	-	-	3,361,720	-	-	-		3,361,720
Transfers out	-	(205,850)	(857,491)	(8,800,073)	-	(43,888)	-	-		(9,907,302)
Total other financing (uses) sources	-	(205,850)	(857,491)	(8,800,073)	3,361,720	(43,888)	-	-		(6,545,582)
Net change in fund balances	234,478	(173,179)	(618,093)	2,545,591	-	1,531,883	(621,376)	(49,836,399)		(46,937,095)
Fund balance, July 1, 2023	2,707,575	1,403,889	713,448	28,207,102	-	3,422,208	2,751,661	-	$ 50,117,062	89,322,945
Changes within the reporting entity	-	-	-	-	-	-	-	120,327,312	(50,117,062)	70,210,250
Fund balance, July 1, 2023, as adjusted	2,707,575	1,403,889	713,448	28,207,102	-	3,422,208	2,751,661	120,327,312	-	159,533,195
Fund balance, June 30, 2024	$ 2,942,053	$ 1,230,710	$ 95,355	$ 30,752,693	$ -	$ 4,954,091	$ 2,130,285	$ 70,490,913		$ 112,596,100

FRESNO UNIFIED SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE
June 30, 2024

	Second Period Report	Audited* Second Period Report	Annual Report
Certificate #:	E359FD05	7C07358B	792AD020
Elementary:			
Transitional Kindergarten through Third	20,288	20,301	20,315
Fourth through Sixth	14,979	14,984	14,947
Seventh and Eighth	9,785	9,786	9,722
Subtotal Elementary	45,052	45,071	44,984
Secondary:			
Ninth through Twelfth	17,116	17,145	16,895
Subtotal Secondary	17,116	17,145	16,895
District Total	62,168	62,216	61,879

* The District's Second Period Report was revised based on an internal review of records.

SCHEDULE OF INSTRUCTIONAL TIME

For the year ended June 30, 2024

Grade Level	Statutory Minutes Require-ment	2023-2024 Actual Minutes	Number of Days Traditional Calendar	Status
Kindergarten	36,000	47,290	180	In Compliance
Grade 1	50,400	55,360	180	In Compliance
Grade 2	50,400	55,325	180	In Compliance
Grade 3	50,400	55,325	180	In Compliance
Grade 4	54,000	55,325	180	In Compliance
Grade 5	54,000	55,325	180	In Compliance
Grade 6	54,000	55,325	180	In Compliance
Grade 7	54,000	58,920	180	In Compliance
Grade 8	54,000	58,920	180	In Compliance
Grade 9	64,800	64,808	180	In Compliance
Grade 10	64,800	64,808	180	In Compliance
Grade 11	64,800	64,808	180	In Compliance
Grade 12	64,800	64,808	180	In Compliance

Assistance Listing (AL) Number	Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Federal Expenditures
	U.S. Department of Education - Passed through California Department of Education		
	Special Education Cluster:		
84.027	COVID-19: Special Ed: ARP IDEA Part B, Sec. 611,		
84.027	Local Assistance Entitlement	15638	$ 1,032,013
84.173	COVID-19: Special Ed: ARP IDEA Part B, Sec. 611, Local Assistance Coordinated Early Intervening Services	10171	40,026
84.027	Special Ed: IDEA Basic Local Assistance Entitlement, Part B, Sec. 611	13379	15,012,631
84.027	Special Ed: IDEA Local Assistance, Part B, Sec 611, Private School ISPs	10115	16,764
84.027	Special Ed: IDEA Local Assistance, Part B, Sec 611, Early Intervening Services	10119	2,277,916
84.173	Special Ed: IDEA Preschool Grants, Part B, Sec 619	13430	157,537
84.173	Special Ed: IDEA Preschool Grants, Part B, Sec 619 Age (3-5)	10131	99,587
84.173	Special Ed: IDEA Preschool Capacity Building, Part B, Sec 619	13839	17,742
84.027A	Special Ed: IDEA Part B, Supporting Inclusive Practices Preschool	10171	36,114
84.027A	Special Ed: IDEA Mental Health Allocation Plan, Part B, Sec 611	15197	768,490
84.027A	Special Ed: Alternate Dispute Resolution, Part B, Sec 611	13007	19,922
	Subtotal Special Education Cluster		19,478,742
	Migrant Ed Programs:		
84.011	ESEA: Title I, Part C, Migrant Ed (Regular and Summer Program)	14326	586,357
84.011	ESEA: Title I, Migrant Ed Summer Program	10005	106,609
84.011	ESEA: Title I, Part C, Migrant Education (MESRP)	10144	14,389
	Subtotal Migrant Ed Programs		707,355
	Adult Education Programs:		
84.002	Adult Education: ESL/ESL-Citizenship	14508	519,756
84.002	Adult Education: Adult Secondary Education	13978	358,510
84.002A	Adult Education: English Literacy and Civics Education	14109	206,383
84.002	Citizenship and Integration Direct Services Grant Program	N/A	219,242
	Subtotal Adult Education Programs		1,303,891
	Title I Programs:		
84.010	ESEA: Title I, Part A Basic Grants, Low Income and Neglected	14329	61,475,854
84.010	ESSA: Comprehensive Support & Improvement (CIS)	15438	3,035,767
	Subtotal Title I Programs		64,511,621

(Continued)

Assistance Listing (AL) Number	Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Federal Expenditures
	U.S. Department of Education - Passed through California Department of Education (Continued)		
	Carl D. Perkins Career and Tech Ed Programs:		
84.048	Vocational Programs: Voc and Applied Technology State Leadeship, Sec. 124 (Carl Perkins Act)	14894	$ 1,453,153
84.048	Vocational Programs: Adult Sec. 132 (Carl Perkins Act)	14893	120,175
	Subtotal Carl D. Perkins Career and Tech Ed Programs		1,573,328
	Teacher Quality Programs:		
84.336S	National Teacher Quality Partneship Program	N/A	1,469,927
84.336S	Fresno Pacific Teacher Quality Partnership Program	N/A	715,324
	Subtotal Teacher Quality Programs		2,185,251
	COVID-19: Education Stabilization Fund (ESF) Programs		
84.425	COVID-19: Elementary and Secondary School Emergency Relief III (ESSER III) Fund	15559	182,321,227
84.425U	COVID-19: Elementary and Secondary School Emergency Relief III (ESSER III) Fund: Learning Loss	10155	19,810,026
84.425	COVID-19: American Rescue Plan-Homeless Children and Youth (ARP-HCY) Program	15564	3,583
84.425	COVID-19: American Rescue Plan-Homeless Children and Youth II (ARP HCY II) Program	15566	511,179
	Subtotal COVID-19: ESF Programs		202,646,015
84.060A	Indian Education	10011	42,605
84.181	Special Ed: IDEA Early Intervention Grants, Part C	15657	98,457
84.196	ESSA: Title IX, Part A, McKinney-Vento Homeless Assistance Grants	14332	61,283
84.287	ESEA: Title IV, Part B, 21st Century Community Learning Centers	14349	3,872,642
84.365	ESEA: Title III, Limited English Proficient (LEP) Student Program	14346	1,354,138
84.367	ESEA: Title II, Improving Teacher Quality Local Grants	14341	8,746,637
	Total U.S Department of Education		306,581,965

(Continued)

Assistance Listing (AL) Number	Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Federal Expenditures
	U.S. Department of Health and Human Services - Passed through California Department of Health and Human Services		
	CCDF Cluster Programs:		
93.575	Child Development: ARP California State Preschool Program One-time Stipend	15640	$ 618,093
93.596	Child Development: Federal General and State Preschool	13609	279,904
93.596	Child Development: Childe Care and Development Programs - CDSS	10163	307,224
93.575	Child Development: Federal Quality Improvement	15443	1,227,185
	Subtotal CCDF Cluster Programs		2,432,406
	Total U.S. Department of Health and Human Services		2,432,406
	U.S. Department of Agriculture - Passed through California Department of Education		
	Child Nutrition Cluster:		
10.555	Child Nutrition: School Programs (NSL Sec. 11)	13396	45,569,395
10.582	Child Nutrition: Fresh Fruit & Vegetable Program	14968	1,951,162
10.555	Child Nutrition: Supply Chain Assistance (SCA) Funds	15655	4,025,791
10.555	Local Food For Schools	15708	506,409
	Subtotal Child Nutrition Cluster Programs		52,052,757
10.558	Child and Adult Care Food Program (CACFP) Claims	13529	6,941,333
10.170	Specialty Crop Block Grant Program - Farm Bill	N/A	92,216
	Total U.S. Department of Agriculture		59,086,306
	Total Federal Expenditures		$ 368,100,677

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

	(Adopted Budget) 2025	2024	2023	2022
General Fund				
Revenues and other financing sources	$ 1,481,628,218	$ 1,689,283,150	$ 1,646,033,549	$ 1,403,778,976
Expenditures	1,663,788,541	1,632,784,335	1,450,989,502	1,266,695,351
Other uses and transfers out	6,956,409	3,361,720	3,353,446	4,093,398
Total outgo	1,670,744,950	1,636,146,055	1,454,342,948	1,270,788,749
Change in fund balance	$ (189,116,732)	$ 53,137,095	$ 191,690,601	$ 132,990,227
Ending fund balance	$ 417,894,227	$ 607,010,959	$ 553,873,864	$ 362,183,263
Available reserves	$ 136,191,595	$ 148,125,869	$ 132,954,758	$ 134,741,791
Designated for economic uncertainties	$ 136,191,595	$ 148,125,869	$ 132,954,758	$ 134,741,791
Undesignated fund balance	$ -	$ -	$ -	$ -
Available reserves as percentages of total outgo	8.15%	9.05%	9.14%	10.60%
All Funds				
Total long-term liabilities	$ 2,573,783,487	$ 2,548,903,271	$ 2,463,790,214	$ 2,343,010,766
Average daily attendance at P-2	61,975	62,216	62,383	59,003

The fund balance of the General Fund has increased by $377,817,923 over the past three years. The fiscal year 2024-25 budget projects a deficit of $189,116,732. For a district this size, the State of California recommends available reserves of at least 2% of total General Fund expenditures, transfers out, and other uses be maintained. For the year ended June 30, 2024, the District has met this requirement.

The District has incurred operating surpluses in each of the past three years, but anticipates an operating deficit in fiscal year 2024-25.

Total long-term liabilities have increased by $205,892,505 over the past two years, as shown in Note 6 to the basic financial statements.

Average daily attendance has increased 3,213 over the past two years. A decrease of 241 ADA is projected for the 2024-25 fiscal year.

FRESNO UNIFIED SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOLS
For the year ended June 30, 2024

Charter Schools Chartered by District	Charter #	Included in District Financial Statements, or Separate report
Aspen Meadow Public	1792	Separate Report
Carter G. Woodson Public Charter	0378	Separate Report
Morris E. Dailey Charter Elementary	1172	Separate Report
Sierra Charter	0898	Separate Report
School of Unlimited Learning	0149	Separate Report
University High	0890	Separate Report
Aspen Valley Prep Academy	0662	Separate Report
Endeavor Charter School	2099	Separate Report
Aspen Ridge Public School	2115	Separate Report
The Golden Charter Academy	2113	Separate Report

NOTE 1- PURPOSE OF SCHEDULES

A - Schedule of Average Daily Attendance:

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

B - Schedule of Instructional Time:

The District has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day. This schedule presents information on the amount of instructional time offered by the District, and whether the District complied with the provisions of Education Code Sections 46201 through 46206.

C - Schedule of Expenditures of Federal Awards:

The Schedule of Expenditures of Federal Awards includes the federal award activity of Fresno Unified School District and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. As a sub- recipient of the State of California the District is using the approved indirect cost rate provided by the California Department of Education rather than the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

The following schedule provides a reconciliation between revenues reported on the Statement of Revenues, Expenditures and Change in Fund Balances and the related expenditures reported on the Schedule of Expenditures of Federal Awards:

Description	AL Number	Amount
Total Federal revenues, Statement of Revenues, Expenditures and Change in Fund Balances		$ 369,756,028
Add:		
COVID-19: Child Development: ARP Preschool Program expended from prior year awards	93.575	618,093
Less:		
Child Nutrition: Supply Chain Assistance (SCA) Funds received but not yet expended	10.555	(147,950)
Child Nutrition: CACFP Claims reimbursed from prior year expenditures	10.558	(2,125,494)
Total Schedule of Expenditure of Federal Awards		$ 368,100,677

(Continued)

NOTE 1- PURPOSE OF SCHEDULES (Continued)

D - Reconciliation of Unaudited Actual Financial Report with Audited Financial Statements:

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

E - Schedule of Financial Trends and Analysis – Unaudited:

This schedule provides information on the District's financial condition over the past three years and its anticipated condition for the 2024-2025 fiscal year, as required by the State Controller's Office. The information in this schedule has been derived from audited information.

F - Schedule of Charter Schools:

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

NOTE 2 - EARLY RETIREMENT INCENTIVE PROGRAM

Education Code Section 14502 requires certain disclosure in the financial statements of districts which adopt Early Retirement Incentive Programs pursuant to Education Code Section 22714 and 44929. For the fiscal year ended June 30, 2024, the District did not adopt such a program.

OTHER INFORMATION

Fresno Unified School District, a political subdivision of the State of California, was established on July 1, 1948. The District serves grades preschool through twelve and operates sixty-seven elementary, fourteen middle, ten high schools, six alternative schools, and three special education schools. All of the District's schools are located in Fresno County. The District is comprised of approximately 99 square miles. There were no changes to the District's boundaries during the current year.

The Board of Education at June 30, 2024 was comprised of the following members:

Name	Office	Term Expires
Susan Wittrup	President	2026
Valerie Davis	Clerk	2026
Elizabeth Jonasson Rosas	Member	2024
Veva Islas	Member	2026
Keisha Thomas	Member	2026
Claudia Cazares	Member	2024
Andy Levine	Member	2024

The Superintendent's Executive Staff at June 30, 2024 was comprised of the following:

	Robert G. Nelson, Ed.D.* Superintendent	Misty Her* Acting Superintendent Office of the Superintendent	
Patrick Jensen Chief Financial Officer Business and Financial Services	Natasha Baker Chief Academic Officer School Leadership	David Chavez Chief of Human Resources / Labor Relations	Tami Lundberg Chief Technology Officer Information Technology
Carlos Castillo Chief of Diversity, Equity and Access	Paul Idsvoog Chief Operations / Classified Labor Management Officer Operational Services	Ambra O'Connor Chief of Staff	Wendy McCulley Chief Engagement and External Partnerships Officer
Nikki Henry Chief Information Officer Communications Office	Alex Belanger Chief Executive Facilities Management & Planning	Marie Williams Inst. Superintendent Curriculum and Instruction & School Leadership	Sandra Toscano Inst. Superintendent School Leadership
Sandra Aguayo Inst. Superintendent School Leadership	Kal Isom-Moore Inst. Superintendent School Leadership	Jennifer Stacy-Alcantara Inst. Superintendent School Leadership	Matt Ward Inst. Superintendent/ School Leadership
Rebecca Wheeler Inst. Superintendent School Leadership	Billy Chan Inst. Superintendent Special Education	Jeremy Ward Assistant Superintendent College Career Readiness	Bryan Wells Assistant Superintendent Student Engagement
Annarita Howell Assistant Superintendent Human Resources	Tangee Pinheiro Inst. Superintendent Special Education	Zerina Hargrove-Brown Assistant Superintendent Research, Evaluation, & Assessment	Giovanna Difilippo Assistant Superintendent Human Resources
Maria Mazzoni Assistant Superintendent Human Resources	Yi Xiong Assistant Superintendent Human Resources	Kimberly Turk-Collins Assistant Superintendent Human Resources	Javan Childs Assistant Superintendent Human Resources
	Edith Navarro Assistant Superintendent Human Resources	Carlos Arredondo Assistant Superintendent Human Resources	

* Misty Her was appointed as the District's Acting Superintendent effective May 8, 2024. Robert G. Nelson, Ed.D. retained the title in an advisory capacity until his official resignation date of July 31, 2024.

(Continued)

The Administrative Services Leadership staff at June 30, 2024 was comprised of the following:

Kim Kelstrom Chief Executive Fiscal Services	Ashlee Chiarito Executive Officer State & Federal Programs	Stacey Sandoval Executive Director Risk Management
Steven Shubin Deputy Executive Payroll and Benefits	Rosa Contreras Executive Director, Accounting Fiscal Services	Luke Hicks Executive Director, Budget Fiscal Services

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

Audit Committee and Board of Education
Fresno Unified School District
Fresno, California

Report on Compliance

Qualified Opinion on State Compliance

We have audited Fresno Unified School District's (the District) compliance with the requirements specified in the State of California *2023-2024 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* applicable to the District's state program requirements identified below for the year ended June 30, 2024.

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion section of our report, Fresno Unified School District complied, in all material respects, with the compliance requirements that are applicable to the laws and regulations of the state programs noted in the table below for the year ended June 30, 2024.

Basis for Qualified Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2023-2024 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards and the *2023-2024 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Matter Giving Rise to Qualified Opinion on State Compliance

As described in the accompanying Schedule of Audit Findings and Questioned Costs as items 2024-001, 2024-002, 2024-003, the District did not comply with requirements regarding After/Before School Education and Safety Program, Comprehensive School Safety Plan, and Expanded Learning Opportunities Program. Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements applicable to these programs.

(Continued)

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements noted in the table below occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *2023-2024 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements noted in the table below is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *2023-2024 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements noted in the table and performing such other procedures as we consider necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *2023-2024 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, but not for the purpose of expressing an opinion on the effectiveness of the District's internal controls over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine the District's compliance with the state laws and regulations applicable to the following items:

2023-24 K-12 Audit Guide Procedures	Procedures Performed
Local Education Agencies Other than Charter Schools:	
A. Attendance	Yes
B. Teacher Certification and Misassignments	Yes
C. Kindergarten Continuance	Yes
D. Independent Study	Yes
E. Continuation Education	Yes
F. Instructional Time	Yes
G. Instructional Materials	Yes
H. Ratio of Administrative Employees to Teachers	Yes
I. Classroom Teacher Salaries	Yes
J. Early Retirement Incentive Program	N/A, see below
K. Gann Limit Calculation	Yes
L. School Accountability Report Card	Yes

(Continued)

2023-24 K-12 Audit Guide Procedures	Procedures Performed
M. Juvenile Court Schools	N/A, see below
N. Middle or Early College High Schools	Yes
O. K-3 Grade Span Adjustment	Yes
Q. Apprenticeship: Related and Supplemental Instruction	Yes
R. Comprehensive School Safety Plan	Yes
S. District of Choice	N/A, see below
TT. Home to School Transportation Reimbursement	Yes
School Districts, County Offices of Education, and Charter Schools:	
T. Proposition 28 Arts and Music in Schools	Yes
U. After/Before School Education and Safety Program	Yes
V. Proper Expenditure of Education Protection Account Funds	Yes
W. Unduplicated Local Control Funding Formula Pupil Counts	Yes
X. Local Control and Accountability Plan	Yes
Y. Independent Study – Course-Based	Yes
Z. Immunizations	N/A, see below
AZ. Educator Effectiveness	Yes
BZ. Expanded Learning Opportunities Grant (ELO-G)	N/A, see below
CZ. Career Technical Education Incentive Grant	Yes
DZ. Expanded Learning Opportunities Program	Yes
EZ. Transitional Kindergarten	Yes
Charter Schools:	
AA. Attendance	N/A, see below
BB. Mode of Instruction	N/A, see below
CC. Nonclassroom-Based Instruction/Independent Study	N/A, see below
DD. Determination of Funding for Nonclassroom-Based Instruction	N/A, see below
EE. Annual Instructional Minutes-Classroom Based	N/A, see below
FF. Charter School Facility Grant Program	N/A, see below

We did not perform any procedures related to Early Retirement Incentive Program because the District did not offer this program in the audit year.

We did not perform any procedures related to Juvenile Court Schools because the District does not operate any Juvenile Court Schools, as it is not a County Office of Education.

We did not perform any procedures related to District of Choice because the District is not reported as a District of Choice per the California Department of Education in the audit year.

We did not perform any procedures related to the Immunizations program because all schools submitted timely immunization assessment reports to the California Department of Public Health.

We did not perform any procedures related to Expanded Learning Opportunities Grant (ELO-G) because the District did not report any ELO-G expenditures during the current audit year.

We did not perform any of the testing related to charter schools, including procedures for section AA, BB, CC, DD, EE and FF in the preceding table because the District does not operate any charter schools.

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

(Continued)

Other Matter

Government Auditing Standards requires the auditor to perform limited procedures on Fresno Unified School District's responses to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Fresno Unified School District's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on these responses.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with compliance requirement will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Audit Findings and Questioned Costs as item 2024-001 to be a material weakness.

A *significant deficiency in internal control over compliance is a deficiency*, or a combination of deficiencies, in internal control over compliance 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 audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the *2023-2024 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

Crowe LLP

Crowe LLP

Sacramento, California
December 2, 2024

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

Audit Committee and Board of Education
Fresno Unified School District
Fresno, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fresno Unified School District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Fresno Unified School District's basic financial statements, and have issued our report thereon dated December 2, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

(Continued)

Report on Compliance and Other Matters

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

Purpose of this Report

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

Crowe LLP

Crowe LLP

Sacramento, California
December 2, 2024

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE UNIFORM GUIDANCE

Audit Committee and Board of Education
Fresno Unified School District
Fresno, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Fresno Unified School District's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of Fresno Unified School District's major federal programs for the year ended June 30, 2024. Fresno Unified School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Fresno Unified School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

(Continued)

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Fresno Unified School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

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

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

Report on Internal Control Over Compliance

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

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

(Continued)

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

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

Crowe LLP

Sacramento, California
December 2, 2024

FINDINGS AND RECOMMENDATIONS

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?		Yes	X	No
Significant deficiency(ies) identified not considered to be material weakness(es)?		Yes	X	None reported
Noncompliance material to financial statements noted?		Yes	X	No

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified?		Yes	X	No
Significant deficiency(ies) identified not considered to be material weakness(es)?		Yes	X	None reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?		Yes	X	No

Identification of major programs:

AL Number(s)	Name of Federal Program or Cluster
84.425, 84.425U	COVID-19: ESF Programs
84.287	ESEA: Title IV, Part B, 21st Century Community Learning Centers
84.010	Title I Programs

Dollar threshold used to distinguish between Type A and Type B programs: $3,000,000

Auditee qualified as low-risk auditee?	X	Yes		No

STATE AWARDS

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

(Continued)

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were noted.

(Continued)

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were noted.

(Continued)

SECTION IV - STATE AWARD FINDINGS AND QUESTIONED COSTS

2024-001 MATERIAL WEAKNESS - STATE COMPLIANCE – AFTER/BEFORE SCHOOL EDUCATION AND SAFETY (40000)

Criteria: Attendance Accounting and Reporting in California Public Schools, Title 5, CCR, Section 401 and 421(b) and Education Code Section 44809 - Each LEA must develop and maintain accurate and adequate records to support the attendance reported to the State of California.

Condition: Each of the sites selected for testing of attendance reporting of the After School component of the After/Before School Education and Safety Program resulted in differences between the supporting documentation of pupil counts when compared to the reported totals. The net impact was an overstatement of 70 days of attendance for the ASES program.

In addition, for the site selected for testing of attendance reporting of the Before School component of the ASES Program, differences were between the supporting documentation of pupil counts when compared to the reported totals. The net impact was an understatement of 12 days of attendance for the ASES program.

Context: We performed the audit procedures enumerated in the State of California *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* and identified the finding described above.

Effect: The District is out of compliance with state requirements.

Cause: The errors were the result of clerical errors in accounting for attendance.

Fiscal Impact: Not determinable.

Identification of Repeat Finding: This is a repeat of Finding 2023-001, further described in the Schedule of Prior Year Findings and Recommendations.

Recommendation: The District's management team should implement or reenforce internal controls to ensure accurate accounting for attendance for the ASES program.

Views of Responsible Officials and Planned Corrective Actions: The District's Extended Learning Team will provide annual training to retrain all after school staff, responsible for attendance accounting, on attendance procedures and reporting using the Fresno Unified Extended Learning Site Lead Manual. Managers from the Extended Learning Team will conduct random site visits throughout the school year to verify accurate reporting.

SECTION IV - STATE AWARD FINDINGS AND QUESTIONED COSTS

2024-002 DEFICIENCY - STATE COMPLIANCE – COMPREHENSIVE SCHOOL SAFETY PLAN (40000)

Criteria: Each school should adopt its comprehensive school safety plan as described in Education Code Section 32282 and reviewed and updated its plan by March 1 of the fiscal year.

Condition: The comprehensive school safety plans selected for testing at Cambridge Continuation High School and Del Mar Elementary School were reviewed and approved after March 1 of the fiscal year subject to audit.

Context: We performed the audit procedures enumerated in the State of California's *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* and identified the finding described above.

Effect: The District is out of compliance with requirements for Comprehensive School Safety Plans pursuant to Education Code section 32282.

Cause: The District completed review of the selected school safety plans after the designated March 1 of the fiscal year subject to audit.

Fiscal Impact: Not applicable.

Identification of Repeat Finding: Not applicable.

Recommendation: The District's management team should implement or reinforce internal controls to ensure the District meet the requirements for Comprehensive School Safety Plans, pursuant to Education Code section 32282.

Views of Responsible Officials and Planned Corrective Actions: The District's management team will establish a deadline for review of the comprehensive school safety plans before March 1 of each year under audit.

SECTION IV - STATE AWARD FINDINGS AND QUESTIONED COSTS

2024-003 DEFICIENCY - STATE COMPLIANCE – EXPANDED LEARNING OPPORTUNITIES PROGRAM (40000)

Criteria: Districts must ensure that all eligible pupils who participate in the Expanded Learning Opportunities Programs (ELO-P), have a corresponding registration form pursuant to Education Code 46120(g)(6). The form must be signed by the parent or guardian of the pupil, completed and on file with the District, and the students name must be included on the District's master enrollment list for ELO-P.

Condition: The District was unable to locate and provide registration forms for two students selected for testing in the Expanded Learning Opportunities program pursuant to Education Code 46120(g)(6).

Context: We performed the audit procedures enumerated in the State of California's *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* and identified the finding described above.

Effect: The District is out of compliance with requirements for Expanded Learning Opportunities Program pursuant to Education Code section 46120(g)(6).

Cause: The errors were the result of an internal control deficiency in District's process for retention of registration forms.

Fiscal Impact: The total calculated fiscal impact of this finding is $4,398, as calculated below:

A.	LEA Funding Rate – Fresno Unified School District:		Rate 1
B.	ELO-P Entitlement Calculation based on Rate 1	$	84,262,791
C.	Students Eligible for ELO-P Offering and Access		38,320
D.	Total ELO-P Errors Identified		2
E.	Proportional Penalty Factor (D) / (C)		0.005219%
F.	ELO-P Offering and Access Penalty (B) x (E)	$	4,398

Identification of Repeat Finding: Not applicable.

Recommendation: The District's management team should ensure school sites are maintaining appropriate records.

Views of Responsible Officials and Planned Corrective Actions: The District's management team will implement an electronic process to ensure all signed registration forms are maintained for the District's Expanded Learning Opportunities Program.

STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS

2023-001 DEFICIENCY STATE COMPLIANCE - AFTER SCHOOL EDUCATION AND SAFETY (40000)

Condition: Of the four sites selected for testing for the After School Education and Safety (ASES) Program, audit procedures identified that two of the sites attendance reporting included differences between the supporting documentation of pupil count attendance versus the reported counts. The net impact was an overstatement of 2 days of attendance for the ASES program.

Recommendation: The District should enforce controls to ensure accurate accounting for attendance.

Current Status: Not implemented.

District Explanation if Not Implemented: Refer to current year finding 2024-001.