Financial Statements
June 30, 2025

Travis Unified School District

TRAVIS UNIFIED
SCHOOL DISTRICT

Reaching beyond the boundaries
to build a community of learners.

Travis Unified School District
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Independent Auditor's Report

To the Governing Board
Travis Unified School District
Fairfield, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Travis Unified School District (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Travis Unified School District, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Adoption of New Accounting Standard

As discussed in Note 15 to the financial statements, the District has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* for the year ended June 30, 2025. Accordingly, a restatement has been made to the governmental activities net position as of July 1, 2024, to restate beginning net position. Our opinions are not modified with respect to this matter.

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Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in the District's total OPEB liability and related ratios, schedule of the District's proportionate share of the net OPEB liability – MPP program, schedule of the District's proportionate share of the net pension liability - CalSTRS, schedule of the District's proportionate share of the net pension liability - CalPERS, schedule of the District's contributions - CalSTRS, and schedule of the District's contributions - CalPERS 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 GAAS, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The 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*, combining non-major governmental fund financial statements, 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 was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Schedule of Expenditures of Federal Awards, combining non-major governmental fund financial statements, and other supplementary information listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the Local Education Agency Organization Structure 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 5, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Eide Bailly LLP

Rancho Cucamonga, California
December 5, 2025

TRAVIS UNIFIED SCHOOL DISTRICT

Reaching beyond the boundaries to build a community of learners.

Tiffany Benson
Superintendent

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Cambridge Elementary School
100 Cambridge Drive, Vacaville
(707) 446-9494

Center Elementary School
3101 Markeley Lane, Fairfield
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Foxboro Elementary School
600 Morning Glory Drive, Vacaville
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Golden West Middle School
2651 De Ronde Drive, Fairfield
(707) 437-8240

Scandia Elementary School
100 Broadway Street, Travis AFB
(707) 437-4691

Travis Community Day School
2785 De Ronde Drive, Fairfield
(707) 437-8265

Travis Elementary School
100 Fairfield Avenue, Travis AFB
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2775 De Ronde Drive, Fairfield
(707) 437-8265

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2951 Markeley Lane, Fairfield
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Governing Board
Matthew Bidou
Brenda DaPrato
Tierra Ekstrom
Suzanne Schwartz
Will Wade

This section of Travis Unified School District's (the District) annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2025, with comparative information for the year ended June 30, 2024. Please read it in conjunction with the District's financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Financial Statements

The financial statements presented herein include all of the activities of the District and its component units using the integrated approach as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34.

The Government-Wide Financial Statements present the financial picture of the District from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business-type activities separately. These statements include all assets of the District (including capital assets), deferred outflows of resources, as well as all liabilities (including long-term liabilities) and deferred inflows of resources. Additionally, certain eliminations have occurred as prescribed by the statement in regard to interfund activity, payables, and receivables.

The *Fund Financial Statements* include statements for each of the two categories of activities: governmental and fiduciary.

- The *Governmental Funds* are prepared using the current financial resources measurement focus and modified accrual basis of accounting.

- The *Fiduciary Funds* are prepared using the economic resources measurement focus and the accrual basis of accounting.

Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach.

The Primary unit of the government is the Travis Unified School District.

REPORTING THE DISTRICT AS A WHOLE

The Statement of Net Position and the Statement of Activities

The *Statement of Net Position* and the *Statement of Activities* report information about the District as a whole and about its activities. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the District using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes in net position. Net position is the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources, which is one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position will serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Other factors to consider are changes in the District's property tax base and the condition of the District's facilities.

The relationship between revenues and expenses is the District's operating results. Since the governing board's responsibility is to provide services to our students and not to generate profit as commercial entities do, one must consider other factors when evaluating the overall health of the District. The quality of the education and the safety of our schools will likely be an important component in this evaluation.

In the *Statement of Net Position* and the *Statement of Activities*, we present the District activities as follows:

Governmental Activities - The District reports all of its services in this category. This includes the education of pre-kindergarten through grade twelve students, the operation of cafeteria activities, and the on-going effort to improve and maintain buildings and sites. Property taxes, State income taxes, user fees, interest income, Federal, State, and local grants, finance these activities.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds - not the District as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money that it receives from the U.S. Department of Education.

Governmental Funds - All of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund financial statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation following the governmental fund financial statements.

THE DISTRICT AS A TRUSTEE

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for funds held on behalf of others. The District's fiduciary activities are reported in the Fiduciary Fund Financial Statements. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE DISTRICT AS A WHOLE

Net Position

The District's net position was $72,215,518 for the fiscal year ended June 30, 2025. Of this amount, $(28,272,132) was unrestricted deficit. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the governing board's ability to use net position for day-to-day operations. Our analysis below, in summary form, focuses on the net position (Table 1) and change in net position (Table 2) of the District's governmental activities.

Table 1

	Governmental Activities	
	2025	2024*
Assets		
Current and other assets	$ 89,829,381	$ 70,557,065
Capital assets	104,469,602	86,564,683
Total assets	194,298,983	157,121,748
Deferred outflows of resources	21,986,200	21,482,225
Liabilities		
Current liabilities	23,711,044	11,388,201
Long-term liabilities	115,636,815	93,425,734
Total liabilities	139,347,859	104,813,935
Deferred inflows of resources	4,721,806	3,512,768
Net Position		
Net investment in capital assets	92,830,662	73,320,169
Restricted	7,656,988	27,022,116
Unrestricted	(28,272,132)	(30,065,015)
Total net position	$ 72,215,518	$ 70,277,270

* Amounts have not been restated for the effects of the implementation of GASB Statement No. 101 for comparative purposes. See Note 15 for further information.

The $(28,272,132) in the unrestricted net deficit of governmental activities represents the accumulated results of all past years' operations.

Changes in Net Position

The results of this year's operations for the District as a whole are reported in the *Statement of Activities* on page 14. Table 2 takes the information from the Statement and rearranges them slightly so you can see our total revenues for the year.

Table 2

	Governmental Activities	
	2025	2024*
Revenues		
Program revenues		
Charges for services and sales	$ 129,269	$ 1,024,159
Operating grants and contributions	11,699,539	13,557,309
Capital grants and contributions	1,276,931	-
General revenues		
Federal and State aid not restricted	60,862,289	61,716,037
Property taxes	14,976,280	13,495,171
Other general revenues	8,944,387	9,074,094
Total revenues	97,888,695	98,866,770
Expenses		
Instruction-related	57,383,575	60,016,848
Pupil services	14,075,617	14,018,837
Administration	5,418,678	5,943,290
Plant services	8,294,121	7,684,837
All other services	4,403,947	3,487,092
Total expenses	89,575,938	91,150,904
Change in net position	$ 8,312,757	$ 7,715,866

* The expenses for the year ended June 30, 2024, were not restated for the effects of the implementation of GASB Statement No. 101 for comparative purposes. See Note 15 for further information.

Governmental Activities

As reported in the Statement of Activities on page 14, the cost of all of our governmental activities this year was $89,575,938. However, the amount that our taxpayers ultimately financed for these activities through local taxes was only $14,976,280 because the cost was paid by those who benefited from the programs ($129,269) or by other governments and organizations who subsidized certain programs with grants and contributions ($12,976,470). We paid for the remaining "public benefit" portion of our governmental activities with $60,862,289 in State and Federal funds and with $8,944,387 other revenues, like interest and general entitlements.

In Table 3, we have presented the cost and net cost of each of the District's largest functions: instruction-related including, pupil services, administration, plant services, and all other services. As discussed above, net cost shows the financial burden that was placed on the District's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Table 3

	Total Cost of Services		Net Cost of Services	
	2025	2024*	2025	2024*
Instruction-related	$ 57,383,575	$ 60,016,848	$ (50,115,457)	$ (51,888,886)
Pupil services	14,075,617	14,018,837	(9,150,567)	(9,060,299)
Administration	5,418,678	5,943,290	(5,211,661)	(5,673,134)
Plant services	8,294,121	7,684,837	(8,191,017)	(7,021,560)
All other services	4,403,947	3,487,092	(3,801,497)	(2,925,557)
Total	$ 89,575,938	$ 91,150,904	$ (76,470,199)	$ (76,569,436)

* The expenses for the year ended June 30, 2024, were not restated for the effects of the implementation of GASB Statement No. 101 for comparative purposes. See Note 15 for further information.

THE DISTRICT'S FUNDS

As the District completed this year, our governmental funds reported a combined fund balance of $66,501,371, which is an increase of $7,012,314 from last year (Table 4).

Table 4

	Balances and Activity			
Governmental Fund	July 1, 2024	Revenues and Other Financing Sources	Expenditures and Other Financing Uses	June 30, 2025
General	$ 25,220,173	$ 84,020,440	$ 84,842,474	$ 24,398,139
Building	-	21,064,617	2,139,773	18,924,844
Capital Facilities	15,702,369	5,298,045	20,244,143	756,271
Capital Projects for Blended Component Units	12,758,239	4,483,492	2,770,346	14,471,385
Student Activity	165,023	274,862	279,928	159,957
Cafeteria	3,642,635	4,013,821	3,436,284	4,220,172
County School Facilities	8,734	1,278,507	1,276,931	10,310
Special Reserve Fund for Capital Outlay Projects	1,990,142	1,418,000	112,136	3,296,006
COP Capital Projects	187	10	-	197
Bond Interest and Redemption	-	261,376	-	261,376
COP Debt Service	1,555	1,490,478	1,489,319	2,714
Total	$ 59,489,057	$ 123,603,648	$ 116,591,334	$ 66,501,371

CAPITAL ASSETS AND LONG-TERM LIABILITIES

Capital Assets

At June 30, 2025, the District had $104,469,602 in a broad range of capital assets (net of depreciation and amortization), including land and construction in progress, buildings and improvements, furniture and equipment, right-to-use leased assets, and right-to-use subscription IT assets. This amount represents a net increase (including additions, deductions, depreciation, and amortization) of $17,904,919, or 20.68%, from last year (Table 5).

Table 5

	Governmental Activities	
	2025	2024
Land and construction in progress	$ 34,363,630	$ 12,778,255
Buildings and improvements	67,607,990	71,124,722
Furniture and equipment	2,291,684	2,250,480
Right-to-use leased assets	94,037	206,881
Right-to-use subscription IT assets	112,261	204,345
Total	$ 104,469,602	$ 86,564,683

Long-Term Liabilities

At the end of this year, the District had $115,636,815 in long-term liabilities outstanding versus $93,425,734 last year, an increase of $22,211,081, or 23.77%. The long-term liabilities consisted of:

Table 6

	Governmental Activities	
	2025	2024*
Long-Term Liabilities		
General obligation bonds	$ 21,000,000	$ -
Certificates of participation	13,980,000	14,855,000
Private placement debt issuances	8,238,217	9,306,280
Unamortized premiums	1,621,663	1,480,275
Leases	78,096	153,846
Subscription-based IT arrangements	117,390	207,539
Compensated absences	6,332,525	583,050
Net OPEB liability	2,821,211	2,553,901
Aggregate net pension liability	61,447,713	64,285,843
Total	$ 115,636,815	$ 93,425,734

* Amounts have not been restated for the effects of the implementation of GASB Statement No. 101 for comparative purposes. See Note 15 for further information.

ECONOMIC FACTORS AND NEXT YEARS' BUDGETS

In preparing the District budget for 2025-2026 and the multi-year projections through 2026-2027, the following assumptions and criteria were considered:

- The FY 2025-2026 budget includes expenditures sufficient to implement the actions and strategies included in the Local Control Accountability Plan (LCAP).
- Includes the 2.30% COLA for 2025-2026 and projected 3.02% COLA for 2026-2027.
- Includes 19.10% employer cost for STRS for both out years and 27.60% PERS for 2025-2026 and 28.00% for 2026-2027.
- 2025-2026 LCFF funded ADA based on 2025-2026 year ADA.
- Increasing special education costs, which increases the local contribution due to inadequate Federal and State funding.
- Removal of one-time State and Federal funding.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, parents, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. This report once approved by the Board of Trustees will be published to the District website. If you have questions about this report or need additional financial information, please contact the Director of Fiscal Services at Travis Unified School District, 2751 De Ronde Drive, Fairfield, California 94533.

	Governmental Activities
Assets	
Deposits and investments	$ 84,794,993
Receivables	4,899,377
Prepaid expense	38,924
Stores inventories	96,087
Capital assets not depreciated or amortized	34,363,630
Capital assets, net of accumulated depreciation and amortization	70,105,972
Total assets	194,298,983
Deferred Outflows of Resources	
Deferred outflows of resources related to OPEB	200,094
Deferred outflows of resources related to pensions	21,786,106
Total deferred outflows of resources	21,986,200
Liabilities	
Accounts payable	22,616,246
Interest payable	383,034
Unearned revenue	711,764
Current loans	
Long-term liabilities	
Long-term liabilities other than OPEB and pensions due within one year	3,635,305
OPEB liability due within one year	132,515
Long-term liabilities other than OPEB and pensions due in more than one year	47,732,586
Net other postemployment benefits (OPEB) liability due in more than one year	2,688,696
Aggregate net pension liability	61,447,713
Total liabilities	139,347,859
Deferred Inflows of Resources	
Deferred inflows of resources related to OPEB	116,535
Deferred inflows of resources related to pensions	4,605,271
Total deferred inflows of resources	4,721,806
Net Position	
Net investment in capital assets	92,830,662
Restricted for	
Capital projects	766,581
Educational programs	2,559,321
Other restrictions	4,331,086
Unrestricted	(28,272,132)
Total net position	$ 72,215,518

Functions/Programs	Expenses	Program Revenues: Charges for Services and Sales	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	$ 49,143,898	$ 6,710	$ 5,571,348	$ 1,276,931	$(42,288,909)
Instruction-related activities					
Supervision of instruction	2,201,381	16,543	290,528	-	(1,894,310)
Instructional library, media, and technology	1,471,938	1,527	4,309	-	(1,466,102)
School site administration	4,566,358	300	99,922	-	(4,466,136)
Pupil services					
Home-to-school transportation	3,475,591	4	-	-	(3,475,587)
Food services	3,584,347	1,062	3,665,282	-	81,997
All other pupil services	7,015,679	-	1,258,702	-	(5,756,977)
Administration					
Data processing	427,333	-	-	-	(427,333)
All other administration	4,991,345	2,713	204,304	-	(4,784,328)
Plant services	8,294,121	96,212	6,892	-	(8,191,017)
Ancillary services	937,050	4,198	288,513	-	(644,339)
Interest on long-term liabilities	1,369,171	-	-	-	(1,369,171)
Other outgo	2,097,726	-	309,739	-	(1,787,987)
Total governmental activities	$ 89,575,938	$ 129,269	$ 11,699,539	$ 1,276,931	(76,470,199)
General Revenues and Subventions					
Property taxes, levied for general purposes					11,201,414
Taxes levied for other specific purposes					3,774,866
Federal and State aid not restricted to specific purposes					60,862,289
Interest and investment earnings					3,660,043
Miscellaneous					5,284,344
Total general revenues and subventions					84,782,956
Change in Net Position					8,312,757
Net Position - Beginning, as previously reported					70,277,270
Adjustments (Note 15)					(6,374,509)
Net Position - Beginning					63,902,761
Net Position - Ending					$ 72,215,518

Travis Unified School District
Balance Sheet – Governmental Funds
June 30, 2025

	General Fund	Building Fund	Capital Facilities Fund	Capital Projects Fund for Blended Component Units	Non-Major Governmental Funds	Total Governmental Funds
Assets						
Deposits and investments	$ 35,694,427	$ 20,613,792	$ 6,286,855	$ 14,471,385	$ 7,728,534	$ 84,794,993
Receivables	4,400,324	-	-	-	499,053	4,899,377
Due from other funds	147,824	-	33,467	-	-	181,291
Prepaid expenditures	38,924	-	-	-	-	38,924
Stores inventories	47,044	-	-	-	49,043	96,087
Total assets	$ 40,328,543	$ 20,613,792	$ 6,320,322	$ 14,471,385	$ 8,276,630	$ 90,010,672
Liabilities and Fund Balances						
Liabilities						
Accounts payable	$ 15,185,173	$ 1,619,920	$ 5,564,051	$ -	$ 247,102	$ 22,616,246
Due to other funds	33,467	69,028	-	-	78,796	181,291
Unearned revenue	711,764	-	-	-	-	711,764
Total liabilities	15,930,404	1,688,948	5,564,051	-	325,898	23,509,301
Fund Balances						
Nonspendable	135,968	-	-	-	49,043	185,011
Restricted	2,559,321	18,924,844	756,271	14,471,385	4,605,683	41,317,504
Assigned	19,102,850	-	-	-	3,296,006	22,398,856
Unassigned	2,600,000	-	-	-	-	2,600,000
Total fund balances	24,398,139	18,924,844	756,271	14,471,385	7,950,732	66,501,371
Total liabilities and fund balances	$ 40,328,543	$ 20,613,792	$ 6,320,322	$ 14,471,385	$ 8,276,630	$ 90,010,672

Total Fund Balance - Governmental Funds		$ 66,501,371
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		
The cost of capital assets is	$ 167,535,754	
Accumulated depreciation and amortization is	(63,066,152)	
Net capital assets		104,469,602
In governmental funds, unmatured interest on long-term liabilities is recognized in the period when it is due. On the government-wide financial statements, unmatured interest on long-term liabilities is recognized when it is incurred.		(383,034)
Deferred outflows of resources represent a consumption of net position in a future period and is not reported in the governmental funds. Deferred outflows of resources amounted to and related to		
Other postemployment benefits (OPEB)	200,094	
Net pension liability	21,786,106	
Total deferred outflows of resources		21,986,200
Deferred inflows of resources represent an acquisition of net position that applies to a future period and is not reported in the governmental funds. Deferred inflows of resources amount to and related to		
Other postemployment benefits (OPEB)	(116,535)	
Net pension liability	(4,605,271)	
Total deferred inflows of resources		(4,721,806)
Net pension liability is not due and payable in the current period, and is not reported as a liability in the funds.		(61,447,713)
The District's OPEB liability is not due and payable in the current period, and is not reported as a liability in the funds.		(2,821,211)

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 year-end consist of		
General obligation bonds	$ (21,000,000)	
Certificates of participation	(13,980,000)	
Unamortized debt premiums	(1,621,663)	
Leases	(78,096)	
Subscription-based IT arrangements	(117,390)	
Compensated absences	(6,332,525)	
Private placement debt issuances	(8,238,217)	
Total long-term liabilities		$ (51,367,891)
Total net position - governmental activities		$ 72,215,518

Travis Unified School District

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year Ended June 30, 2025

	General Fund	Building Fund	Capital Facilities Fund	Capital Projects Fund for Blended Component Units	Non-Major Governmental Funds	Total Governmental Funds
Revenues						
Local Control Funding Formula (LCFF)	$ 64,819,146	$ -	$ -	$ -	$ -	$ 64,819,146
Federal sources	6,085,487	-	-	-	1,236,501	7,321,988
Other State sources	8,875,289	-	-	-	3,844,427	12,719,716
Other local sources	4,240,518	64,617	5,298,045	4,483,492	631,534	14,718,206
Total revenues	84,020,440	64,617	5,298,045	4,483,492	5,712,462	99,579,056
Expenditures						
Current						
Instruction	49,450,198	-	-	-	-	49,450,198
Instruction-related activities						
Supervision of instruction	2,278,038	-	-	-	-	2,278,038
Instructional library, media, and technology	1,504,681	-	-	-	-	1,504,681
School site administration	4,715,123	-	-	-	-	4,715,123
Pupil services						
Home-to-school transportation	3,311,836	-	-	-	-	3,311,836
Food services	287,593	-	-	-	3,350,198	3,637,791
All other pupil services	7,210,464	-	-	-	-	7,210,464
Administration						
Data processing	421,541	-	-	-	-	421,541
All other administration	4,697,371	-	28,210	-	86,086	4,811,667
Plant services	8,029,401	-	132,324	-	-	8,161,725
Ancillary services	670,403	-	-	-	279,928	950,331
Other outgo	2,097,726	-	-	-	-	2,097,726
Facility acquisition and construction	63,650	1,688,947	19,979,497	9,623	-	21,741,717
Debt service						
Principal	90,149	-	75,750	1,016,434	926,629	2,108,962
Interest and other	14,300	450,826	28,362	257,229	674,826	1,425,543
Total expenditures	84,842,474	2,139,773	20,244,143	1,283,286	5,317,667	113,827,343

See Notes to Financial Statements

Travis Unified School District

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year Ended June 30, 2025

	General Fund	Building Fund	Capital Facilities Fund	Capital Projects Fund for Blended Component Units	Non-Major Governmental Funds	Total Governmental Funds
Excess (Deficiency) of Revenues Over Expenditures	$ (822,034)	$ (2,075,156)	$ (14,946,098)	$ 3,200,206	$ 394,795	$ (14,248,287)
Other Financing Sources (Uses)						
Transfers in	-	-	-	-	2,763,991	2,763,991
Other sources - proceeds from issuance of general obligation bonds	-	21,000,000	-	-	-	21,000,000
Other sources - premium from issuance of general obligation bonds	-	-	-	-	260,601	260,601
Transfers out	-	-	-	(1,487,060)	(1,276,931)	(2,763,991)
Net Financing Sources (Uses)	-	21,000,000	-	(1,487,060)	1,747,661	21,260,601
Net Change in Fund Balances	(822,034)	18,924,844	(14,946,098)	1,713,146	2,142,456	7,012,314
Fund Balance - Beginning	25,220,173	-	15,702,369	12,758,239	5,808,276	59,489,057
Fund Balance - Ending	$ 24,398,139	$ 18,924,844	$ 756,271	$ 14,471,385	$ 7,950,732	$ 66,501,371

Total Net Change in Fund Balances - Governmental Funds		$ 7,012,314
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because		
Capital outlay to purchase or build capital assets are reported in governmental funds as expenditures; however, for governmental activities, those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation and amortization expense in the Statement of Activities.		
This is the amount by which capital outlay exceeds depreciation and amortization expense in the period.		
Capital outlay	$ 22,256,356	
Depreciation and amortization expense	(4,351,437)	
Net expense adjustment		17,904,919
In the Statement of Activities, certain operating expenses, such as compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This amount is the difference between compensated absences earned and used.		625,034
In the governmental funds, pension costs are based on employer contributions made to pension plans during the year. However, in the Statement of Activities, pension expense is the net effect of all changes in the deferred outflows/inflows of resources and net pension liability during the year.		1,973,409
In the governmental funds, OPEB costs are based on benefit payments made for OPEB plans during the year. However, in the Statement of Activities, OPEB expense is the net effect of all changes in the deferred outflows/inflows of resources and net OPEB liability during the year.		(107,652)
Proceeds received from general obligation bonds are a revenue in the governmental funds, but increase long-term liabilities in the Statement of Net Position and do not affect the Statement of Activities.		(21,000,000)
Governmental funds report the effect of premiums, discounts, and the deferred charge on refunding when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Premium on issuance recognized		(260,601)
Premium amortization		119,213

Payments of principal on long-term liabilities is an expenditure in the governmental funds, but reduce long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.		
Certificates of participation	$	875,000
Private placement debt issuances		1,068,063
Leases		75,750
Subscription-based IT arrangement		90,149
Interest on long-term liabilities is recorded as an expenditure in the funds when it is due; however, in the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due.		(62,841)
Change in net position of governmental activities	$	8,312,757

	Private-Purpose Trust
Assets	
Deposits and investments	$ 8,940
Net Position	
Restricted for individuals, organizations and other governments	$ 8,940

	Private-Purpose Trust
Additions	
Contributions	
Interest	$ 484
Net Position - Beginning	8,456
Net Position - Ending	$ 8,940

Note 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

Travis Unified School District (the District) was unified on January 30, 1962, under the laws of the State of California. The District operates under a locally elected five-member Board form of government and provides educational services to grades K - 12 as mandated by the State and/or Federal agencies. The District operates five elementary schools, one middle school, one high school, one alternative education high school, and one community day school.

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

Component Units

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District, in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete. For financial reporting purposes, the component units described below have a financial and operational relationship which meets the reporting entity definition criteria of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 80, *Blending Requirements For Certain Component Units*, and thus are included in the financial statements of the District. The component units, although legally separate entities, are reported in the financial statements using the blended presentation method as if they were part of the District's operations because the governing board of the component units is essentially the same as the governing board of the District and because their purpose is to finance the construction of facilities to be used for the direct benefit of the District.

The Public Property Financing Corporation of California (the Corporation) is presented in the financial statements as the Capital Projects Fund for Blended Component Units, the COP Capital Projects Fund, and the COP Debt Service Fund. Certificates of participation issued by the Corporation are included as long-term liabilities in the government-wide financial statements.

Basis of Presentation - Fund Accounting

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The District's funds are grouped into two broad fund categories: governmental and fiduciary.

Governmental Funds Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major and non-major governmental funds:

Major Governmental Funds

General Fund The General Fund is the chief operating fund for all districts. It is used to account for the ordinary operations of the District. All transactions except those accounted for in another fund are accounted for in this fund.

Three funds are currently defined, as a special revenue fund in the *California State Accounting Manual* (CSAM) do not meet the GASB Statement No. 54 special revenue fund definition. Specifically, Fund 14, Deferred Maintenance, Fund 17, Special Reserve Fund for Other Than Capital Outlay Projects and Fund 20, Special Reserve Fund for Postemployment Benefits, are not substantially composed of restricted or committed revenue sources. While these funds are authorized by statute and will remain open for internal reporting purposes, these funds function effectively as extensions of the General Fund, and accordingly have been combined with the General Fund for presentation in these audited financial statements.

As a result, the General Fund reflects an increase in fund balance of $4,596,865.

- **Building Fund** The Building Fund exists primarily to account separately for proceeds from the sale of bonds (*Education Code* Section 15146) and may not be used for any purposes other than those for which the bonds were issued.

- **Capital Facilities Fund** The Capital Facilities Fund is used primarily to account separately for monies received from fees levied on developers or other agencies as a condition of approval (*Education Code* Sections 17620-17626 and *Government Code* Section 65995 et seq.). Expenditures are restricted to the purposes specified in *Government Code* Sections 65970-65981 or to the items specified in agreements with the developer (*Government Code* Section 66006).

- **Capital Projects Fund for Blended Component Units** The Capital Project Fund for Blended Component Units is used to account for capital projects financed by Mello-Roos Community Facilities Districts and similar entities that are considered blended component units of the District under generally accepted accounting principles (GAAP).

Non-Major Governmental Funds

Special Revenue Funds The Special Revenue funds are used to account for the proceeds from specific revenue sources (other than trusts, major capital projects, or debt service) that are restricted or committed to the financing of particular activities, that compose a substantial portion of the inflows of the fund, and that are reasonably expected to continue. Additional resources that are restricted, committed, or assigned to the purpose of the fund may also be reported in the fund.

- **Student Activity Fund** The Student Activity Fund is used to account separately for the operating activities of the associated student body accounts that are not fiduciary in nature, including student clubs, general operations, athletics, and other student body activities.

- **Cafeteria Fund** The Cafeteria Fund is used to account separately for Federal, State, and local resources to operate the food service program (*Education Code* Sections 38090-38093) and is used only for those expenditures authorized by the governing board as necessary for the operation of the District's food service program (*Education Code* Sections 38091 and 38100).

Capital Project Funds The Capital Project funds are used to account for and report financial resources to be used for the acquisition or construction of major capital facilities and other capital assets (other than those financed by proprietary funds and trust funds).

- **County School Facilities Fund** The County School Facilities Fund is established pursuant to *Education Code* Section 17070.43 to receive apportionments from the 1998 State School Facilities Fund (Proposition 1A), the 2002 State School Facilities Fund (Proposition 47), the 2004 State School Facilities Fund (Proposition 55), the 2006 State School Facilities Fund (Proposition 1D), or the 2016 State School Facilities Fund (Proposition 51) authorized by the State Allocation Board for new school facility construction, modernization projects, and facility hardship grants, as provided in the Leroy F. Greene School Facilities Act of 1998 (*Education Code* Section 17070.10 et seq.).

- **Special Reserve Fund for Capital Outlay Projects** The Special Reserve Fund for Capital Outlay Projects exists primarily to provide for the accumulation of General Fund monies for capital outlay purposes (*Education Code* Section 42840).

- **COP Capital Projects Fund** The COP Capital Projects Fund is used to account for capital projects that are considered component units of the District under generally accepted accounting principles.

Debt Service Funds The Debt Service funds are used to account for the accumulation of resources for, and the payment of, principal and interest on general long-term liabilities.

- **COP Debt Service Fund** The COP Debt Service Fund is used to account for the interest and redemption of principal of certificates of participation.

- **Bond Interest and Redemption Fund** The Bond Interest and Redemption Fund is used for the repayment of bonds issued by the District (*Education Code* Sections 15125-15262).

Fiduciary Funds Fiduciary funds are used to account for resources held for the benefit of parties outside the District and are not available to support the District's own programs. Fiduciary funds are split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and custodial funds. The three types of trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics.

Trust funds are used to account for resources held by the District under a trust agreement for individuals, private organizations, or other governments. The District's trust funds are for scholarship activity.

Basis of Accounting - Measurement Focus

Government-Wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared.

The government-wide statement of activities presents a comparison between expenses, both direct and indirect, for each governmental function and exclude fiduciary activity. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. The District does not allocate indirect expenses to functions in the Statement of Activities, except for depreciation and amortization of capital assets. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the District. Eliminations have been made to minimize the double counting of internal activities.

Net position should be reported as restricted when constraints placed on net position are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Net position restricted for other activities results from special revenue funds and the restrictions on their use.

Fund Financial Statements Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major governmental funds are aggregated and presented in a single column.

- **Governmental Funds** All governmental funds are accounted for using the flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide financial statements, prepared using the economic resources measurement focus and the accrual basis of accounting, and the governmental fund financial statements, prepared using the flow of current financial resources measurement focus and the modified accrual basis of accounting.

- **Fiduciary Funds** Fiduciary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are excluded from the government-wide financial statements because they do not represent resources of the District.

Revenues – Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter, to be used to pay liabilities of the current fiscal year. The District considers revenues to be available if they are collected within one year after year-end, except for property taxes, which are considered available if collected within 60 days. The following revenue sources are considered to be both measurable and available at fiscal year-end: State apportionments, interest, certain grants, and other local sources.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, certain grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year in which the taxes are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include time and purpose restrictions. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned Revenue Unearned revenues arise when resources are received by the District before it has a legal claim to them, such as when certain grants are received prior to the occurrence of qualifying expenditures. In the subsequent periods, when the District has a legal claim to the resources, the liability for unearned revenue is removed from the financial statements and the revenue is recognized.

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred. Principal and interest on long-term liabilities, which has not matured, are recognized when paid in the governmental funds as expenditures. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds but are recognized in the government-wide financial statements.

Investments

Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost. Fair values of investments in county and State investment pools are determined by the program sponsor.

The District's investment in the county treasury is measured at fair value on a recurring basis, which is determined by the fair value per share of the underlying portfolio determined by the program sponsor. Positions in this investment pool are not required to be categorized within the fair value hierarchy.

Prepaid Expenditures (Expenses)

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Stores Inventories

Stores inventories consist of expendable food and supplies held for consumption. Inventories are stated at cost, on the weighted average basis. The costs of inventory items are recorded as expenditures in the governmental funds and expenses in the proprietary funds when consumed rather than when purchased.

Capital Assets, Depreciation, and Amortization

Capital assets are long-lived assets of the District. The District maintains a capitalization threshold of $5,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized but are expensed as incurred.

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized in the government-wide Statement of Net Position. The valuation basis for capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. Donated capital assets are capitalized at acquisition value on the date donated.

Depreciation is computed using the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 20 to 50 years; improvements/infrastructure, 5 to 50 years; equipment, 2 to 15 years. Land is not depreciated.

The District records impairments of capital assets when it becomes probable that the carrying value of the assets will not be fully recovered over their estimated useful life. Impairments are recorded to reduce the carrying value of the assets to their net realizable value based on facts and circumstances in existence at the time of the determination. No impairments were recorded during the year ended June 30, 2025.

The District records the value of intangible right-to-use assets based on the underlying leased asset in accordance with GASB Statement No. 87, *Leases*. The right-to-use intangible asset is amortized each year for the term of the contract or useful life of the underlying asset.

The District records the value of right-to-use subscription IT assets based on the underlying subscription asset in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The right-to-use subscription IT asset is amortized each year for the term of the contract or useful life of the underlying asset.

Right-to-use leased assets are recognized at the lease commencement date and represent the District's right-to-use an underlying asset for the lease term. Right-to-use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the leased asset into service. Right-to-use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period is 3 years.

Right-to-use subscription IT assets are recognized at the subscription commencement date and represent the District's right-to-use the underlying IT asset for the subscription term. Right-to-use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right-to-use subscription IT assets are amortized over the shorter of the subscription term or useful life of the underlying asset using the straight-line method. The amortization period varies from 3 to 6 years.

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables”. These amounts are eliminated in the governmental activities column of the statement of net position.

Compensated Absences

Compensated absences are accrued as a liability as the benefits are earned for leave balances that are more likely than not to be used for compensated leave or settled through cash or noncash means. The entire compensated absence liability is reported on the government-wide Statement of Net Position. For governmental funds, a liability for compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year-end that have not yet been paid with expendable available financial resources. These amounts are reported in the fund from which the employees who have accumulated leave are paid.

Sick leave is accumulated without limit for each employee at the rate of one day for each month worked. Leave with pay is provided when employees are absent for health reasons; however, the employees do not gain a vested right to accumulated sick leave. Employees are never paid for any sick leave balance at termination of employment or any other time. Therefore, only the portion of accumulated sick leave that is more likely than not to be used by the employee for paid leave is recognized as a liability in the District’s financial statements. Credit for unused sick leave is applicable to all classified school members who retire after January 1, 1999. At retirement, each member will receive 0.004 year of service credit for each day of unused sick leave. Credit for unused sick leave is applicable to all certificated employees and is determined by dividing the number of unused sick days by the number of base service days required to complete the last school year, if employed full-time. The portion of sick leave that is more likely than not to be settled through conversion to service credit for employee retirement plans is not included in the District’s liability for compensated absences.

Accrued Liabilities and Long-Term Liabilities

All payables, accrued liabilities, and long-term liabilities are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as liabilities of the governmental funds.

However, claims and judgments, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the governmental fund financial statements only to the extent that they are due for payment during the current year. Bonds, leases, and other long-term liabilities are recognized as liabilities in the governmental fund financial statements when due.

Debt Issuance Costs, Premiums, and Discounts

Debt premiums, discounts, and debt issuance costs related to prepaid insurance are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund Statement of Net Position. Debt premiums and discounts, as well as issuance costs related to prepaid insurance costs, are amortized over the life of the bonds using the straight-line method, which approximates the effective interest method.

In governmental fund financials statements, bond premiums, discounts, and debt issuance costs, are recognized in the period the bonds are issued. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures in the period the bonds are issued.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position also reports deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expense until then. The District reports deferred outflows of resources for pension related items and for OPEB related items.

In addition to liabilities, the Statement of Net Position reports 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 and so will not be recognized as revenue until then. The District reports deferred inflows of resources for pension related items and for OPEB related items.

Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the California State Teachers Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) plan for schools (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalSTRS and CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Member contributions are recognized in the period in which they are earned. Investments are reported at fair value. The net pension liability attributable to the governmental activities will be paid by the fund in which the employee worked.

Postemployment Benefits Other Than Pensions (OPEB)

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

Lease Liabilities

Lease liabilities represent the District's obligation to make lease payments arising from the lease. The District recognizes a lease liability in the government-wide financial statements. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments is discounted based on a borrowing rate determined by the District.

Subscription Liabilities

Subscription liabilities represent the District's obligation to make subscription payments arising from the subscription contract. Subscription liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of the subscription payments is discounted based on a borrowing rate determined by the District.

Fund Balances - Governmental Funds

As of June 30, 2025, fund balances of the governmental funds are classified as follows:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed - amounts that can be used only for specific purposes determined by a formal action of the governing board. The governing board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions or other action as approved by the governing board. The District currently does not have any committed funds.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the District's adopted policy, only the governing board or chief business officer/assistant superintendent of business services may assign amounts for specific purposes.

Unassigned - all other spendable amounts.

Spending Order Policy

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the governing board has provided otherwise in its commitment or assignment actions.

Minimum Fund Balance Policy

The governing board adopted a minimum fund balance policy for the General Fund in order to protect the District against revenue shortfalls or unpredicted one-time expenditures. The policy requires a reserve for economic uncertainties consisting of unassigned amounts equal to no less than three percent of General Fund expenditures and other financing uses.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position related to net investment in capital assets, consists of capital assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The government-wide financial statements report $7,656,988 of net position restricted by enabling legislation.

Interfund Activity

Transfers between governmental activities in the government-wide financial statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements. Interfund transfers are eliminated in the governmental activities column of the Statement of Activities.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Property Tax

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County of Solano bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

Adoption of New Accounting Standard

Implementation of GASB Statement No. 101

As of June 30, 2025, the District adopted GASB Statement No. 101, *Compensated Absences*. The provisions of this standard modernize the types of leave that are considered a compensated absence and provides guidance for a consistent recognition and measurement of the compensated absence liability. The effect of the implementation of this standard is disclosed in Note 15.

Note 2 - Deposits and Investments

Summary of Deposits and Investments

Deposits and investments as of June 30, 2025, are classified in the accompanying financial statements as follows:

Governmental funds	$ 84,794,993
Fiduciary funds	8,940
Total deposits and investments	$ 84,803,933

Deposits and investments as of June 30, 2025, consist of the following:

Cash on hand and in banks	$ 159,957
Cash with fiscal agent	2,911
Cash in revolving	50,000
Investments	84,591,065
Total deposits and investments	$ 84,803,933

Policies and Practices

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

Investment in County Treasury - The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their county treasurer (*Education Code* Section 41001). The fair value of the District's investment in the pool is reported in the accounting 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.

General Authorizations

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

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

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Pool and having the Pool purchase a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The District maintains an investment of $84,591,065 with the Solano County Treasury Investment Pool that has a weighted average maturity of 274 days.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment in the Solano County Treasury Investment Pool is not required to be rated, nor has it been rated as of June 30, 2025.

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California *Government Code* requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agency. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105% of the secured deposits. As of June 30, 2025, the District's bank balance was not exposed to custodial credit risk.

Note 3 - Receivables

Receivables at June 30, 2025, consisted of intergovernmental grants, entitlements, interest, and other local sources. All receivables are considered collectible in full.

	General Fund	Non-Major Governmental Funds	Total
Federal Government			
Categorical aid	$ 2,272,472	$ 147,194	$ 2,419,666
State Government			
Categorical aid	826,955	351,859	1,178,814
Lottery	498,653	-	498,653
Local Government			
Other local sources	802,244	-	802,244
Total	$ 4,400,324	$ 499,053	$ 4,899,377

Note 4 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2025, was as follows:

	Balance July 1, 2024	Additions	Deductions	Balance June 30, 2025
Governmental Activities				
Capital assets not being depreciated or amortized				
Land	$ 12,548,300	$ -	$ -	$ 12,548,300
Construction in progress	229,955	21,585,375	-	21,815,330
Total capital assets not being depreciated or amortized	12,778,255	21,585,375	-	34,363,630
Capital assets being depreciated and amortized				
Land improvements	15,761,041	155,964	-	15,917,005
Buildings and improvements	105,125,437	63,650	-	105,189,087
Furniture and equipment	10,995,388	451,367	-	11,446,755
Right-to-use leased buildings and improvements	338,532	-	-	338,532
Right-to-use subscription IT assets	315,423	-	(34,678)	280,745
Total capital assets being depreciated and amortized	132,535,821	670,981	(34,678)	133,172,124
Total capital assets	145,314,076	22,256,356	(34,678)	167,535,754
Accumulated depreciation and amortization				
Land improvements	(9,986,337)	(759,220)	-	(10,745,557)
Buildings and improvements	(39,775,419)	(2,977,126)	-	(42,752,545)
Furniture and equipment	(8,744,908)	(410,163)	-	(9,155,071)
Right-to-use leased buildings and improvements	(131,651)	(112,844)	-	(244,495)
Right-to-use subscription IT assets	(111,078)	(92,084)	34,678	(168,484)
Total accumulated depreciation and amortization	(58,749,393)	(4,351,437)	34,678	(63,066,152)
Net depreciable and amortizable capital assets	73,786,428	(3,680,456)	-	70,105,972
Governmental activities capital assets, net	$ 86,564,683	$ 17,904,919	$ -	$ 104,469,602

Depreciation and amortization expense was charged as a direct expense to governmental functions as follows:

Governmental Activities	
Instruction	$ 2,921,084
Supervision of instruction	73,085
School site administration	145,653
Home-to-school transportation	243,855
Food services	278,834
All other pupil services	120,962
Data processing	10,713
All other administration	332,689
Plant services	224,562
Total depreciation and amortization expense - governmental activities	$ 4,351,437

Note 5 - Interfund Transactions

Interfund Receivables/Payables (Due To/Due From)

Interfund receivable and payable balances arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Interfund receivable and payable balances at June 30, 2025, between major and non-major governmental funds are as follows:

	Due From			
Due To	General Fund	Building Fund	Non-Major Governmental Funds	Total
General Fund	$ -	$ 69,028	$ 78,796	$ 147,824
Capital Facilities Fund	33,467	-	-	33,467
Total	$ 33,467	$ 69,028	$ 78,796	$ 181,291

The balance of $78,796 is due to the General Fund from the Cafeteria Non-Major Governmental Fund for indirect costs.

The balance of $33,467 is due to the Capital Facilities Fund from the General Fund for reimbursement of construction costs.

The balance of $69,029 is due to the General Fund from the Building Fund for reimbursement of construction costs.

Operating Transfers

Interfund transfers for the year ended June 30, 2025, consisted of the following:

The Capital Projects Fund for Blended Component Units transferred to the COP Debt Service Non-Major Governmental Fund for debt service payments.	$ 1,487,060
The County School Facilities Non-Major Governmental Fund transferred to the Special Reserve Non-Major Governmental Fund for Capital Outlay Projects for reimbursement of construction costs.	1,276,931
Total	$ 2,763,991

Note 6 - Accounts Payable

Accounts payable at June 30, 2025, consisted of the following:

	General Fund	Building Fund	Capital Facilities Fund	Non-Major Governmental Funds	Total
Vendor payables	$ 2,787,433	$ -	$ 5,564,051	$ 228,007	$ 8,579,491
LCFF apportionment	4,701,619	-	-	-	4,701,619
Salaries and benefits	3,557,992	-	-	19,095	3,577,087
Construction	-	1,619,920	-	-	1,619,920
Due to CDE	4,138,129	-	-	-	4,138,129
Total	$ 15,185,173	$ 1,619,920	$ 5,564,051	$ 247,102	$ 22,616,246

Note 7 - Unearned Revenue

Unearned revenue at June 30, 2025, consisted of the following:

	General Fund
Federal financial assistance	$ 27,520
State categorical aid	486,259
Other local	197,985
Total	$ 711,764

Note 8 - Long-Term Liabilities Other than OPEB and Pensions

Summary

The changes in the District's long-term liabilities other than OPEB and pensions during the year consisted of the following:

	Balance July 1, 2024, as Restated	Additions	Deductions	Balance June 30, 2025	Due in One Year
Long-Term Liabilities					
General obligation bonds	$ -	$ 21,000,000	$ -	$ 21,000,000	$ -
Certificates of participation	14,855,000	-	(875,000)	13,980,000	945,000
Private placement debt issuances	9,306,280	-	(1,068,063)	8,238,217	1,106,855
Unamortized debt premiums	1,480,275	260,601	(119,213)	1,621,663	-
Leases	153,846	-	(75,750)	78,096	78,096
Subscription-based IT arrangements	207,539	-	(90,149)	117,390	83,752
Compensated absences	6,957,559	-	(625,034)	6,332,525	1,421,602
Total	$ 32,960,499	$ 21,260,601	$ (2,853,209)	$ 51,367,891	$ 3,635,305

The change in compensated absences is presented as a net change.

Payments on the general obligation bonds are made by the Bond Interest and Redemption Fund. Payments on certificates of participation are made by the COP Debt Service Fund. Private placement debt issuance payments are made by the Capital Projects Fund for Blended Component Units and the Special Reserve Fund for Capital Outlay Projects Fund. Payments on leases are made by the Capital Facilities Fund. Payments on the subscription-based IT arrangements are made by the General Fund.

General Obligation Bonds

The outstanding general obligation bonded debt is as follows:

Issuance Date	Final Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 1, 2024	Issued	Redeemed	Bonds Outstanding June 30, 2025
6/5/2025	8/1/2052	4.25-5.00%	$ 21,000,000	$ -	$ 21,000,000	$ -	$ 21,000,000

Debt Service Requirements to Maturity

The bonds mature through 2053 as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ -	$ 690,322	$ 690,322
2027	1,950,000	881,168	2,831,168
2028	2,100,000	828,669	2,928,669
2029	-	776,169	776,169
2030	-	776,169	776,169
2031-2035	-	3,880,844	3,880,844
2036-2040	1,690,000	3,727,344	5,417,344
2041-2045	3,785,000	3,031,725	6,816,725
2046-2050	6,220,000	1,922,691	8,142,691
2051-2053	5,255,000	337,488	5,592,488
Total	$ 21,000,000	$ 16,852,589	$ 37,852,589

Certificates of Participation

2016 Refunding Certificates of Participation

On February 25, 2016, the District issued Certificates of Participation totaling $19,625,000 pursuant to a lease agreement with the District and the Public Property Financing Corporation of California. Interest rates range from 2.00 to 5.00%. At June 30, 2025, the principal balance outstanding was $13,980,000.

The certificates mature as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 945,000	$ 568,819	$ 1,513,819
2027	1,020,000	519,694	1,539,694
2028	1,115,000	466,319	1,581,319
2029	1,210,000	408,194	1,618,194
2030	1,290,000	345,694	1,635,694
2031-2035	7,210,000	781,041	7,991,041
2036-2037	1,190,000	29,219	1,219,219
Total	$ 13,980,000	$ 3,118,980	$ 17,098,980

Private Placement Debt Issuance

2017 Series A Public Lease Revenue Bond

On June 5, 2017, the Public Property Financing Corporation of California issued $3,528,794 of a Tax-Exempt Lease with an interest rate of 2.49%. At June 30, 2025, the principal balance outstanding was $1,162,099.

2017 Series B Public Lease Revenue Bond

On June 5, 2017, the Public Property Financing Corporation of California issued $4,230,971 of a Renewable Energy Bond with an interest rate of 4.68%. At June 30, 2025, the principal balance outstanding was $4,230,971.

2017 Refunding Series C Public Lease Revenue Bond

On June 5, 2017, the Public Property Financing Corporation of California issued $7,806,090 of a Refunding Public Lease Revenue Bond with an interest rate of 2.49%. At June 30, 2025, the principal balance outstanding was $2,845,147.

The bonds mature as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 1,106,855	$ 290,899	$ 1,397,754
2027	1,149,286	263,074	1,412,360
2028	1,191,727	233,216	1,424,943
2029	1,236,989	197,596	1,434,585
2030	527,688	160,123	687,811
2031-2035	2,200,773	447,972	2,648,745
2036-2037	824,899	48,836	873,735
Total	$ 8,238,217	$ 1,641,716	$ 9,879,933

Leases

The District has entered into an agreement to lease portable buildings through May 2026. Under the lease, the District paid annual lease payments of $104,112. At June 30, 2025, the District has recognized a right-to-use leased asset, net of accumulated amortization, of $94,037 and a lease liability of $78,096 related to the agreement. During the fiscal year, the District recorded $112,844 in amortization expense and $28,362 in interest expense for the right-to-use the portable buildings. The District used discount rates ranging between 1.96% to 2.36%, based on the rates available to finance equipment over the same time periods.

The remaining principal and interest payment requirements for the lease obligation debt as of June 30, 2025 are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 78,096	$ 8,664	$ 86,760

Subscriptions-Based Information Technology Arrangements (SBITAs)

The District entered into various SBITA contracts for the use of digital curriculum software and school management software. At June 30, 2025, the District has recognized a right-to-use subscriptions IT asset of $112,261 and a SBITA liability of $117,390 related to these agreements. During the fiscal year, the District recorded $92,084 in amortization expense. The subscription liability was valued using discount rates ranging from 5.75% to 6.50% based on the District's incremental borrowing rate at the inceptions of the subscriptions.

The remaining principal and interest payment requirements for the SBITA obligation debt as of June 30, 2025 are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 83,752	$ 5,236	$ 88,988
2027	19,503	1,615	21,118
2028	14,135	813	14,948
Total	$ 117,390	$ 7,664	$ 125,054

Note 9 - Net Other Postemployment Benefits (OPEB) Liability

For the fiscal year ended June 30, 2025, the District reported net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense for the following plans:

OPEB Plan	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
District Plan	$ 2,628,842	$ 200,094	$ 116,535	$ 134,323
Medicare Premium Payment (MPP) Program	192,369	-	-	(26,671)
Total	$ 2,821,211	$ 200,094	$ 116,535	$ 107,652

The details of each plan are as follows:

District Plan

Plan Administration

The District's governing board administers the Postemployment Benefits Plan (the Plan). The Plan is a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for eligible retirees and their spouses. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Plan Membership

At July 1, 2024, the valuation date, the Plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits payments	10
Active employees	539
Total	549

Benefits Provided

The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Benefits are provided through a third-party insurer, and the full cost of benefits is covered by the Plan. The District's governing board has the authority to establish and amend the benefit terms as contained within the negotiated labor agreements.

The benefit payment requirements of the Plan members and the District are established and may be amended by the District, the Travis Unified Teachers Association (TUTA), the local California School Employees Association (CSEA), and unrepresented groups. The benefit payment is based on projected pay-as-you-go financing requirements as determined annually through the agreements with the District, TUTA, CSEA, and the unrepresented groups. For the measurement period of June 30, 2025, the District paid $88,700 in benefits.

Total OPEB Liability of the District

The District's total OPEB liability of $2,628,842 was measured as of June 30, 2025, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of July 1, 2024.

Actuarial Assumptions

The total OPEB liability in the July 1, 2024 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.00%, average, including inflation
Discount rate	5.20%
Healthcare cost trend rates	7.00% for 2025

The discount rate was based on the Bond Buyer 20-bond General Obligation Index.

Mortality rates were based on CalSTRS Experience Analysis (2015-2018) and CalPERS Experience Study (2000-2019). Mortality rates vary by age and sex. (Unisex mortality rates are not often used as individual OPEB benefits do not depend on the mortality table used.) If employees die prior to retirement, past contributions are available to fund benefits for employees who live to retirement. After retirement, death results in benefit termination or reeducation. Although higher mortality rates reduce service costs, the mortality assumption is not likely to vary from employer to employer.

The actuarial assumptions used in the July 1, 2024 valuation were based on the results of an actual experience study for the period June 30, 2023 to July 1, 2024.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance, June 30, 2024	$ 2,334,861
Service cost	212,683
Interest	110,544
Differences between expected and actual experience	110,261
Changes of assumptions	(50,807)
Benefit payments	(88,700)
Net change in total OPEB liability	293,981
Balance, June 30, 2025	$ 2,628,842

There were no changes to benefits noted from the prior evaluation. Changes of assumptions reflect a change in the discount rate from 3.97% in 2024 to 5.20% in 2025.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Total OPEB Liability
1% decrease (4.20%)	$ 2,807,804
Current discount rate (5.20%)	2,628,842
1% increase (6.20%)	2,459,670

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percent lower or higher than the current healthcare costs trend rates:

Healthcare Cost Trend Rate	Total OPEB Liability
1% decrease (6.0%)	$ 2,355,075
Current healthcare cost trend rate (7.0%)	2,628,842
1% increase (8.0%)	2,949,453

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

For the year ended June 30, 2025, the District recognized OPEB expense of $134,323. At June 30, 2025, 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
Differences between expected and actual experience	$ 168,895	$ 23,537
Changes of assumptions	31,199	92,998
Total	$ 200,094	$ 116,535

The deferred outflows of resources for OPEB contributions subsequent to measurement date will be recognized as reduction of the total OPEB liability in the subsequent fiscal year. The remaining deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2026	$ (17,418)
2027	40,323
2028	29,383
2029	5,597
2030	6,756
Thereafter	18,918
Total	$ 83,559

Medicare Premium Payment (MPP) Program

Plan Description

The Medicare Premium Payment (MPP) Program is administered by the California State Teachers' Retirement System (CalSTRS). The MPP Program is a cost-sharing multiple-employer other postemployment benefit plan (OPEB) established pursuant to Chapter 1032, Statutes 2000 (SB 1435). CalSTRS administers the MPP Program through the Teachers' Health Benefits Fund (THBF).

A full description of the MPP Program regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2023 annual actuarial valuation report, Medicare Premium Payment Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: https://www.calstrs.com/forms-publications.

Benefits Provided

The MPP Program pays Medicare Part A premiums and Medicare Parts A and B late enrollment surcharges for eligible members of the State Teachers Retirement Plan (STRP) Defined Benefit (DB) Program who were retired or began receiving a disability allowance prior to July 1, 2012 and were not eligible for premium free Medicare Part A. The payments are made directly to the Centers for Medicare and Medicaid Services (CMS) on a monthly basis.

The MPP Program is closed to new entrants as members who retire after July 1, 2012, are not eligible for coverage under the MPP Program.

The MPP Program is funded on a pay-as-you go basis from a portion of monthly District benefit payments. In accordance with California *Education Code* Section 25930, contributions that would otherwise be credited to the DB Program each month are instead credited to the MPP Program to fund monthly program and administrative costs. Total redirections to the MPP Program are monitored to ensure that total incurred costs do not exceed the amount initially identified as the cost of the program.

Net OPEB Liability and OPEB Expense

At June 30, 2025, the District reported a liability of $192,369 for its proportionate share of the net OPEB liability for the MPP Program. The 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 June 30, 2023. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB Plan relative to the projected contributions of all participating school districts, actuarially determined. The District's proportionate share for the measurement periods ended June 30, 2024 and June 30, 2023, was 0.0722%, with no change between the two periods.

For the year ended June 30, 2025, the District recognized OPEB expense of $(26,671).

Actuarial Methods and Assumptions

The June 30, 2024 total OPEB liability was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2023, and rolling forward the total OPEB liability to June 30, 2024, using the assumptions listed in the following table:

Measurement Date	June 30, 2024	June 30, 2023
Valuation Date	June 30, 2023	June 30, 2022
Experience Study	July 1, 2007 through June 30, 2022	July 1, 2015 through June 30, 2018
Actuarial Cost Method	Entry age normal	Entry age normal
Investment Rate of Return	3.93%	3.65%
Medicare Part A Premium Cost Trend Rate	5.00%	4.50%
Medicare Part B Premium Cost Trend Rate	6.50%	5.40%

For the valuation as of June 30, 2023, CalSTRS uses a generational mortality assumption, which is based off generational mortality tables that reflect expected future improvements in mortality and includes a base table and a projection table. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among members. The projection table reflects the expected annual reduction in mortality rates at each age. The current mortality assumption uses a base year of 2023, and projected improvement is based on the MP–2021 Ultimate Projection Scale.

Assumptions were made about future participation (enrollment) into the MPP Program because CalSTRS is unable to determine which members not currently participating meet all eligibility criteria for enrollment in the future. Assumed enrollment rates were derived based on past experience and are stratified by age with the probability of enrollment diminishing as the members' age increases. This estimated enrollment rate was then applied to the population of members who may meet criteria necessary for eligibility and are not currently enrolled in the MPP Program. Based on this, the estimated number of future enrollments used in the financial reporting valuation was 154 or an average of 0.12% of the potentially eligible population (132,333).

The MPP Program is funded on a pay-as-you-go basis with contributions generally being made at the same time and in the same amount as benefit payments and expenses coming due. Any funds within the MPP Program as of June 30, 2024, were to manage differences between estimated and actual amounts to be paid and were invested in the Surplus Money Investment Fund, which is a pooled investment program administered by the State Treasurer.

Discount Rate

As the MPP Program is funded on a pay-as-you-go basis, the OPEB plan's fiduciary net position was not projected to be sufficient to make projected future benefit payments. Therefore, the MPP Program used the Bond Buyer's 20-Bond GO Index from Bondbuyer.com as of June 30, 2024, as the discount rate, which was applied to all periods of projected benefit payments to measure the total OPEB liability. The discount rate as of June 30, 2024, was 3.93%, which is an increase of 0.28% from 3.65% as of June 30, 2023.

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

The following presents the District's proportionate share of the net OPEB liability calculated using the current discount rate, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Total OPEB Liability
1% decrease (2.93%)	$ 207,561
Current discount rate (3.93%)	192,369
1% increase (4.93%)	179,009

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Medicare Costs Trend Rates

The following presents the District's proportionate share of the net OPEB liability calculated using the Medicare costs trend rates, as well as what the net OPEB liability would be if it were calculated using Medicare costs trend rates that are one percent lower or higher than the current rates:

Medicare Costs Trend Rates	Net OPEB Liability
1% decrease (4.00% Part A and 5.50% Part B)	$ 178,209
Current Medicare costs trend rates (5.00% Part A and 6.50% Part B)	192,369
1% increase (6.00% Part A and 7.50% Part B)	208,177

Note 10 - Fund Balances

Fund balances are composed of the following elements:

	General Fund	Building Fund	Capital Facilities Fund	Capital Projects Fund for Blended Component Units	Non-Major Governmental Funds	Total
Nonspendable						
Revolving cash	$ 50,000	$ -	$ -	$ -	$ -	$ 50,000
Stores inventories	47,044	-	-	-	49,043	96,087
Prepaid expenditures	38,924	-	-	-	-	38,924
Total nonspendable	135,968	-	-	-	49,043	185,011
Restricted						
Legally restricted programs	2,559,321	-	-	-	-	2,559,321
Food service	-	-	-	-	4,171,129	4,171,129
Student activities	-	-	-	-	159,957	159,957
Capital projects	-	18,924,844	756,271	14,471,385	10,507	34,163,007
Debt services	-	-	-	-	264,090	264,090
Total restricted	2,559,321	18,924,844	756,271	14,471,385	4,605,683	41,317,504
Assigned						
Deferred maintenance	2,509,015	-	-	-	-	2,509,015
OPEB	68,141	-	-	-	-	68,141
Capital projects	-	-	-	-	3,296,006	3,296,006
Curriculum adoption	3,000,000	-	-	-	-	3,000,000
Technology refresh	1,000,000	-	-	-	-	1,000,000
Vacation liability	653,030	-	-	-	-	653,030
Reserve for sustainability	11,872,664	-	-	-	-	11,872,664
Total assigned	19,102,850	-	-	-	3,296,006	22,398,856
Unassigned						
Reserve for economic uncertainties	2,600,000	-	-	-	-	2,600,000
Total	$ 24,398,139	$ 18,924,844	$ 756,271	$ 14,471,385	$ 7,950,732	$ 66,501,371

Note 11 - Risk Management

Description

The District's risk management activities are recorded in the General Fund. Employee medical programs are administered by the General Fund through the purchase of commercial insurance. The District participates in the North Bay Schools Insurance Authority (NBSIA) joint powers agency for the workers' compensation, property and liability, and dental and vision programs. Refer to Note 14 for additional information regarding the JPA.

For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year for the three prior years.

Note 12 - Employee Retirement Systems

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

For the fiscal year ended June 30, 2025, the District reported its proportionate share of net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense for each of the above plans as follows:

Pension Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CalSTRS	$ 33,227,017	$ 12,122,604	$ 4,398,272	$ 3,332,031
CalPERS	28,220,696	9,663,502	206,999	5,308,182
Total	$ 61,447,713	$ 21,786,106	$ 4,605,271	$ 8,640,213

The details of each plan are as follows:

California State Teachers' Retirement System (CalSTRS)

Plan Description

The District contributes to the State Teachers Retirement Plan (STRP) administered by the California State Teachers' Retirement System (CalSTRS). STRP is a cost-sharing multiple-employer public employee retirement system defined benefit pension plan. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2023, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: https://www.calstrs.com/forms-publications.

Benefits Provided

The STRP provides retirement, disability and survivor benefits to beneficiaries. Benefits are based on members' final compensation, age, and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0% of final compensation for each year of credited service.

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program, and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the State is the sponsor of the STRP and obligor of the trust. In addition, the State is both an employer and nonemployer contributing entity to the STRP.

The District contributes exclusively to the STRP Defined Benefit Program; thus disclosures are not included for the other plans.

The STRP provisions and benefits in effect at June 30, 2025, are summarized as follows:

	STRP Defined Benefit Program	
Hire date	On or before December 31, 2012	On or after January 1, 2013
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	10.205%
Required employer contribution rate	19.10%	19.10%
Required state contribution rate	10.828%	10.828%

Contributions

Required member District and State of California contributions rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contributions rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1% of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2025, are presented above and the District's total contributions were $6,256,913.

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

At June 30, 2025, 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:

Total net pension liability, including State share	
Proportionate share of net pension liability	$ 33,227,017
State's proportionate share of the net pension liability	15,244,670
Total	$ 48,471,687

The net pension liability was measured as of June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating member districts and the State, actuarially determined. The District's proportionate share for the measurement period June 30, 2024 and June 30, 2023, respectively was 0.0495% and 0.0488%, resulting in a net increase in the proportionate share of 0.0007%.

For the year ended June 30, 2025, the District recognized pension expense of $3,332,031. In addition, the District recognized pension expense and revenue of $1,387,849 for support provided by the State. At June 30, 2025, 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
Pension contributions subsequent to measurement date	$ 6,256,913	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	1,961,839	541,915
Differences between projected and actual earnings on pension plan investments	-	134,069
Differences between expected and actual experience in the measurement of the total pension liability	3,758,404	1,452,998
Changes of assumptions	145,448	2,269,290
Total	$ 12,122,604	$ 4,398,272

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2026	$ (2,227,444)
2027	2,682,672
2028	(218,873)
2029	(370,424)
Total	$ (134,069)

The deferred outflows/(inflows) of resources related to the change in proportion and differences between contributions made and District's proportionate share of contributions, differences between expected and actual experience in the measurement of the total pension liability, and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is seven years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2026	$ 226,705
2027	119,969
2028	185,717
2029	477,546
2030	655,636
Thereafter	(64,085)
Total	$ 1,601,488

Actuarial Methods and Assumptions

Total pension liability for STRP was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2023, and rolling forward the total pension liability to June 30, 2024. The financial reporting actuarial valuation as of June 30, 2023, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2023
Measurement date	June 30, 2024
Experience study	July 1, 2007 through June 30, 2022
Actuarial cost method	Entry age normal
Discount rate	7.10%
Investment rate of return	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%

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

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 general investment consultant as an input to the process. The actuarial investment rate of return assumption was adopted by the board in January 2024 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS' independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. The assumed asset allocation and best estimates of the expected rates of return for each major asset class for the year ended June 30, 2024, 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	7%	3.65%
Cash/liquidity	2%	0.05%

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return of 7.10% and assuming that contributions, benefit payments and administrative expense occurred midyear. Based on these 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 total pension liability.

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Net Pension Liability
1% decrease (6.10%)	$ 59,099,991
Current discount rate (7.10%)	33,227,017
1% increase (8.10%)	11,622,010

California Public Employees Retirement System (CalPERS)

Plan Description

Qualified employees are eligible to participate in the School Employer Pool (SEP) under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2023 annual actuarial valuation report, Schools Pool Actuarial Valuation. This report and CalPERS audited financial information are publicly available reports that can be found on the CalPERS website under Forms and Publications at: https://www.calpers.ca.gov/page/forms-publications.

Benefits Provided

CalPERS provide service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor, and the member's final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed. An employee's eligible

survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or 52 for members hired on or after January 1, 2013), and has at least five years of credited service. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The CalPERS provisions and benefits in effect at June 30, 2025, are summarized as follows:

	School Employer Pool (CalPERS)	
Hire date	On or before December 31, 2012	On or after January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.00%	8.00%
Required employer contribution rate	27.05%	27.05%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contributions rates are expressed as percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2025, are presented above and the total District contributions were $4,356,709.

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

As of June 30, 2025, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling $28,220,696. The net pension liability was measured as of June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. The District's proportionate share for the measurement period June 30, 2024 and June 30, 2023, was 0.0790% and 0.0749%, respectively, resulting in a net increase in the proportionate share of 0.0041%.

For the year ended June 30, 2025, the District recognized pension expense of $5,308,182. At June 30, 2025, 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
Pension contributions subsequent to measurement date	$ 4,356,709	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	1,220,918	5,024
Differences between projected and actual earnings on pension plan investments	1,096,210	-
Differences between expected and actual experience in the measurement of the total pension liability	2,365,892	201,975
Changes of assumptions	623,773	-
Total	$ 9,663,502	$ 206,999

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2026	$ (9,450)
2027	1,704,359
2028	(251,841)
2029	(346,858)
Total	$ 1,096,210

The deferred outflows/(inflows) of resources related to the change in proportion and differences between contributions made and District's proportionate share of contributions, differences between expected and actual experience in the measurement of the total pension liability, and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 3.9 years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2026	$ 1,861,192
2027	1,327,785
2028	814,607
Total	$ 4,003,584

Actuarial Methods and Assumptions

Total pension liability for the SEP was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2023, and rolling forward the total pension liability to June 30, 2024. The financial reporting actuarial valuation as of June 30, 2023, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2023
Measurement date	June 30, 2024
Experience study	July 1, 1997 through June 30, 2015
Actuarial cost method	Entry age normal
Discount rate	6.90%
Investment rate of return	6.90%
Consumer price inflation	2.30%
Wage growth	Varies by entry age and service

The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries.

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 capital 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. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Global equity - cap-weighted	30%	4.54%
Global equity non-cap-weighted	12%	3.84%
Private equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed securities	5%	0.50%
Investment grade corporates	10%	1.56%
High yield	5%	2.27%
Emerging market debt	5%	2.48%
Private debt	5%	3.57%
Real assets	15%	3.21%
Leverage	(5%)	(0.59%)

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the SEP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on the School Employer Pool investments was applied to all periods of projected benefit payments to determine total pension liability.

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Net Pension Liability
1% decrease (5.90%)	$ 41,922,079
Current discount rate (6.90%)	28,220,696
1% increase (7.90%)	16,902,263

On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS in the amount of $3,078,210 (10.828% of annual payroll). Contributions are no longer appropriated in the annual Budget Act for the legislatively mandated benefits to CalPERS. Therefore, there is no on behalf contribution rate for CalPERS. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements.

Note 13 - Commitments and Contingencies

Grants

The District received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2025.

Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2025.

Construction Commitments

As of June 30, 2025, the District had the following commitments with respect to the unfinished capital projects:

Capital Project	Remaining Construction Commitment	Expected Date of Completion
Blacktop Resurfacing	$ 1,200,000	August 2025
Foxboro Siding	211,200	August 2025
GW Siding	3,649	August 2025
GW 6th Grade Expansion	12,877,013	August 2025
VHS Field & Turf	1,409,395	September 2025
SPED Portable Relocation	25,038	December 2025
Total	$ 15,726,295	

Note 14 - Participation in Joint Powers Authority

The District is a member of the North Bay Schools Insurance Authority (NBSIA) joint powers authority (JPA). The District pays an annual premium to the applicable entity for its workers' compensation and property liability coverage. The relationship between the District and the JPA is such that it is not a component unit of the District for financial reporting purposes.

These entities have budgeting and financial reporting requirements independent of member units and their financial statements are not presented in these financial statements; however, fund transactions between the entities and the District are included in these statements. Audited financial statements are generally available from the respective entities.

During the year ended June 30, 2025, the District made a payment of $1,757,698 to NBSIA for its workers' compensation and property and liability coverage.

Note 15 - Restatement

As of June 30, 2025, the District adopted GASB Statement No. 101, *Compensated Absences*. The provisions of this standard modernize the types of leave that are considered a compensated absence and provides guidance for a consistent recognition and measurement of the compensated absence liability. Therefore, compensated absences current portion and compensated absences noncurrent portion were increased by $1,531,244 and $4,843,265, respectively, as of July 1, 2024. The effect of this change in accounting principle is described in the table below.

	Governmental Activities
Beginning, as previously reported on June 30, 2024	$ 70,277,270
Change in accounting principle	(6,374,509)
Beginning, as Restated on July 1, 2024	$ 63,902,761

Required Supplementary Information
June 30, 2025

Travis Unified School District

	Budgeted Amounts			Variances - Positive (Negative)
	Original	Final	Actual	Final to Actual
Revenues				
Local Control Funding Formula	$ 64,854,229	$ 64,842,225	$ 64,819,146	$ (23,079)
Federal sources	4,025,229	5,578,592	6,085,487	506,895
Other State sources	7,385,329	8,143,194	8,875,289	732,095
Other local sources	1,961,469	3,560,111	4,240,518	680,407
Total revenues [1]	78,226,256	82,124,122	84,020,440	1,896,318
Expenditures				
Current				
Certificated salaries	36,783,072	35,334,366	35,419,348	(84,982)
Classified salaries	14,705,508	14,573,343	14,648,982	(75,639)
Employee benefits	19,860,554	18,656,742	18,847,441	(190,699)
Books and supplies	2,624,417	3,397,842	2,393,397	1,004,445
Services and operating expenditures	10,647,286	11,328,405	10,908,756	419,649
Other outgo	1,912,519	2,466,287	1,907,193	559,094
Capital outlay	-	664,889	612,908	51,981
Debt service				
Debt service - principal	-	-	90,149	(90,149)
Debt service - interest and other	-	-	14,300	(14,300)
Total expenditures [1]	86,533,356	86,421,874	84,842,474	1,579,400
Excess (Deficiency) of Revenues Over Expenditures	(8,307,100)	(4,297,752)	(822,034)	3,475,718
Other Financing Sources				
Transfers in	2,225,000	-	-	-
Net Change in Fund Balances	(6,082,100)	(4,297,752)	(822,034)	3,475,718
Fund Balance - Beginning	25,220,173	25,220,173	25,220,173	-
Fund Balance - Ending	$ 19,138,073	$ 20,922,421	$ 24,398,139	$ 3,475,718

[1] Due to the consolidation of Fund 14, Deferred Maintenance, Fund 17, Special Reserve Fund for Other Than Capital Outlay Projects and Fund 20 Special Reserve Fund for Postemployment Benefits for reporting purposes into the General Fund, additional revenues and expenditures pertaining to these other funds are included in the Actual (GAAP Basis) revenues and expenditures, however, are not included in the original and final General Fund budgets.

Travis Unified School District

Schedule of Changes in the District's Total OPEB Liability and Related Ratios

Year Ended June 30, 2025

	2025	2024	2023	2022
Total OPEB Liability				
Service cost	$ 212,683	$ 192,971	$ 191,947	$ 361,589
Interest	110,544	88,944	78,334	37,014
Difference between expected and actual experience	110,261	-	150,235	-
Changes of assumptions	(50,807)	(15,664)	57,633	(207,455)
Benefit payments	(88,700)	(84,530)	(50,694)	(63,057)
Net change in total OPEB liability	293,981	181,721	427,455	128,091
Total OPEB Liability - Beginning	2,334,861	2,153,140	1,725,685	1,597,594
Total OPEB Liability - Ending	$ 2,628,842	$ 2,334,861	$ 2,153,140	$ 1,725,685
Covered Payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Total OPEB Liability as a Percentage of Covered Payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Measurement Date	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022

	2021	2020	2019	2018
Total OPEB Liability				
Service cost	$ -	$ 149,253	$ 140,117	$ 136,036
Interest	-	64,160	61,931	57,987
Difference between expected and actual experience	(611,942)	-	-	-
Changes of assumptions	41,057	92,678	62,366	-
Benefit payments	-	(75,794)	(73,416)	(96,537)
Net change in total OPEB liability	(570,885)	230,297	190,998	97,486
Total OPEB Liability - Beginning	2,168,479	1,938,182	1,747,184	1,649,698
Total OPEB Liability - Ending	$ 1,597,594	$ 2,168,479	$ 1,938,182	$ 1,747,184
Covered Payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Total OPEB Liability as a Percentage of Covered Payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Measurement Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018

[1] The OPEB Plan is not administered through a trust and contributions are not made based on a measure of pay; therefore, no measure of payroll is presented.

Note: In the future, as data becomes available, ten years of information will be presented.

Year ended June 30,	2025	2024	2023	2022
Proportion of the net OPEB liability	0.0722%	0.0722%	0.0701%	0.0698%
Proportionate share of the net OPEB liability	$ 192,369	$ 219,040	$ 231,002	$ 278,516
Covered payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Proportionate share of the net OPEB liability as a percentage of it's covered payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Plan fiduciary net position as a percentage of the total OPEB liability	(1.02%)	(0.96%)	(0.94%)	(0.80%)
Measurement Date	June 30, 2023	June 30, 2023	June 30, 2022	June 30, 2021

[1] As of June 30, 2012, active members are no longer eligible for future enrollment in the MPP Program; therefore, the covered payroll disclosure is not applicable.

Note : In the future, as data becomes available, ten years of information will be presented.

Travis Unified School District

Schedule of the District's Proportionate Share of the Net Pension Liability - CalSTRS

Year Ended June 30, 2025

CalSTRS	2025	2024	2023	2022	2021
Proportion of the net pension liability	0.0495%	0.0488%	0.0467%	0.0465%	0.0461%
Proportionate share of the net pension liability	$ 33,227,017	$ 37,169,102	$ 32,467,827	$ 21,140,084	$ 44,640,231
State's proportionate share of the net pension liability	15,244,670	17,808,762	16,259,761	10,636,870	23,012,044
Total	$ 48,471,687	$ 54,977,864	$ 48,727,588	$ 31,776,954	$ 67,652,275
Covered payroll	$ 33,549,832	$ 29,522,084	$ 26,830,603	$ 25,071,579	$ 24,424,924
Proportionate share of the net pension liability as a percentage of its covered payroll	99.04%	125.90%	121.01%	84.32%	182.77%
Plan fiduciary net position as a percentage of the total pension liability	84%	81%	81%	87%	72%
Measurement Date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020

	2020	2019	2018	2017	2016
Proportion of the net pension liability	0.0463%	0.0443%	0.0450%	0.0449%	0.0474%
Proportionate share of the net pension liability	$ 41,778,041	$ 40,716,743	$ 41,610,073	$ 36,319,582	$ 31,929,420
State's proportionate share of the net pension liability	22,792,711	23,312,240	24,616,167	20,676,090	16,887,143
Total	$ 64,570,752	$ 64,028,983	$ 66,226,240	$ 56,995,672	$ 48,816,563
Covered payroll	$ 25,171,916	$ 22,164,789	$ 21,514,436	$ 22,761,463	$ 21,292,128
Proportionate share of the net pension liability as a percentage of its covered payroll	165.97%	183.70%	193.41%	159.57%	149.96%
Plan fiduciary net position as a percentage of the total pension liability	73%	71%	69%	70%	74%
Measurement Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015

Travis Unified School District

Schedule of the District's Proportionate Share of the Net Pension Liability - CalPERS

Year Ended June 30, 2025

CalPERS	2025	2024	2023	2022	2021
Proportion of the net pension liability	0.0790%	0.0749%	0.0729%	0.0728%	0.0736%
Proportionate share of the net pension liability	$ 28,220,696	$ 27,116,741	$ 25,072,588	$ 14,795,962	$ 22,569,601
Covered payroll	$ 15,689,262	$ 13,051,510	$ 11,247,870	$ 10,533,913	$ 10,676,795
Proportionate share of the net pension liability as a percentage of its covered payroll	179.87%	207.77%	222.91%	140.46%	211.39%
Plan fiduciary net position as a percentage of the total pension liability	72%	70%	70%	81%	70%
Measurement Date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020

	2020	2019	2018	2017	2016
Proportion of the net pension liability	0.0732%	0.0736%	0.0726%	0.0705%	0.0651%
Proportionate share of the net pension liability	$ 21,330,240	$ 19,628,437	$ 17,325,004	$ 13,930,582	$ 9,589,568
Covered payroll	$ 10,174,665	$ 10,200,940	$ 8,856,884	$ 7,462,708	$ 7,239,682
Proportionate share of the net pension liability as a percentage of its covered payroll	209.64%	192.42%	195.61%	186.67%	132.46%
Plan fiduciary net position as a percentage of the total pension liability	70%	71%	72%	74%	79%
Measurement Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015

CalSTRS	2025	2024	2023	2022	2021
Contractually required contribution	$ 6,256,913	$ 6,408,018	$ 5,638,718	$ 4,539,738	$ 4,049,060
Less contributions in relation to the contractually required contribution	6,256,913	6,408,018	5,638,718	4,539,738	4,049,060
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 32,758,707	$ 33,549,832	$ 29,522,084	$ 26,830,603	$ 25,071,579
Contributions as a percentage of covered payroll	19.10%	19.10%	19.10%	16.92%	16.15%

	2020	2019	2018	2017	2016
Contractually required contribution	$ 4,176,662	$ 4,097,988	$ 3,198,379	$ 2,706,516	$ 2,442,305
Less contributions in relation to the contractually required contribution	4,176,662	4,097,988	3,198,379	2,706,516	2,442,305
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 24,424,924	$ 25,171,916	$ 22,164,789	$ 21,514,436	$ 22,761,463
Contributions as a percentage of covered payroll	17.10%	16.28%	14.43%	12.58%	10.73%

CalPERS	2025	2024	2023	2022	2021
Contractually required contribution	$ 4,356,709	$ 4,185,895	$ 3,311,168	$ 2,576,887	$ 2,180,520
Less contributions in relation to the contractually required contribution	4,356,709	4,185,895	3,311,168	2,576,887	2,180,520
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 16,106,133	$ 15,689,262	$ 13,051,510	$ 11,247,870	$ 10,533,913
Contributions as a percentage of covered payroll	27.050%	26.680%	25.370%	22.910%	20.700%

	2020	2019	2018	2017	2016
Contractually required contribution	$ 2,105,464	$ 1,837,748	$ 1,584,308	$ 1,230,044	$ 884,107
Less contributions in relation to the contractually required contribution	2,105,464	1,837,748	1,584,308	1,230,044	884,107
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 10,676,795	$ 10,174,665	$ 10,200,940	$ 8,856,884	$ 7,462,708
Contributions as a percentage of covered payroll	19.720%	18.062%	15.531%	13.888%	11.847%

Note 1 - Purpose of Schedules

Budgetary Comparison Schedule

The District employs budget control by object codes and by individual appropriation accounts. Budgets are prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United State of America as prescribed by the Governmental Accounting Standards Board and provisions of the California *Education Code*. The governing board is required to hold a public hearing and adopt an operating budget no later than July 1 of each year. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for.

This schedule presents information for the original and final budgets and actual results of operations, as well as the variances from the final budget to actual results of operations.

Schedule of Changes in the District's Total OPEB Liability and Related Ratios

This schedule presents information on the District's changes in the total OPEB liability, including beginning and ending balances, and the total OPEB liability. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* – There were no changes in benefits terms since the previous valuation.
- *Changes of Assumptions* – The discount rate changed from 3.97% to 5.20% since the previous valuation.

Schedule of the District's Proportionate Share of the Net OPEB Liability - MPP Program

This schedule presents information on the District's proportionate share of the net OPEB Liability – MPP Program and the plan fiduciary net position. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* – There were no changes in the benefit terms since the previous valuation.
- *Changes of Assumptions* – The plan rate of investment return assumption was changed from 3.65% to 3.93% since the previous valuation. The Medicare Part A premium cost trend rate assumption was changed from 4.50% to 5.00%, while the Medicare Part B premium cost trend rate assumption was changed from 5.40% to 6.50% since the previous valuation.

Schedule of the District's Proportionate Share of the Net Pension Liability

This schedule presents information on the District's proportionate share of the net pension liability (NPL), the plan fiduciary net position and, when applicable, the State's proportionate share of the NPL associated with the District.

- *Changes in Benefit Terms* – There were no changes in benefit terms for the CalSTRS or CalPERS plans since the previous valuations.
- *Changes of Assumptions* – There were no changes in economic assumptions for the CalSTRS or CalPERS plans since the previous valuations.

Schedule of the District's Contributions

This schedule presents information on the District's required contribution, the amounts actually contributed, and any excess or deficiency related to the required contribution.

Supplementary Information
June 30, 2025

Travis Unified School District

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Passed Through Solano County Special Education Local Plan Area:			
Special Education Cluster			
Basic Local Assistance Entitlement, Part B, Section 611	84.027	13379	$ 1,175,286
Mental Health Allocation Plan, Part B, Section 611	84.027A	15197	65,452
Subtotal			1,240,738
Preschool Grants, Part B, Section 619	84.173	13430	42,447
Total Special Education (IDEA) Cluster			1,283,185
Title I, Part A - Basic Grants Low-Income and Neglected	84.010	14329	279,202
Title II, Part A, Supporting Effective Instruction	84.367	14341	73,471
Title III, English Learner Student Program	84.365	14346	3,633
Federal Impact Aid	84.041	10015	4,090,374
Total U.S. Department of Education			5,729,865
U.S. Department of Agriculture			
Passed Through California Department of Education			
Child Nutrition Cluster			
School Lunch - Section 4	10.555	13523	285,230
School Lunch - Section 11	10.555	13524	519,307
Meal Supplements	10.555	13755	2,044
Local Food for Schools	10.555	15708	13,837
Supply Chain Assistance (SCA) Funds	10.555	15655	112,807
Commodities	10.555	13524	209,427
Subtotal			1,142,652
School Breakfast - Basic	10.553	13525	206,655
Total Child Nutrition Cluster			1,349,307
Total U.S. Department of Agriculture			1,349,307
U.S. Department of Defense			
Junior Reserve Officer Training Corp.	12.000	[1]	$ 75,468
Passed Through Department Defense Education Activity (DoDEA)			
Alliance for Science	12.256	[1]	280,155
Total U.S. Department of Defense			355,623
Total Federal Financial Assistance			$ 7,434,795

[1] Pass-Through Entity Identifying Number not applicable

Travis Unified School District
Schedule of Average Daily Attendance
Year Ended June 30, 2025

	Final Report	
	Second Period Report	Annual Report
Regular ADA		
Transitional kindergarten through third	1,627.62	1,632.37
Fourth through sixth	1,168.02	1,165.96
Seventh and eighth	710.91	711.10
Ninth through twelfth	1,602.68	1,595.78
Total Regular ADA	5,109.23	5,105.21
Extended Year Special Education		
Transitional kindergarten through third	2.87	2.87
Fourth through sixth	0.93	0.93
Seventh and eighth	0.68	0.68
Ninth through twelfth	0.59	0.59
Total Extended Year Special Education	5.07	5.07
Special Education, Nonpublic, Nonsectarian Schools		
Transitional kindergarten through third	2.80	2.80
Fourth through sixth	2.41	2.73
Ninth through twelfth	6.59	6.81
Total Special Education, Nonpublic, Nonsectarian Schools	11.80	12.34
Extended Year Special Education, Nonpublic, Nonsectarian Schools		
Transitional kindergarten through third	0.41	0.41
Fourth through sixth	0.11	0.11
Ninth through twelfth	0.58	0.96
Total Extended Year Special Education, Nonpublic, Nonsectarian Schools	1.10	1.48
Total ADA	5,127.20	5,124.10

Travis Unified School District
Schedule of Instructional Time
Year Ended June 30, 2025

Grade Level	1986-1987 Minutes Requirement	2024-2025 Actual Minutes	Number of Minutes Credited Form J-13A	Total Minutes Offered	Traditional Calendar			Multitrack Calendar			Status
					Number of Actual Days	Number of Days Credited Form J-13A	Total Days Offered	Number of Actual Days	Number of Days Credited Form J-13A	Total Days Offered	
Kindergarten	36,000	-	60,025	60,025	180	-	180	-	-	-	Complied
Grades 1 - 3	50,400										
Grade 1		-	55,525	55,525	180	-	180	-	-	-	Complied
Grade 2		-	55,525	55,525	180	-	180	-	-	-	Complied
Grade 3		-	55,525	55,525	180	-	180	-	-	-	Complied
Grades 4 - 8	54,000										
Grade 4		-	57,490	57,490	180	-	180	-	-	-	Complied
Grade 5		-	57,490	57,490	180	-	180	-	-	-	Complied
Grade 6		-	57,490	57,490	180	-	180	-	-	-	Complied
Grade 7		-	54,980	54,980	180	-	180	-	-	-	Complied
Grade 8		-	54,980	54,980	180	-	180	-	-	-	Complied
Grades 9 - 12	64,800										
Grade 9		-	65,370	65,370	180	-	180	-	-	-	Complied
Grade 10		-	65,370	65,370	180	-	180	-	-	-	Complied
Grade 11		-	65,370	65,370	180	-	180	-	-	-	Complied
Grade 12		-	65,370	65,370	180	-	180	-	-	-	Complied

There were no adjustments to the Unaudited Actual Financial Report, which required reconciliation to the audited financial statements at June 30, 2025.

	(Budget) 2026 [1]	2025	2024 [1]	2023 [1]
General Fund [3]				
Revenues	$ 83,157,925	$ 83,764,816	$ 83,015,291	$ 82,624,936
Other sources	-	-	202,401	-
Total revenues and other sources	83,157,925	83,764,816	83,217,692	82,624,936
Expenditures	86,269,379	82,744,748	83,520,583	75,164,981
Other uses and transfers out	-	2,097,736	1,752,893	40,000
Total expenditures and other uses	86,269,379	84,842,484	85,273,476	75,204,981
Increase/(Decrease) in Fund Balance	(3,111,454)	(1,077,668)	(2,055,784)	7,419,955
Ending Fund Balance	$ 17,767,488	$ 19,801,274	$ 20,878,942	$ 22,934,726
Available Reserves [2]	$ 2,648,110	$ 2,600,000	$ 3,000,000	$ 2,255,000
Available Reserves as a Percentage of Total Outgo	3.07%	3.06%	3.52%	3.00%
Long-Term Liabilities [4]	N/A	$ 115,636,815	$ 93,425,734	$ 88,550,867
K-12 Average Daily Attendance at P-2	5,212	5,127	5,176	5,017

The General Fund balance has decreased by $3,133,452 over the past two years. The fiscal year 2025-2026 budget projects a decrease of $2,033,786 (10.27%). For a district this size, the State recommends available reserves of at least 3% of total General Fund expenditures, transfers out, and other uses (total outgo).

The District has incurred operating deficits in two of the past three years and anticipates incurring an operating deficit during the 2025-2026 fiscal year. Total long-term liabilities have increased by $27,085,948 over the past two years.

Average daily attendance has increased by 110 over the past two years. Additional growth of 85 ADA is anticipated during fiscal year 2025-2026.

[1] Financial information for 2026, 2024, and 2023 are included for analytical purposes only and has not been subjected to audit.

[2] Available reserves consist of all unassigned fund balances including all amounts reserved for economic uncertainties contained with the General Fund.

[3] General Fund amounts do not include activity related to the consolidation of Fund 14, Deferred Maintenance, Fund 17, Special Reserve Fund for Other Than Capital Outlay Projects and Fund 20, Special Reserve Fund for Postemployment Benefits as required by GASB Statement No. 54.

[4] Amounts have not been restated for the effects of the implementation of GASB Statement No. 101 for comparative purposes. See Note 15 for further information.

	Student Activity Fund	Cafeteria Fund	County School Facilities Fund	Special Reserve Fund for Capital Outlay Projects
Assets				
Deposits and investments	$ 159,957	$ 3,997,974	$ 10,310	$ 3,296,006
Receivables	-	499,053	-	-
Stores inventories	-	49,043	-	-
Total assets	$ 159,957	$ 4,546,070	$ 10,310	$ 3,296,006
Liabilities and Fund Balances				
Liabilities				
Accounts payable	$ -	$ 247,102	$ -	$ -
Due to other funds	-	78,796	-	-
Total liabilities	-	325,898	-	-
Fund Balances				
Nonspendable	-	49,043	-	-
Restricted	159,957	4,171,129	10,310	-
Assigned	-	-	-	3,296,006
Total fund balances	159,957	4,220,172	10,310	3,296,006
Total liabilities and fund balances	$ 159,957	$ 4,546,070	$ 10,310	$ 3,296,006

	COP Capital Projects Fund	Bond Interest and Redemption Fund	COP Debt Service Fund	Total Non-Major Governmental Funds
Assets				
Deposits and investments	$ 197	$ 261,376	$ 2,714	$ 7,728,534
Receivables	-	-	-	499,053
Stores inventories	-	-	-	49,043
Total assets	$ 197	$ 261,376	$ 2,714	$ 8,276,630
Liabilities and Fund Balances				
Liabilities				
Accounts payable	$ -	-	$ -	$ 247,102
Due to other funds	-	-	-	78,796
Total liabilities	-	-	-	325,898
Fund Balances				
Nonspendable	-	-	-	49,043
Restricted	197	261,376	2,714	4,605,683
Assigned	-	-	-	3,296,006
Total fund balances	197	261,376	2,714	7,950,732
Total liabilities and fund balances	$ 197	$ 261,376	$ 2,714	$ 8,276,630

	Student Activity Fund	Cafeteria Fund	County School Facilities Fund	Special Reserve Fund for Capital Outlay Projects
Revenues				
Federal sources	$ -	$ 1,236,501	$ -	$ -
Other State sources	-	2,567,496	1,276,931	-
Other local sources	274,862	209,824	1,576	141,069
Total revenues	274,862	4,013,821	1,278,507	141,069
Expenditures				
Current				
Pupil services				
Food services	-	3,350,198	-	-
Administration				
All other administration	-	86,086	-	-
Ancillary services	279,928	-	-	-
Debt service				
Principal	-	-	-	51,629
Interest and other	-	-	-	60,507
Total expenditures	279,928	3,436,284	-	112,136
Excess (Deficiency) of Revenues Over Expenditures	(5,066)	577,537	1,278,507	28,933
Other Financing Sources (Uses)				
Transfers in	-	-	-	1,276,931
Other sources - premium from issuance of general obligation bonds	-	-	-	-
Transfers out	-	-	(1,276,931)	-
Net Financing Sources (Uses)	-	-	(1,276,931)	1,276,931
Net Change in Fund Balances	(5,066)	577,537	1,576	1,305,864
Fund Balance - Beginning	165,023	3,642,635	8,734	1,990,142
Fund Balance - Ending	$ 159,957	$ 4,220,172	$ 10,310	$ 3,296,006

	COP Capital Projects Fund	Bond Interest and Redemption Fund	COP Debt Service Fund	Total Non-Major Governmental Funds
Revenues				
Federal sources	$ -	$ -	$ -	$ 1,236,501
Other State sources	-	-	-	3,844,427
Other local sources	10	775	3,418	631,534
Total revenues	10	775	3,418	5,712,462
Expenditures				
Current				
Pupil services				
Food services	-	-	-	3,350,198
Administration				
All other administration	-	-	-	86,086
Ancillary services	-	-	-	279,928
Debt service				
Principal	-	-	875,000	926,629
Interest and other	-	-	614,319	674,826
Total expenditures	-	-	1,489,319	5,317,667
Excess (Deficiency) of Revenues Over Expenditures	10	775	(1,485,901)	394,795
Other Financing Sources				
Transfers in	-	-	1,487,060	2,763,991
Other sources - premium from issuance of general obligation bonds	-	260,601	-	260,601
Transfers out	-	-	-	(1,276,931)
Net Financing Sources (Uses)	-	260,601	1,487,060	1,747,661
Net Change in Fund Balances	10	261,376	1,159	2,142,456
Fund Balance - Beginning	187	-	1,555	5,808,276
Fund Balance - Ending	$ 197	$ 261,376	$ 2,714	$ 7,950,732

Note 1 - Purpose of Schedules

Schedule of Expenditures of Federal Awards (SEFA)

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the schedule) includes the federal award activity of the Travis Unified School District (the District) under programs of the federal government for the year ended June 30, 2025. The information 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). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in net position or fund balance of the District.

Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the modified accrual basis of accounting. When applicable, such 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. No federal financial assistance has been provided to a subrecipient.

Indirect Cost Rate

The District has not elected to use the ten percent de minimis cost rate.

Food Donation

Nonmonetary assistance is reported in this schedule at the fair market value of the commodities received and disbursed. At June 30, 2025, the District did not have any food commodities in inventory.

Schedule of Average Daily Attendance (ADA)

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

Schedule of Instructional Time

The District has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day. This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of *Education Code* Sections 46200 through 46207.

Districts must maintain their instructional minutes at the 1986-87 requirements, as required by *Education Code* Section 46201.

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

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

Schedule of Financial Trends and Analysis

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

Non-Major Governmental Funds - Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances

These schedules are included to provide information regarding the individual funds that have been included in the Non-Major Governmental Funds column on the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances.

Other Information
June 30, 2025

Travis Unified School District

Organization

Travis Unified School District (the District) was established January 30, 1962 and consists of an area comprising approximately 46 square miles. The District operates five elementary schools, one middle school, one high school, one alternative education high school, and one community day school. There were no boundary changes during the year.

GOVERNING BOARD

MEMBER	OFFICE	TERM EXPIRES
Matthew Bidou	President	2026
Will Wade	Vice President	2026
Tierra Ekstrom	Board Clerk	2028
Brenda DaPrato	Member	2028
Suzanne Schwartz	Member	2028

ADMINISTRATION

NAME	TITLE
Tiffany Benson	Superintendent
Gabriel Moulaison	Chief Business Officer
Nick Girimonte	Assistant Superintendent, Educational Services
Vincent Ruiz	Assistant Superintendent, Human Resources
Ashley Hague	Director, Fiscal Services

Independent Auditor's Reports
June 30, 2025

Travis Unified School District

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*

To the Governing Board
Travis Unified School District
Fairfield, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards)*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Travis Unified School District (the District), as of and for the year ended 2025 and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 5, 2025.

Adoption of New Accounting Standard

As discussed in Note 15 to the financial statements, the District has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* for the year ended June 30, 2025. Accordingly, a restatement has been made to the governmental activities and net position as of July 1, 2024 to restate beginning net position. Our opinions are not modified with respect to this matter.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District'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.

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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 were not identified.

Report on Compliance and Other Matters

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

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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Rancho Cucamonga, California
December 5, 2025

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance

To the Governing Board
Travis Unified School District
Fairfield, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Travis Unified School District's (the District) 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 the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the 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, 2025.

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

Responsibilities of Management for Compliance

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

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the 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 the 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 the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the 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.

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.

Eide Bailly LLP

Rancho Cucamonga, California
December 5, 2025

Independent Auditor's Report on State Compliance and on Internal Control Over Compliance

To the Governing Board
Travis Unified School District
Fairfield, California

Report on Compliance

Opinion on State Compliance

We have audited Travis Unified School District's (the District) compliance with the requirements specified in the *2024-2025 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, 2025.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the laws and regulations of the state programs noted in the table below for the year ended June 30, 2025.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards)*, and the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards 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 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 the District's state programs.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *2024-2025 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 referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *2024-2025 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 referred to above 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 *2024-2025 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:

2024-2025 K-12 Audit Guide Procedures	Procedures Performed
Local Education Agencies Other Than Charter Schools	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Independent Study	Not Applicable
Continuation Education	Yes
Instructional Time	Yes
Instructional Materials	Yes
Ratios of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	Not Applicable
GANN Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	Not Applicable

2024-2025 K-12 Audit Guide Procedures	Procedures Performed
Middle or Early College High Schools	Not Applicable
K-3 Grade Span Adjustment	Yes
Apprenticeship: Related and Supplemental Instruction	Not Applicable
Comprehensive School Safety Plan	Yes
District of Choice	Not Applicable
Home to School Transportation Reimbursement	Yes
School Districts, County Offices of Education, and Charter Schools	
Proposition 28 Arts and Music in Schools	Yes
After/Before School Education and Safety Program	Not Applicable
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study - Course Based	Not Applicable
Immunizations	Yes
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Not Applicable
Career Technical Education Incentive Grant	Yes
Expanded Learning Opportunities Program	Yes
Transitional Kindergarten	Yes
Kindergarten Continuance	Not Applicable
Charter Schools	
Attendance	Not Applicable
Mode of Instruction	Not Applicable
Nonclassroom-Based Instruction/Independent Study	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction	Not Applicable
Annual Instructional Minutes - Classroom Based	Not Applicable
Charter School Facility Grant Program	Not Applicable

The term “Not Applicable” is used above to mean either average daily attendance reported did not exceed thresholds required for testing, the District did not offer the program during the current fiscal year, the District did not participate in the program during the current fiscal year, or the program applies to a different type of local education agency.

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 identify during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are described in the accompanying Schedule of Findings and Questioned Costs as items 2025-001 and 2025-002. Our opinion on state compliance is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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 a compliance requirement 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 that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention from those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2025-001, 2025-002, and 2025-003 to be significant deficiencies.

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.

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

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 *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

Eide Bailly LLP

Rancho Cucamonga, California
December 5, 2025

Schedule of Findings and Questioned Costs
June 30, 2025

Travis Unified School District

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major program	
Material weaknesses identified	Unmodified
Significant deficiencies identified not considered to be material weaknesses	No
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a)	No

Identification of major programs

Name of Federal Program or Cluster	Federal Financial Assistance Listing
Child Nutrition Cluster	10.555, 10.553
Special Education (IDEA) Cluster	84.027, 84.027A, 84.173
Dollar threshold used to distinguish between type A and type B programs	$750,000
Auditee qualified as low-risk auditee?	Yes

State Compliance

Internal control over state compliance programs	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	Yes
Other matters to be reported	Yes
Type of auditor's report issued on compliance for programs	Unmodified

None reported.

None reported.

The following findings represent significant deficiencies and instances of noncompliance including questioned costs that are required to be reported by the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. The findings have been coded as follows:

Five Digit Code	AB 3627 Finding Type
40000	State Compliance

2025-001 40000 - Expanded Learning Opportunities Program (Significant Deficiency and Noncompliance)

Criteria

As required by the California *Education Code* Section 46120, the Expanded Learning Opportunities Program (ELOP) mandates that school districts provide afterschool programs to eligible students in grades transitional kindergarten to grade 6 to support academic enrichment.

Condition

The District did not provide all eligible pupils in classroom-based instructional programs in kindergarten through grade 6 with access to Expanded Learning Opportunity Programs (ELO-P) on school days and non-school days, as required to meet the offering of 175 instructional days and 30 non-school days

Cause

Four of the five school sites in the District did not provide the Expanded Learning Opportunities Program (ELO-P), resulting in a cumulative shortfall of 210 instructional days across those sites. The remaining school site offered ELO-P but was still deficient by 85 instructional days.

Effect

The District is not in compliance with *Education Code* section 46120(b)(1)(A). The penalty is determined to be $2,159,731 as calculated below:

Access of Program Penalty:

Actual Access of Students:		341
Required Access to Provide (Students):		1,462
Penalty Factor:		0.23324
Total ELO-P Entitlement for 2024-2025:	$	2,505,719
Revised ELO-P Entitlement for 2024-2025:	$	584,439
Access of Program Penalty:	$	1,921,280

Days Penalty:

Revised ELO-P Entitlement for 2024-2025:	$	584,439
ELO-P Days Short:		85
Penalty Factory		0.0048
Days Penalty:	$	238,451
Total Penalty:	$	2,159,731

Questioned Costs

The questioned costs associated with this condition resulted in a calculated penalty of $2,159,731.

Repeat Finding

Yes, see prior year finding 2024-001.

Recommendation

It is recommended that the District implement procedures to ensure that all eligible pupils in kindergarten through grade 6 are provided access to the Expanded Learning Opportunities Program as required.

Corrective Action Plan and Views of Responsible Officials

The District will continue developing its Expanded Learning Opportunities Program to ensure that all eligible pupils in kindergarten through grade 6 have access to the program as required.

2025-002 40000 – Unduplicated Local Control Funding Formula Pupil Counts (Significant Deficiency and Noncompliance)

Criteria

California *Education Code* Section 42238.02(b)(4) states that the school districts should revise their submitted data on English learner, foster youth, and free or reduced-price meal eligible pupil counts to ensure the accuracy of data reflected in the California Longitudinal Pupil Achievement Data System (CALPADS).

Condition

The condition was identified when we requested supporting documents for the sampled students' free or reduced-priced meals (FRPM) eligibility. The students selected did not meet eligibility requirements and were inaccurately reported on the CALPADS report 1.18. The auditor inquired further with the District and determined that the data generated from the student information system uploaded into the CALPADS system was incorrectly uploaded. The District reviewed 100% of the population and an additional 60 students were sampled noting no discrepancies.

Cause

It appears that the condition identified has materialized as a result of the data generated from the student information system being not properly uploaded into the CALPADS system.

Effect

The District overclaimed the total number of eligible pupils. The schedule below shows the exceptions:

Enrollment Count	Certified Total Unduplicated Count	Adjustment to Total Enrollment Count	Adjusted Based on Eligibility for FRPM	Adjusted Total Enrollment	Adjusted Total Unduplicated Pupil Count
5,403	2,542	-	(122)	5,403	2,420

Questioned Costs

The District overclaimed the total unduplicated pupil county by 122 pupils resulting in a decrease of approximately $87,782 in LCFF funding. The estimated penalty was calculated using the CDE's Audit Penalty Calculator.

Repeat Finding

No.

Recommendation

The District should emphasize the importance of completing the Form 1.18 accurately, which would include ensuring that all student eligibility data within the student information system is accurately uploaded in the CALPADS system.

Corrective Action Plan and Views of Responsible Officials

The District will ensure to review all unduplicated pupil count information entered into the CALPADS before certifying the data.

2025-003 40000 - Expanded Learning Opportunities Program (Noncompliance, Significant Deficiency)

Criteria

California *Education Code* Section 46120(b)(2) requires that school districts operating an Expanded Learning Opportunities Program (ELO-P) develop and approve a program plan in accordance with the requirements set forth by the California Department of Education (CDE). The plan must outline how the district will provide expanded learning opportunities to students, including before/after school and summer programs.

Condition

The District did not develop or approve an Expanded Learning Opportunities Program plan as required by California *Education Code* Section 46120(b)(2).

Cause

The District is still in the process of implementing the Expanded Learning Opportunities Program and has not finalized or approved the required plan.

Effect

The District is not in compliance with California *Education Code* Section 46120(b)(2).

Questioned Costs

There were no questioned costs related to the finding.

Repeat Finding

No.

Recommendation

The District should develop and formally approve an Expanded Learning Opportunities Program plan in compliance with California *Education Code* Section 46120(b)(2). The plan should be submitted to the governing board for approval.

Corrective Action Plan and Views of Responsible Officials

The District is the process of developing an Expanded Learning Opportunities Program plan and will have the plan approved in the 2025-2026 fiscal year.

Except as specified in previous sections of this report, summarized below is the current status of all audit findings reported in the prior year's Schedule of Findings and Questioned Costs.

Financial Statement Findings

None reported.

Federal Award Findings

None reported.

State Compliance Findings

2024-001 40000 – Expanded Learning Opportunities Program (Noncompliance)

Criteria

As required by the California *Education Code* Section 46120, the Expanded Learning Opportunities Program (ELOP) mandates that school districts provide afterschool programs to students in grades transitional kindergarten to grade 6 to support academic enrichment.

Condition

Travis Unified School District did not offer to all pupils in classroom-based instructional programs in kindergarten and grades 1 to 6 access to expanded learning opportunity programs on days which school is taught for the purpose of meeting the 175 instructional days offering and the 30 non-school days offering.

Cause

Travis Unified School District was deficient by 210 instructional days due to the District not offering the program during the year ending June 30, 2024.

Effect

Travis Unified School District is not in compliance with *Education Code* section 46120(b)(1)(A). The penalty is determined to be the entire year's apportionment of $1,842,009.

Questioned Costs

Travis Unified School District was deficient by 210 instructional days which resulted in a penalty of $1,842,009.

Recommendation

It is recommended that the District implement procedures to ensure that the expanded learning opportunity programs are offered to all pupils in kindergarten and 1 to 6.

Current Status

Not implemented. See current year finding 2025-001.