



BOARD COMMUNICATIONS

MAY 02, 2025

TO: Members of the Board of Education
FROM: Mao Misty Her, Superintendent

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Board Communications Approved by:
Mao Misty Her, Superintendent



Fresno Unified School District
Board Communication

From the Office of the Superintendent
To the Members of the Board of Education
Prepared by: Mao Misty Her, Superintendent

Date: May 02, 2025

Phone Number: 457-3884

Regarding: Superintendent Calendar Highlights

The purpose of this communication is to inform the Board of notable calendar items:

- Spoke at Principal's Meeting
- Spoke at the Fresno State Send Off Event
- Site visits at Ahwahnee, Ayer, Burroughs, Greenberg, Hidalgo, Lane, Mayfair, Olmos, and Sunnyside
- Gave interview with Lasherica Thornton, EdSource, regarding being named Fresno Unified Superintendent
- Attended Dailey Board Meeting
- Visited Hmong language teachers' professional development session with Professor Zhang Xiao, Dr. Liang Yao, and Dr. Dia Cha
- Guest on Alexan Balekian's show *Sunday Conversations*
- Attended The Central Valley Community Foundation's Friends of the Foundation Dinner
- Attended Fresno Compact Board Meeting
- Attended the Hmong Symposium at California State University, Fresno
- Met with labor partners
- Keynote speaker at the Hmong History and Cultural Student Model Curriculum Project Conference
- Attending and speaking at the Hmong American Day Event at California State University, Fresno

If you have any questions pertaining to the information in this communication, or require additional information, please contact Misty Her at (559) 457-3884.

Cabinet Approval: 

Name and Title: Mao Misty Her, Superintendent

Fresno Unified School District
Board Communication

From the Office of the Superintendent
To the Members of the Board of Education
Prepared by: Kim Kelstrom, Chief Executive

Date: May 02, 2025

Phone Number: 457-3907

Regarding: School Services Weekly Update Reports for April 25, 2025

The purpose of this communication is to provide the Board a copy of School Services of California's (SSC) Weekly Updates. Each week SSC provides an update and commentary on different educational fiscal issues. In addition, they include different articles related to education issues. The SSC Weekly Updates for April 25, 2025, are attached and include the following articles:

- Finance Bulletin Shows Near-Term Fiscal Stability – April 23, 2025
- New California School Data Project Fulfills Campaign Promise Newsom Made – April 24, 2025
- California Overtakes Japan to Become World's Fourth-Largest Economy. But Tariffs Pose Threat – April 24, 2025

If you have any questions pertaining to the information in this communication, or require additional information, please contact Kim Kelstrom at (559) 457-3907.

Cabinet Approval:



Name and Title: Patrick Jensen, Chief Financial Officer



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DATE: April 25, 2025

TO: Misty Her
Interim Superintendent

AT: Fresno Unified School District

FROM: Your SSC Governmental Relations Team

RE: ***SSC's Sacramento Weekly Update***

Legislature Returns from Spring Recess

The Legislature returned from its spring recess on Monday, April 21, 2025, and hit the ground running holding a number of policy and budget hearings this week.

On Wednesday, April 23, the Senate Education Committee, chaired by Senator Sasha Renée Pérez (D-Alhambra), met and approved ten bills.

In last week's *Sacramento Update*, we reported that a dozen measures were slated to be heard by the committee, but two bills were removed from the agenda prior to the hearing: Senate Bill (SB) 622 (Grove, R-Bakersfield) and SB 612 (Valladares, R-Santa Clarita).

SB 622 is a contentious measure that would state that a pupil's participation in "sex-segregated school programs and activities, including athletic teams and competitions, shall be consistent with the pupil's sex at birth," but retain existing law that allows pupils to use facilities consistent with the pupil's gender identity, irrespective of the gender listed on the pupil's records. While the bill was expected to fail passage in the Democratically controlled committee, the measure was expected to draw a large crowd to the Capitol.

The other bill that was pulled, SB 612, would, subject to an appropriation, add a career technical education (CTE) course to the high school graduation requirements beginning with the class of 2032, and thus would require local educational agencies (LEAs) with high schools to offer a one-semester CTE course beginning with the 2028-29 school year.

It is unknown at this time whether SB 622 or SB 612 will be set for a hearing in next week's Senate Education Committee, which is expected to be the final hearing before the May 2 deadline for bills with a fiscal impact to clear policy committees.

The bills that were approved by the Senate Education Committee on Wednesday that would have implications for LEAs are:

- SB 414 (Ashby, D-Sacramento) would make a broad set of changes to charter school law, including adding new audit standards and training requirements for certified public accountants, expanding charter authorizer oversight duties, and requiring charter school governing boards to publicly review annual audit findings
- SB 494 (Cortese, D-San Jose) would expand due process rights for permanent classified employees of non-merit K-14 districts by establishing a right to appeal specified disciplinary actions to a neutral administrative law judge, jointly selected and funded by the employer and the employee or their representative, unless otherwise specified in a collective bargaining agreement
- SB 670 (Cervantes, D-Riverside) would define “immigrant integration,” for the purposes of the Adult Education Program, as a two-way process in which immigrants and the receiving society work together to build secure, thriving, cohesive, and inclusive communities
- SB 848 (Pérez) would establish new requirements to improve pupil safety from child sexual abuse by requiring school policies on adult-student boundaries, enhancing comprehensive school safety plans, expanding mandated reporters to include all school employees and volunteers, requiring students be trained on abuse prevention, and creating a statewide system for tracking classified employee egregious misconduct investigations

Both SB 494 and SB 670 will now go to the Senate Appropriations Committee, which means they have cleared the May 2 deadline for fiscal bills to clear policy committees. SB 414 and SB 848 still need to clear one more policy committee before meeting this deadline. SB 414 will be heard in the Senate Judiciary Committee next week while SB 848 will be heard in the Senate Public Safety Committee.

Newsom Launches Long-Awaited Cradle-to-Career Data System

On Tuesday, April 22, 2025, Governor Gavin Newsom unveiled the much-anticipated Cradle-to-Career (C2C) Data System, which links datasets from K-12 higher education, social service, and workforce entities to unite information from disconnected data across sectors and provide insights previously unavailable.

The stated goal of the C2C data system is for the public, educators, researchers, and policymakers to access detailed information on education and career outcomes, workforce trends, and more.

You can find the C2C data system [here](#).

Leilani Aguinaldo

Finance Bulletin Shows Near-Term Fiscal Stability

By Wendi McCaskill
School Services of California Inc.'s *Fiscal Report*
April 23, 2025

Yesterday, April 22, 2025, the Department of Finance released the April 2025 *Finance Bulletin*, painting a picture of fiscal stability in the near term. Preliminary General Fund cash receipts were \$144 million below the Governor's Budget forecast in March, and \$4.4 billion above the fiscal year-to-date forecast. The increase is primarily due to higher-than-forecasted personal income tax receipts, while corporation and sales tax receipts were lower than projected.

2024-25 Actual and Forecast Year-to-Date General Fund Revenues

(In Millions)	March 2025 YTD ¹ Forecast	March 2025 YTD Actual	Difference
Personal Income Tax	\$82,284	\$85,799	\$3,515
Corporation Tax	\$22,262	\$22,027	-\$235
Sales and Use Tax	\$25,650	\$25,324	-\$326
Miscellaneous	\$6,446	\$7,941	\$1,494
Total²	\$136,643	\$141,091	\$4,448

¹Year-to-date

²May appear inaccurate due to rounding

U.S. year-over-year headline inflation slowed from 2.8% in February to 2.4% in March. March core inflation, which excludes food and energy, was 2.8%. U.S. gross domestic product (GDP) grew at a seasonally adjusted annualized rate of 2.4% in the fourth quarter of 2024. That is up slightly from the previous estimate of 2.3% and following a 3.1% growth in the third quarter, bringing U.S. annual GDP growth to 2.8% in 2024. California's GDP also experienced growth at 1.4% in the fourth quarter of 2024, bringing California's annual growth to 3.6% for 2024. California experienced growth in personal income (6.5%) in 2024.

The U.S. unemployment rate increased to 4.2% in March while California's unemployment fell slightly to 5.3%, continuing to exceed the nation's. California has the fourth highest unemployment rate in the nation behind Michigan, the District of Columbia, and Nevada.¹ Three California employment sectors gained jobs (private education and health services, government, and other services) while seven sectors (trade, transportation, and utilities; leisure and hospitality; construction; information; professional and business services; manufacturing; and financial activities) lost jobs. Two sectors (mining and logging) remained unchanged.

As we approach the release of the May Revision next month, we anticipate a projected increase to the 2024-25 Proposition 98 minimum guarantee due to current-year revenues above forecasted figures. However, as mentioned in our recent *Fiscal Report* article, "[The Economy, State Revenues, and Proposition 98](#)," the condition of the General Fund is predicated on the health of California's economy. Moving forward, the

impact of national policy and market volatility on California's economy is unclear and is likely to result in a May Revision reflective of cautious budget assumptions.

¹U.S. Bureau of Labor Statistics, "State Unemployment Rates, March 2025, Seasonally Adjusted"

Note: The President of the Educational Results Partnership provided a critique that the C2C dashboard only follows the career trajectories of college graduates and thus assumes the only path to success for students is through a four-year college degree.

New California School Data Project Fulfills Campaign Promise Newsom Made

By Dan Walters
CalMatters
April 24, 2025

Gavin Newsom can — and should — be faulted for making campaign promises six years ago that he must have known were impossible to achieve, such as his vows to create single-payer health care and build 3.5 million new housing units.

When reminded of them after becoming governor, he dismissed them as "aspirational," a caveat he neglected to attach to his original pledges.

Nevertheless, credit is due when one of his promises becomes reality, as it did this week when the state launched the beginnings of a long-needed system of tracking how the state's public school students fare in classrooms and later in life.

The Cradle-to-Career project released its first batch of numbers, along with video tutorials on how to access the data.

"With the C2C Student Pathways Dashboard now live, Californians can visualize their futures by seeing disconnected data from across sectors and previously unavailable insights, all in one place," Newsom said in a statement. "The Golden State is once again leading the way in innovation, connecting our education system to the workforce to ensure everyone has the freedom to succeed."

However, not everyone in the rarified ranks of education researchers and reformers echoed Newsom's boasts.

Alex Barrios, president of the Educational Results Partnership, a business-backed education policy coalition, complained that "the dashboard fails to do what it promised. It doesn't represent the journeys of all students and how they navigate to and through careers.

"By following the career trajectories of only college graduates, it assumes the only path to success for students is through a four-year college degree," Barrio alleges.

The new data system should include all of the factors that Barrio's organization lists, but its criticism may be premature, since officials say they intend to expand the project's scope as rapidly as it can obtain data.

Assuming that the project does widen its reach, C2C, as it's dubbed, not only will be a lasting accomplishment for Newsom, but it will fill a void that's existed far too long. Without reliable data on outcomes, the nation's largest school system operates in an accountability vacuum, which the education establishment seems to prefer.

The state Department of Education has a "dashboard" that purports to give parents, taxpayers and voters a picture of how well schools are doing their job. However, the current system is a mishmash of educational jargon that is difficult to decipher. It also skews the ratings in ways that minimize actual academic achievement, such as in reading, writing and mathematics, and elevates peripheral factors it calls "multiple measures."

Thus, it downplays the fact that California's students fare very poorly vis-a-vis those in other states and the "achievement gap" still broadly separates low-income and English-learner students from those with more privileged circumstances.

Education reformers have long pushed for obtaining and publishing more objective and complete data, especially after former Gov. Jerry Brown and the Legislature overhauled school finance a decade ago to provide more funds to schools with substantial numbers of what were called "at-risk" students.

Better numbers would, the reformers said, provide a clearer understanding of whether Brown's Local Control Funding Formula was working.

Brown, however, backed the education establishment's preference for getting the money without strict accountability for how it was spent and whether it was having a positive effect. He said he trusted that local school officials would spend the extra money wisely, calling it "subsidiarity," a secular version of an obscure religious principle.

After Newsom succeeded Brown he quickly reversed that position and called for a comprehensive data system to track how students were faring during and after their journeys through the school system. The Legislature responded by authorizing the C2C system.

Note: Recent data from the International Monetary Fund and the U.S. Bureau of Economic Analysis has indicated that California has surpassed Japan and is now the world's fourth largest economy, trailing only the U.S., China, and Germany.

California Overtakes Japan to Become World's Fourth-Largest Economy. But Tariffs Pose Threat

By Hannah Fry and Clara Harter
Los Angeles Times
April 24, 2025

If California were its own country, its economy would now rank as the fourth-largest of any nation across the globe, Gov. Gavin Newsom said, a new milestone that comes at a time of major economic turbulence.

California has long been a global powerhouse, fueled by a variety of sectors including technology, agriculture, tourism and entertainment. The new ranking comes as the state is facing challenges from a trade war with China and other nations that are key California trading partners.

Newsom announced the state's new economic ranking Wednesday after recently released data from the International Monetary Fund and the U.S. Bureau of Economic Analysis indicated that California's nominal gross domestic product now exceeds Japan's.

According to the data, California's nominal GDP reached \$4.1 trillion, surpassing Japan's \$4.02 trillion. That places the Golden State behind only the United States at \$29.18 trillion, China at \$18.74 trillion and Germany at \$4.65 trillion.

"California isn't just keeping pace with the world — we're setting the pace," Newsom said in a statement. "Our economy is thriving because we invest in people, prioritize sustainability, and believe in the power of innovation."

Of the top-four global economies, California's is also the fastest growing, according to data and Newsom's office. Its nominal GDP grew at a rate of 6% in 2024, outpacing the U.S.' overall 5.3% rate, China's 2.6% rate and Germany's 2.9% rate. Meanwhile, Japan's growth has declined when measured in U.S. dollars, due in part to exchange-rate fluctuations and a drop in population.

In 2023, California's gross domestic product was about \$3.9 trillion, comprising roughly 14% of the national GDP, according to data published in January by the Public Policy Institute of California.

Newsom attributed California's showing to a growing population and record tourism spending coupled with a high concentration of venture capital and new business ventures. He also touted the strength of the state's agricultural, high-tech and manufacturing centers.

Growth in jobs and businesses have largely powered the state's economy. And the Golden State has benefited from its ties to the global marketplace and its position as the hub of the world's entrepreneurs, experts say.

"We've known for a long time that California is a very powerful economy. We have 40 million people. We have very productive workers and we have some unicorn businesses that have started here and continue here, such as Apple and Google," said Lee Ohanian, an economics professor at UCLA.

Real estate and finance have for decades been the largest contributors to the state's GDP. The professional services and information industries, driven largely by tech, have also grown significantly, data show.

California's labor market grew by roughly 30% — or 4.2 million jobs — between 1998 and the second quarter of 2024. Over the same time frame, the number of businesses with employees expanded more than 72%, according to the Public Policy Institute of California report.

The new data come at an uncertain time for the country as economists and business owners continue to sound the alarm about the toll a trade war could take on the economy, both in the United States and California.

President Trump's tariffs could hammer Southern California's nearly \$300-billion trade and logistics industry in the coming years, according to a Los Angeles County Economic Development Corp. report released this week.

The effects of tariffs could jeopardize California's ability to remain in fourth place, Kevin Klowden, executive director of Milken Institute Finance, told The Times in an email.

"Shipping and logistics make up a huge part of the economy as do California's ties in supply chains, exports and entrepreneurial activity, especially to Asia," Klowden said. "California is benefiting from the exemptions on computers and phones, but it is more exposed to world trade than most states. The main threat though is probably India, provided it is also not hit hard by tariffs."

Last week Newsom announced a lawsuit challenging Trump's executive authority to enact international tariffs without the support of Congress, calling the president's economic policies a "wrecking ball" to America's global reputation.

The legal action argues that the International Emergency Economic Powers Act that Trump cited to impose tariffs does not grant the president the ability to unilaterally adopt tariffs on goods imported to the U.S.

Newsom's office said California engaged in \$675 billion in two-way trade last year and stands to lose billions in state revenue under Trump's initial tariff policies. Some tariffs have since been relaxed.

"While we celebrate this success, we recognize that our progress is threatened by the reckless tariff policies of the current federal administration," Newsom said in a statement this week on the new economic milestone. "California's economy powers the nation, and it must be protected."

As U.S. and global markets tumbled following Trump's tariff announcement, Newsom announced that California would look for ways to expand trade and persuade international partners to continue working with the state, which he referred to as the "tent pole of the U.S. economy."

The last time California advanced in world economic ratings was 2018, when its nominal GDP surpassed the United Kingdom's to move into fifth place. India's economy, which is currently \$3.90 trillion, is predicted to overtake California's in 2026, according to current data trends.

And even amid economic growth, the state is grappling with deep financial inequalities that persist between its various regions and other headwinds that could hamper further prosperity.

In 2023, the Bay Area's per capita income was \$131,000, more than double that of the Inland Empire and Central Valley. Twenty-five years earlier, the regions had a roughly \$32,000 difference at most in per capita income, according to the PPIC analysis.

The chronic problems of housing unaffordability, homelessness, delayed infrastructure improvements, issues surrounding water storage and conveyance, and the loss of private-sector jobs could be barriers to additional growth, Ohanian said.

Since September 2022, California's private sector has lost a net 154,000 jobs, while the public sector has gained 361,000, according to last year's [Legislative Analyst's Office report](#).

"We need those private-sector jobs because they provide the tax base and tax revenue that fund what the state and local governments do," Ohanian said. "If we can make progress on those fronts, then I think California growth will accelerate."

Times staff writer Taryn Luna contributed to this report.

Fresno Unified School District
Board Communication

From the Office of the Superintendent
To the Members of the Board of Education
Prepared by: Patrick Jensen, Chief Financial Officer

Date: May 02, 2025

Phone Number: 457-6226

Regarding: Annual Debt Policy Update

The purpose of this communication is to provide the Board the annual report required under Board Policy 3470, Debt Issuance and Management. The policy states:

“The Superintendent or designee shall annually report to the Board regarding debts issued by the district, including information on actual and projected tax rates, an analysis of bonding capacity, ratings on the district's bonds, market update and refunding opportunities, new development for California bond financings, and the district's compliance with post-issuance requirements.”

The annual report as provided by Keygent, LLC, the district's financial advisor, is attached.

If you have any questions pertaining to the information in this communication, or require additional information, please contact Patrick Jensen at (559) 457-6226.

Cabinet Approval:



Name and Title: Patrick Jensen, Chief Financial Officer

Debts Issued by the District

The District has the following debt outstanding:

General Obligation ("GO") Bonds				
Issuance	Issuance Date	Maturity Date	Issuance Amount	Principal Outstanding June 1, 2025
2002 GO Refunding Bonds, Series A	12/3/2002	8/1/2026	\$ 65,485,000	\$ 2,770,000
2004 GO Refunding Bonds, Series B	11/16/2004	8/1/2027	58,040,000	6,070,000
GO Bonds, Election of 2001, Series F ⁽¹⁾	12/30/2009	8/1/2025	29,429,022	2,831,830
GO Bonds Election of 2010, Series E	9/23/2015	8/1/2045	54,998,095	4,269,644
2015 GO Refunding Bonds	7/2/2015	8/1/2030	14,555,000	765,000
GO Bonds Election of 2010, Series F	10/12/2016	8/1/2041	30,010,000	25,890,000
2016 GO Refunding Bonds, Series A	10/12/2016	8/1/2041	60,480,000	60,480,000
2016 GO Refunding Bonds, Series B	10/12/2016	8/1/2046	59,590,988	59,590,988
GO Bonds Election of 2016, Series A	5/31/2018	8/1/2043	59,996,623	22,719,294
GO Bonds Election of 2016, Series B	8/22/2019	8/1/2043	75,000,000	53,840,000
2019 GO Refunding Bonds	10/10/2019	8/1/2041	103,738,005	102,335,580
2020 GO Refunding Bonds	9/30/2020	8/1/2047	92,615,000	85,220,000
GO Bonds Election of 2016, Series C	9/30/2020	8/1/2043	45,000,000	36,295,000
GO Bonds Election of 2016, Series D	6/16/2021	8/1/2036	45,000,000	33,055,000
GO Bonds Election of 2020, Series A	6/16/2021	8/1/2055	80,000,000	63,940,000
2021 GO Refunding Bonds, Series A	12/15/2021	8/1/2029	30,290,000	20,190,000
2021 GO Refunding Bonds, Series B	12/15/2021	8/1/2045	70,360,000	69,705,000
GO Bonds Election of 2020, Series B	8/30/2022	8/1/2055	125,000,000	100,360,000
GO Bonds Election of 2020, Series C	8/24/2024	8/1/2055	60,000,000	56,075,000
2024 GO Refunding Bonds	8/24/2024	8/1/2040	18,610,000	620,000
Total			\$ 1,178,197,734	\$ 807,022,336

⁽¹⁾ The GO Bonds, Election of 2001, Series F secure payment of the \$41,398,000 Central Valley Support Services Joint Powers Agency 2009 GO Revenue Bonds (Fresno Unified School District Qualified School Construction Bonds) (the "2009 QSCBs"). Debt service on 2009 QSCBs is payable from debt service paid on the Series F Bonds and federal subsidy payments received with respect to the 2009 QSCBs.

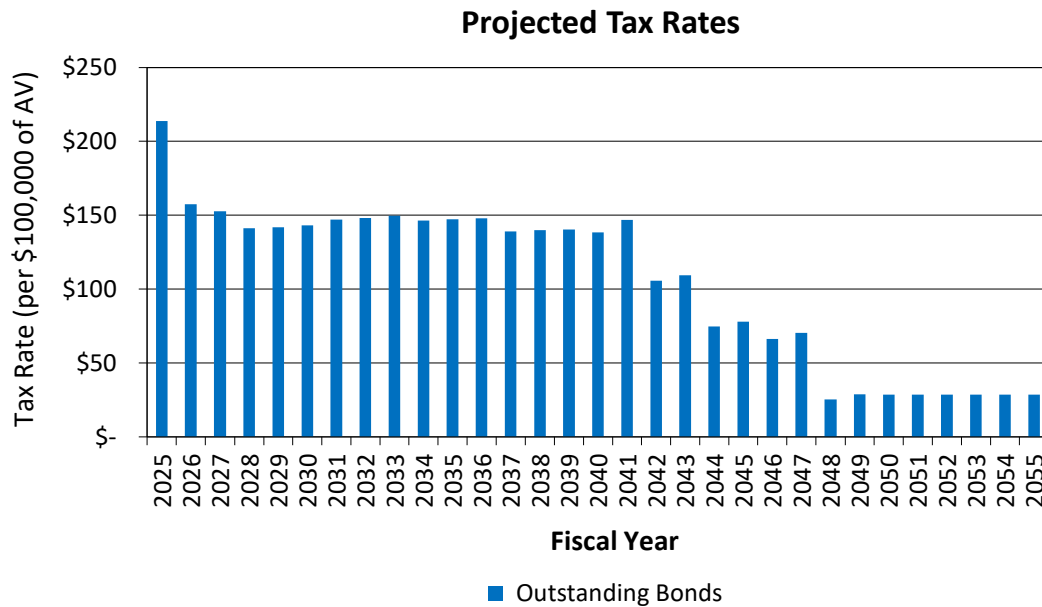
Bond Repayment Schedule as of 6/1/2025			
Fiscal Year	Principal	Interest	Total
2025-26	\$ 28,669,012	\$ 12,525,379	\$ 41,194,390
2026-27	23,168,588	23,958,794	47,127,382
2027-28	21,407,040	24,550,652	45,957,692
2028-29	19,685,259	24,288,373	43,973,633
2029-30	20,867,406	24,311,357	45,178,763
2030-31	22,110,289	24,828,302	46,938,591
Thereafter	671,114,741	349,567,928	1,020,682,669
Total	\$ 807,022,336	\$ 484,030,785	\$ 1,291,053,120

Lease Revenue Bonds ("LRB")				
Issuance	Issuance Date	Maturity Date	Issuance Amount	Principal Outstanding June 1, 2025
LRB, 2020 Refunding	9/30/2020	6/1/2036	\$ 6,750,000	\$ 4,455,000

Actual & Projected Tax Rates

The District's fiscal year 2024-25 bond tax rate is 0.21386% or \$213.86 per \$100,000 of assessed valuation. The District's projected tax rates are shown below. They are based on the following assumptions:

- Annual assessed value growth rate:
 - o 2025-26: 2.0%
 - o Thereafter: 3.0%
- 2% secured tax delinquency per Fresno County Auditor-Controller
- No supplemental tax collections (which typically lower the annual tax rate)



Please note that the above tax rate projections are for bonds currently outstanding; future planned bond issuances are not included.

Bonding Capacity

Bonding capacity is a statutory limit on the amount of general obligation bonds that can be issued at any given time. The District is also limited by the amount of bond authorization approved by voters. Bonding capacity is based on:

- Current assessed value multiplied by the 2.50% statutory debt limit factor
 - o The District has previously received a bonding capacity waiver from the State Board of Education for a 4.00% statutory debt limit factor; the District is in the process of requesting an additional 4.00% waiver
- Less: outstanding general obligation bonds

Estimated Current Bonding Capacity⁽¹⁾

2024-25 Total Assessed Value	\$ 29,137,496,270
Statutory Debt Limit Factor	x 4.00%
Bonding Capacity	<u>1,165,499,851</u>
 Outstanding GO Bonds	 (807,022,336)
 Available Bonding Capacity	 \$ 358,477,515

⁽¹⁾ Subject to confirmation by the County Auditor-Controller. Does not include unitary assessed values.

District Credit Ratings

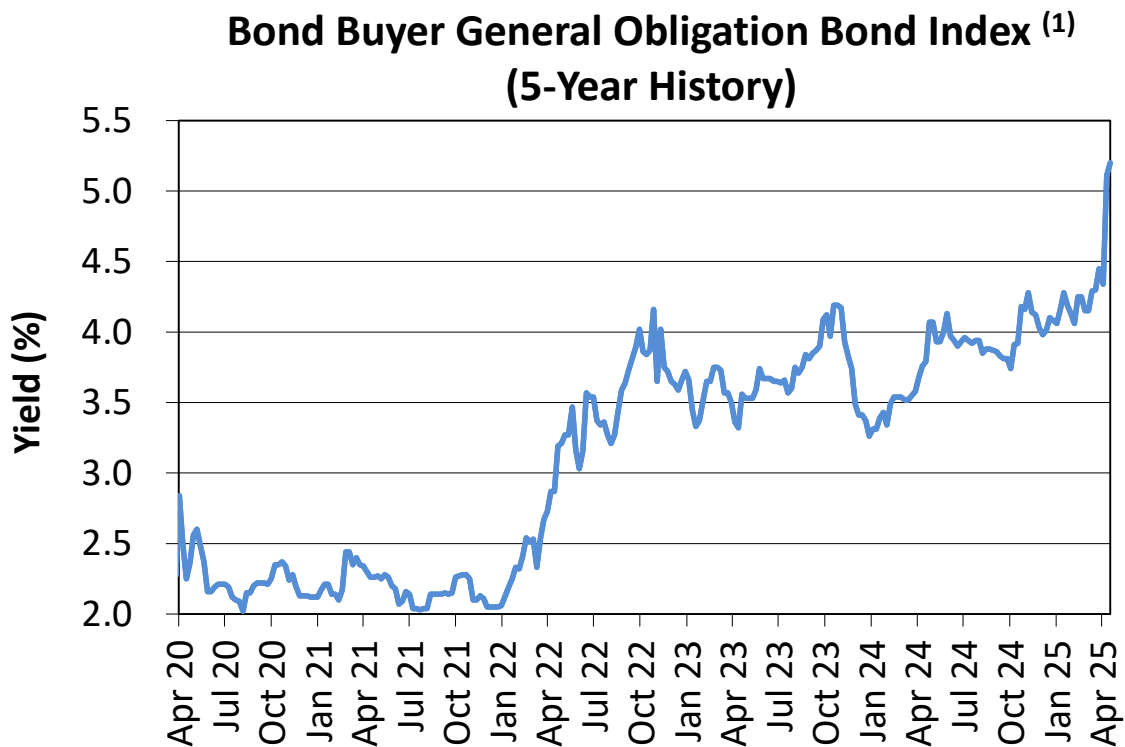
The three major credit rating agencies are Moody's, Standard & Poor's, and Fitch. Districts are rated on (1) local economy/tax base, (2) district finances, (3) district debt/pension obligations and (4) district management. Based on that information, districts are assigned a rating in accordance with the respective rating scale. The District's current ratings are:

- Moody's: (as of July 11, 2024)
 - GO Bonds: Aa3
 - LRBs: A2
 - Issuer Rating: A1
- Standard & Poor's: (as of November 21, 2024)
 - GO Bonds: A+
- The District does not have a Fitch rating

	Moody's	Standard & Poor's	Fitch	Rating Description
Investment grade	Aaa	AAA	AAA	Prime
	Aa1	AA+	AA+	High grade
	Aa2	AA	AA	
	Aa3	AA-	AA-	
	A1	A+	A+	Upper medium grade
	A2	A	A	
	A3	A-	A-	
	Baa1	BBB+	BBB+	Lower medium grade
	Baa2	BBB	BBB	
	Baa3	BBB-	BBB-	
Non-investment grade	Ba1	BB+	BB+	Speculative
	Ba2	BB	BB	
	Ba3	BB-	BB-	
	B1	B+	B+	Highly speculative
	B2	B	B	
	B3	B-	B-	
	Caa1 & below	CCC+ & below	CCC & below	Extremely speculative/ Default

Market Update

As shown below, municipal bond interest rates have experienced significant increases since 2022. Interest rates have risen from pandemic lows as a result of Federal Reserve interest rate increases to combat inflation. The Federal Reserve cut rates three times between September and December 2024 to the current 4.25% – 4.50% range. Thus far in 2025, the Federal Reserve has held rates unchanged. The municipal bond market has seen increased volatility and significant rate increases starting in April 2025 resulting from tariff actions/trade war implications.



⁽¹⁾ Source: Index reflects average yield to maturity of 20 general obligation bonds with 20-year maturities rated 'Aa2' by Moody's Investors Service and 'AA' by Standard and Poor's. Source: The Bond Buyer & Bloomberg

Refunding Opportunities

In March 2025, the Board of Education approved the 2025 General Obligation Refunding Bonds, which would refinance existing bonds for taxpayer savings. The bonds to be refinanced are the General Obligation Bonds, Election of 2010, Series E and Series F. The refinancing is anticipated to be sold in late summer 2025.

New Developments for California Bond Financings

November Election Results

Voters approved 24 of 26 requested parcel taxes on the November 2024 ballot, far outpacing the typical 65% passage rate for parcel taxes. Voters also approved 205 of 267 general obligation bond measures on the November ballot. The 77% bond passage rate was a notable improvement over the 60% passage rate of March 2024.

Possible Elimination of Tax-Exemption Status for Municipalities

The current Tax Cuts and Jobs Act is set to expire on December 31, 2025. In order to continue the Tax Cuts and Jobs Act, policymakers are looking at possible funding sources. One funding source being considered is the

possible elimination of tax exemption for municipalities. Districts have historically benefited from lower borrowing costs as a result of their tax-exempt status.

Assembly Bill 361 Best Value Procurement

Assembly Bill (“AB”) 361 is currently being piloted by Los Angeles USD and is set to expire January 1, 2026. AB 361 allows bidders on projects over \$1 million to be awarded by the governing board on the basis of best value, combining both price and qualifications of the bidder. The bill aims to make the authority permanent for Los Angeles USD and also available to all California school districts and county offices of education through 2030. CASBO is in support of AB 361.

District’s Compliance with Post-Issuance Requirements

The District has monitored its compliance with post-issuance requirements, including:

- Assign responsible personnel of the District to monitor and ensure compliance with the restrictions contained in each issuance’s tax certificate
- Provide adequate training to responsible District personnel to monitor compliance
- Establish adequate record retention and calendaring mechanisms internally to ensure that the District will be able to establish post issuance compliance
- Maintain records detailing the investment and expenditures of financing proceeds
- Seek expert advice regarding compliance with the arbitrage rebate and yield restriction provisions
- Carefully monitor and calendar the dates by which financing proceeds should be expended to comply with yield restriction and rebate exceptions and the dates rebate must be paid, if applicable
- Monitor use and retain contracts related to the use of the projects financed by the issuances throughout the term of the financings
- Regularly consult with bond counsel and other District advisors regarding any issues that arise regarding post issuance compliance

Fresno Unified School District
Board Communication

From the Office of the Superintendent
To the Members of the Board of Education
Prepared by: Lodgerio Jorge, Director

Date: May 02, 2025

Phone Number: 457-3035

Regarding: District Council 16 Painters Union Letters Received

The purpose of this communication is to provide a summary to the Board of letters received from the District Council 16 Painters Union regarding concerns of paint projects bid on by HB Restoration Inc.

The concerns pertain to paint projects bid on by HB Restoration Inc at Vang Pao Elementary School, Gaston Middle School, and Sunnyside High School. The union stated questionable performance practices in the past by the contractor. We have met with the union to work with them to establish guidelines to have access to monitor the projects and ensure compliance with state law.

This is common practice by the union to monitor projects to make sure that contractors are following law and that workers are getting paid prevailing wages. The union has monitored past district painting projects, and this is not a new process.

If you have any questions pertaining to the information in this communication, or require additional information, please contact Paul Idsvoog at (559) 457-3134.

Cabinet Approval:



Name and Title: Paul Idsvoog, Chief Operations and Classified Labor Management Officer