



Buckeye Union School District

County of El Dorado
El Dorado Hills,
California

Audit Report
June 30, 2025



Buckeye Union School District

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June 30, 2025

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Independent Auditor's Report

To the Board of Education
Buckeye Union School District

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Buckeye Union 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 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 District as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter – Change in Accounting Principle

As described in Note A to the financial statements, in the fiscal year ended June 30, 2025 the District adopted new accounting guidance, GASB Statement No. 101 *Compensated Absences* which had a material effect on the financial statements. Our opinion is not modified with respect to this matter.

Basis for Opinions

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

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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 and other required supplementary information as identified in the table of contents, 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 (GASB) who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management'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 accompanying combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying additional supplementary information, identified in the table of contents, as required by the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations, Section 19810* are presented for purposes of additional analysis and are not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the accompanying combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards, and the additional supplementary information as identified in the table of contents, are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the audit report. The other information comprises the Other Information section of the audit report as identified on the table of contents, 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 January 29, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.



El Cajon, California
January 29, 2026

BUCKEYE UNION SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2025
(Unaudited)

The discussion and analysis of Buckeye Union School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at the District's financial performance as a whole. To provide a complete understanding of the District's financial performance, please read it in conjunction with the Independent Auditor's Report, the District's financial statements and notes to the basic financial statements.

The Management's Discussion and Analysis (MD & A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information is required to be presented in the MD & A.

FINANCIAL HIGHLIGHTS

- The increase in Local Control Funding Formula (LCFF) sources from 2023-24 to 2024-25 was \$0.7 million (1.4%).
- The general fund expenditures increased by \$0.54 million (0.9%) over the previous year amount.
- General Fund expenses and other uses exceeded revenues and other sources by \$2.1 million.
- The General Fund ended the fiscal year with 8.41% reserves in unrestricted fund balance.

Overview of the Financial Statements

This annual report consists of the following parts – management's discussion and analysis (this section), the basic financial statements, required supplementary information, other supplementary information, and findings and recommendations. These statements are organized so the reader can understand the Buckeye Union School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Basic Financial Statements

The first two statements are district-wide financial statements, the Statement of Net Position and the Statement of Activities. These statements provide information about the activities of the whole School District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the district's more significant funds with all other non-major funds presented in total in one column.

The financial statements also include notes that explain some of the supplementary information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements. A comparison of the District's general fund budget is included.

Reporting the district as a Whole

Statement of Net Position and the Statement of Activities

These two statements provide information about the District as a whole using methods similar to those used by private-sector companies. The Statement of Net Position includes all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting. This basis of accounting takes in account all the current year's revenues and expenses regardless of when cash is received or paid. These statements report information on the district as a whole and its activities in a way that helps answer the question, "How did we do financially during 2024-25?"

The change in net position is important because it tells the reader that, for the district as a whole, the financial position of the district has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Over time, the increases or decreases in the District's net position, as reported in the Statement of Activities, are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses indicates the District's operating results. However, the District's goal is to provide services to our students, not to generate profits as commercial entities. One must consider many non-financial factors, such as the quality of education provided to assess the overall health of the District.

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

Reporting the district's Most Significant Funds

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required to be established by State law. However, the District establishes other funds to control and manage money for specific purposes.

Governmental Funds

Most of the district's activities are reported in governmental funds. The District's major funds are the General Fund, the Building Fund, the Special Reserve Fund for Capital Outlay, and the Capital Projects Fund for Blended Component Units. All other governmental funds are aggregated into one nonmajor governmental funds column. Governmental funds focus on how money flows into and out of the funds and the balances that remain at the end of the year. They 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 statements provide a detailed short-term view of the District's operations and services that help determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

FINANCIAL ANALYSIS OF THE GOVERNMENT WIDE STATEMENTS

The district as a Whole

The District's net position was \$48.3 million at June 30, 2025. Of this amount, unrestricted net position was \$(22.2) million, net investment in capital assets was \$39.5 million, and restricted net position was \$31 million. A Comparative analysis of government-wide statement of net position is presented in Table 1.

The District's net position increased \$4.9 million this fiscal year (See Table 2). The District's expenses for instruction, instruction related, and pupil services represented 82% of total expenses. The administrative activities of the District accounted for just 8% of total costs. The remaining 10% was spent on plant services and other expenses like interest payments on debt. (See Figure 2).

	Governmental Activities			
	<u>6/30/2025</u>	<u>6/30/2024</u>	<u>Change</u>	<u>% Change</u>
Assets				
Cash and Investments	\$ 42,004,140	\$ 41,900,163	\$ 103,977	0.25%
Accounts receivable	2,561,140	1,579,939	981,201	62.10%
Inventory	26,396	41,719	(15,323)	-36.73%
Prepaid expenses	201,296	116,051	85,245	73.45%
Capital assets, net	67,478,289	67,252,163	226,126	0.34%
Lease assets, net	191,596	260,801	(69,205)	-26.54%
Subscription assets, net	87,246	116,328	(29,082)	100%
Total Assets	<u>112,550,103</u>	<u>111,267,164</u>	<u>1,282,939</u>	<u>1.15%</u>
Deferred Outflows of Resources				
Deferred outflows of resources - pensions	16,827,637	18,396,457	(1,568,820)	-8.53%
Total Deferred Outflows of Resources	<u>16,827,637</u>	<u>18,396,457</u>	<u>(1,568,820)</u>	<u>-8.53%</u>
Liabilities				
Accounts payable and other current liabilities	4,696,347	2,642,496	2,053,851	77.72%
Unearned revenue	111,701	428,686	(316,985)	-73.94%
Long-term liabilities	71,668,709	78,442,593	(6,773,884)	-8.64%
Total Liabilities	<u>76,476,757</u>	<u>81,513,775</u>	<u>(5,037,018)</u>	<u>-6.18%</u>
Deferred Inflows of Resources				
Deferred inflows of resources - pensions	4,605,568	3,696,455	909,113	24.59%
Total Deferred Inflows of Resources	<u>4,605,568</u>	<u>3,696,455</u>	<u>909,113</u>	<u>24.59%</u>
Net Position				
Net investment in capital assets	39,483,902	37,464,649	2,019,253	5.39%
Restricted	31,035,500	29,258,624	1,776,876	6.07%
Unrestricted	(22,223,987)	(22,269,882)	45,895	-0.21%
Total Net Position	<u>\$ 48,295,415</u>	<u>\$ 44,453,391</u>	<u>\$ 3,842,024</u>	<u>8.64%</u>

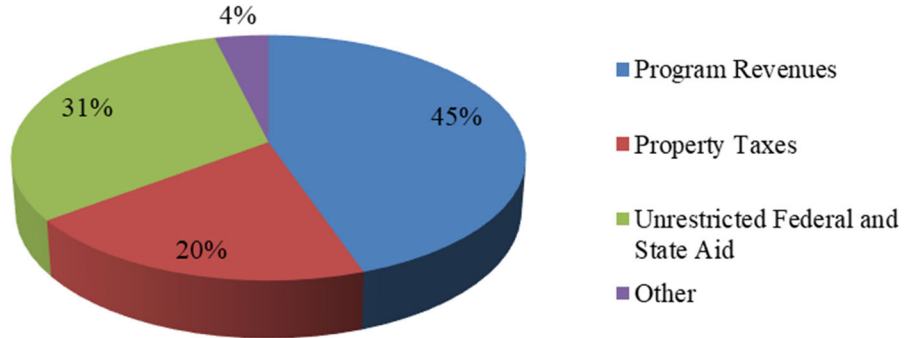
(Table 2)
Comparative Statement of Change in Net Position

	Governmental Activities			
	<u>Year Ended 6/30/2025</u>	<u>Year Ended 6/30/2024</u>	<u>Change</u>	<u>% Change</u>
Revenues				
Program revenues				
Charges for services	\$ 348,334	\$ 641,414	\$ (293,080)	-45.69%
Operating grants and contributions	29,211,621	28,008,744	1,202,877	4.29%
Capital grants and contributions	418,451	-	418,451	100.00%
General revenues				
Taxes levied for general purposes	9,637,702	9,875,762	(238,060)	-2.41%
Taxes levied for debt service	1,986,969	1,969,902	17,067	0.87%
Taxes levied for other specific purposes	1,763,328	1,725,131	38,197	2.21%
Federal and state aid not restricted	20,952,939	22,904,288	(1,951,349)	-8.52%
Interest and investment earnings	2,082,315	1,964,294	118,021	6.01%
Miscellaneous	457,662	591,944	(134,282)	-22.68%
Total Revenues	<u>66,859,321</u>	<u>67,681,479</u>	<u>(822,158)</u>	<u>-1.21%</u>
Expenses				
Instruction	35,352,283	37,527,222	(2,174,939)	-5.80%
Instruction Related Services	4,728,631	4,795,004	(66,373)	-1.38%
Pupil Support Services	7,588,797	7,246,305	342,492	4.73%
General Administration	5,188,924	4,603,606	585,318	12.71%
Plant Services	6,217,434	6,019,230	198,204	3.29%
Other Expenses	2,864,022	4,846,721	(1,982,699)	-40.91%
Total Expenses	<u>61,940,091</u>	<u>65,038,088</u>	<u>(3,097,997)</u>	<u>-4.76%</u>
Increase (Decrease) in Net Position	4,919,230	2,643,391	2,275,839	86.10%
Net Position - Beginning Balance	44,453,391	41,810,000	2,643,391	6.32%
Adjustment to Beginning Balance	(1,077,206)	-	(1,077,206)	100.00%
Net Position - Ending Balance	<u>\$ 48,295,415</u>	<u>\$ 44,453,391</u>	<u>\$ 3,842,024</u>	<u>8.64%</u>

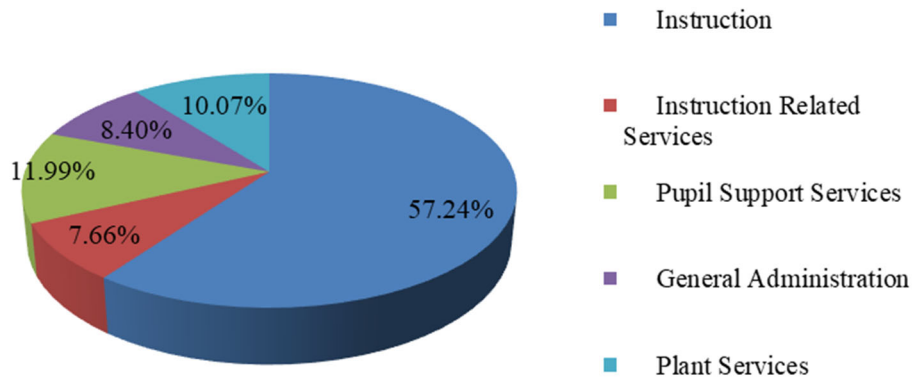
GOVERNMENTAL ACTIVITIES

As reported in the Statement of Activities, the cost of all of the District’s governmental activities this year was \$61.9 million. The amount that our local taxpayers financed for these activities through property taxes was \$13.4 million. Federal and State aid not restricted to specific purposes totaled \$20.9 million. Operating grants, capital grants, and contributions revenue was \$29.7 million. Operating grants, capital grants and unrestricted federal and state aid and covered 82.2% of the expenses of the entire District (See Figure 1).

**Sources of Revenue for the 2024-25 Fiscal Year
Figure 1**



**Expenses for the 2024-25 Fiscal Year
Figure 2**



FINANCIAL ANALYSIS OF THE FUND STATEMENTS

The fund financial statements focus on individual parts of the District’s operations in more detail than the government-wide statements. The District’s individual fund statements provide information on inflows and outflows and balances of spendable resources. The District’s governmental funds reported a combined fund balance of \$40.3 million, an decrease of \$0.6 million from the previous fiscal year’s combined ending balance of \$40.9 million.

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget regularly. The significant budget adjustments fell into the following categories:

- Budget revisions to the adopted budget required after approval of the State budget.
- Budget revisions to update revenues to actual enrollment information and to update expenditures for staffing adjustments related to actual enrollments.
- Other budget revisions are routine in nature, including adjustments to categorical revenues and expenditures based on final awards, and adjustments between expenditure categories for school and department budgets.

The final revised budget for the General Fund reflected a net decrease to the ending balance of \$902 thousand.

The District ended the year with a decrease of \$2.57 million to the general fund ending balance. The State recommends available reserves of 3% of total general fund expenditures and other financing uses of the general fund.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The District has a broad range of capital assets, including school buildings, administrative buildings, site improvements, vehicles, and equipment. Table 3 demonstrates a comparative Schedule of Capital Assets.

	<u>2025</u>	<u>2024</u>	<u>Change</u>	<u>% Change</u>
Land	\$ 12,012,104	\$ 12,012,104	\$ -	0.0%
Work in Progress	1,401,410	19,350	1,382,060	7142.4%
Land Improvements	3,891,787	3,832,880	58,907	1.5%
Buildings & Improvements	90,070,503	90,070,503	-	0.0%
Equipment	8,749,376	8,106,660	642,716	7.9%
Less Accumulated Depreciation for				
Land Improvements	(2,935,889)	(2,864,288)	(71,601)	2.5%
Buildings & Improvements	(40,607,581)	(38,476,483)	(2,131,098)	5.5%
Equipment	(5,103,421)	(5,448,563)	345,142	-6.3%
Lease Assets	346,027	490,720	(144,693)	-29.5%
Less Accumulated Amortization	(154,431)	(229,919)	75,488	-32.8%
Subscription Assets	145,410	145,410	-	100%
Less Accumulated Amortization	<u>(58,164)</u>	<u>(29,082)</u>	<u>(29,082)</u>	<u>100%</u>
Total	<u>\$ 67,757,131</u>	<u>\$ 67,629,292</u>	<u>\$ 127,839</u>	<u>0.2%</u>

Long-Term Debt

The following represents a comparative schedule of the District’s long-term debt outstanding.

	<u>2025</u>	<u>2024</u>	<u>Change</u>	<u>% Change</u>
General Obligation Bonds	\$ 19,786,636	\$ 21,130,298	\$ (1,343,662)	-6.36%
Certificates of Participation	8,193,367	8,651,216	(457,849)	-5.29%
Leases Payable	206,314	78,783	127,531	161.88%
Subscriptions Payable	<u>89,912</u>	<u>27,124</u>	<u>62,788</u>	<u>231.49%</u>
Total Long-Term Debt	<u>\$ 28,276,229</u>	<u>\$ 29,887,421</u>	<u>\$ (1,611,192)</u>	<u>-5.39%</u>

FACTORS BEARING ON THE DISTRICT’S FUTURE

The 2025-26 California enacted budget, and requisite trailer bills approved new and or augmented funding streams for transitional kindergarten add-on in the Local Control Funding Formula, the Student Support and Professional Development Discretionary Block Grant, the Learning Recovery Emergency Block Grant and additional appropriations for local education agencies (LEA) participating in the Expanded Learning Opportunities Program Tier 2.

Funded average daily attendance (ADA) has changed drastically in recent years as the Governor and Legislature provided additional relief to combat the significant declining enrollment. Those policies provided an off-ramp rather than a fiscal cliff, which ended last year. The 2024-25 fiscal year was the final year for LEAs to benefit from the positive impact of the 2021-22 hold harmless policies; however, moving forward, LEAs will continue to be able to claim ADA based on current-year, prior-year, or a three-year average, whichever is greater.

Beginning in 2025-26, LEAs are allowed to recover up to ten absences per year through the inaugural Attendance Recovery program. This program is available to LEAs serving classroom-based student populations and can be offered before and after school, as well as during weekends and intersessions.

Cash deferrals are back for a second consecutive year with \$1.9 billion scheduled to be deferred from June 2026 to July 2026. Although state revenues are trending ahead of projections, it is still prudent to plan as if the deferrals will occur as planned.

Despite positive outlooks for school funding, costs of salaries, pensions, and other employee benefits continue to rise. The District is monitoring the budget closely to ensure all financial obligations are met and the District remains fiscally strong.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, parents, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact Mike Henkel, CFE, Director of Fiscal Services, Buckeye Union School District, 5049 Robert J. Matthews Parkway, El Dorado Hills, CA 95762.

Basic Financial Statements

Buckeye Union School District

Statement of Net Position

June 30, 2025

	<u>Governmental Activities</u>
Assets	
Cash	\$ 42,004,140
Accounts Receivable	2,561,140
Inventory	26,396
Prepaid Expenses	201,296
Capital Assets:	
Land	12,012,104
Land Improvements	3,891,787
Buildings & Improvements	90,070,503
Equipment	8,749,376
Work in Progress	1,401,410
Less Accumulated Depreciation	(48,646,891)
Lease Assets	
Equipment	490,720
Less Accumulated Amortization	(299,124)
Subscription Assets	
Subscriptions	145,410
Less Accumulated Amortization	(58,164)
Total Assets	<u>112,550,103</u>
Deferred Outflows of Resources	<u>16,827,637</u>
Liabilities	
Accounts Payable and Other Current Liabilities	4,696,347
Unearned Revenue	111,701
Long-Term Liabilities:	
Due Within One Year	3,279,152
Due In More Than One Year	<u>68,389,557</u>
Total Liabilities	<u>76,476,757</u>
Deferred Inflows of Resources	<u>4,605,568</u>
Net Position	
Net Investment in Capital Assets	39,483,902
Restricted For:	
Capital Projects	20,514,513
Debt Service	1,840,235
Educational Programs	3,378,706
Other Purposes (Expendable)	5,073,284
Other Purposes (Nonexpendable)	228,762
Unrestricted	<u>(22,223,987)</u>
Total Net Position	<u>\$ 48,295,415</u>

The accompanying notes to the financial statements are an integral part of this statement.

Buckeye Union School District

Statement of Activities

For the Year Ended June 30, 2025

Functions	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
Governmental Activities					Governmental Activities
Instruction	\$ 35,352,283	\$ 171,012	\$ 23,906,776	\$ 418,451	\$ (10,856,044)
Instruction-Related Services:					
Instructional Supervision and Administration	401,086	-	116,464	-	(284,622)
Instructional Library, Media and Technology	863,051	4,750	69,148	-	(789,153)
School Site Administration	3,464,494	(61)	105,263	-	(3,359,292)
Pupil Services:					
Home-to-School Transportation	1,460,139	133	5,193	-	(1,454,813)
Food Services	2,758,814	71,996	2,810,453	-	123,635
All Other Pupil Services	3,369,844	2,798	212,255	-	(3,154,791)
General Administration:					
Centralized Data Processing	1,785,314	-	-	-	(1,785,314)
All Other General Administration	3,403,610	2,468	174,828	-	(3,226,314)
Plant Services	6,217,434	53	366,988	-	(5,850,393)
Ancillary Services	403,365	-	190,847	-	(212,518)
Interest on Long-Term Debt	827,157	-	-	-	(827,157)
Transfers Between Agencies	1,633,500	95,185	1,253,406	-	(284,909)
Total Governmental Activities	<u>\$ 61,940,091</u>	<u>\$ 348,334</u>	<u>\$ 29,211,621</u>	<u>\$ 418,451</u>	<u>(31,961,685)</u>

General Revenues

Taxes and Subventions:

Property Taxes, Levied for General Purposes	\$ 9,637,702
Property Taxes, Levied for Debt Service	1,986,969
Property Taxes, Levied for Other Specific Purposes	1,763,328
Federal and State Aid Not Restricted for Specific Purposes	20,952,939
Interest and Investment Earnings	2,082,315
Interagency Revenues	274
Miscellaneous	457,388
Total General Revenues	<u>36,880,915</u>

Change in Net Position 4,919,230

Net Position - 7/1/2024, as Previously Stated	44,453,391
Adjustment for GASB 101 Implementation (Note A)	(1,077,206)
Net Position - 7/1/2024, as Restated	<u>43,376,185</u>
Net Position - 6/30/2025	<u>\$ 48,295,415</u>

The accompanying notes to the financial statements are an integral part of this statement.

Buckeye Union School District

Balance Sheet – Governmental Funds

June 30, 2025

	General Fund	Cafeteria Fund	Capital Facilities Fund	County School Facilities Fund	Nonmajor Governmental Funds	Total
Assets						
Cash and Cash Equivalents	\$ 15,563,547	\$ 4,333,467	\$ 6,245,570	\$ 10,237,788	\$ 5,623,768	\$ 42,004,140
Accounts Receivable	2,199,909	358,769	2,462	-	-	2,561,140
Due from Other Funds	203,414	-	-	949,434	-	1,152,848
Stores Inventories	-	26,396	-	-	-	26,396
Prepaid Expenditures	59,770	-	-	-	141,526	201,296
Total Assets	\$ 18,026,640	\$ 4,718,632	\$ 6,248,032	\$ 11,187,222	\$ 5,765,294	\$ 45,945,820
Liabilities and Fund Balance:						
Liabilities:						
Accounts Payable	\$ 4,364,246	\$ 18,641	\$ 4,925	\$ -	\$ -	\$ 4,387,812
Due to Other Funds	444,839	708,008	-	-	-	1,152,847
Unearned Revenue	111,701	-	-	-	-	111,701
Total Liabilities	4,920,786	726,649	4,925	-	-	5,652,360
Fund Balance:						
Nonspendable	60,770	26,466	-	-	141,526	228,762
Restricted	4,403,391	3,965,517	6,243,107	11,187,222	5,007,501	30,806,738
Committed	6,758,350	-	-	-	616,267	7,374,617
Unassigned	1,883,343	-	-	-	-	1,883,343
Total Fund Balance	13,105,854	3,991,983	6,243,107	11,187,222	5,765,294	40,293,460
Total Liabilities and Fund Balances	\$ 18,026,640	\$ 4,718,632	\$ 6,248,032	\$ 11,187,222	\$ 5,765,294	\$ 45,945,820

The accompanying notes to the financial statements are an integral part of this statement.

Buckeye Union School District

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2025

Total fund balances governmental funds: \$ 40,293,460

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

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

Capital assets relating to governmental activities, at historical cost	116,125,180	
Accumulated depreciation	<u>(48,646,891)</u>	
Net		67,478,289
Lease assets relating to governmental activities, at historical cost	490,720	
Accumulated amortization	<u>(299,124)</u>	
Net		191,596
Subscription assets relating to governmental activities, at historical cost	145,410	
Accumulated amortization	<u>(58,164)</u>	
Net		87,246

Unamortized costs: In governmental funds, debt issue costs are recognized as expenditures in the period they are incurred. In the government-wide statements, debt issue costs for prepaid debt insurance are amortized over the life of the debt. Unamortized debt insurance costs included in prepaid expense on the statement of net position are:

29,567

Unmatured interest on long-term debt: In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred. The additional liability for unamatured interest owing at the end of the period was:

(308,536)

Buckeye Union School District

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position, Continued

June 30, 2025

Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

General obligation bonds payable	19,786,636	
Certificates of participation payable	8,193,367	
Leases payable	203,314	
Subscriptions payable	89,912	
Net pension liability	41,901,918	
Compensated absences	1,493,562	
	<u>Total</u>	<u>(71,668,709)</u>

Deferred gain or loss on debt refunding: In the government wide financial statements deferred gain or loss on debt refunding is recognized as a deferred outflow of resources (for a loss) or a deferred inflow of resources (for a gain) and subsequently amortized over the life of the debt. Deferred gain or loss on debt refunding recognized as a deferred outflow of resources or deferred inflow of resources on the statement of net position was:

954,798

Deferred outflows and inflows of resources relating to pensions: In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.

Deferred outflows of resources relating to pensions	15,843,272	
Deferred inflows of resources relating to pensions	<u>(4,605,568)</u>	
	Net	<u>11,237,704</u>

Total net position governmental activities: \$ 48,295,415

Buckeye Union School District

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds For the Year Ended June 30, 2025

	General Fund	Cafeteria Fund	Capital Facilities Fund	County School Facilities Fund	Nonmajor Governmental Funds	Total
Revenues						
State Apportionment	\$ 24,473,664	\$ -	\$ -	\$ -	\$ -	\$ 24,473,664
Education Protection Account Funds	13,903,361	-	-	-	-	13,903,361
Property Taxes	9,637,702	-	-	-	3,750,297	13,387,999
Federal Revenue	913,463	924,945	-	-	-	1,838,408
Other State Revenue	6,459,395	2,306,986	-	-	-	8,766,381
Interest	507,340	144,093	221,145	409,365	145,928	1,427,871
Fair Market Value Adjustment	261,509	56,931	92,752	166,605	76,647	654,444
Other Local Revenue	4,072,577	92,759	258,947	418,450	190,847	5,033,580
Total Revenues	<u>\$ 60,229,011</u>	<u>\$ 3,525,714</u>	<u>\$ 572,844</u>	<u>\$ 994,420</u>	<u>\$ 4,163,719</u>	<u>\$ 69,485,708</u>
Expenditures						
Current Expenditures:						
Instruction	38,304,873	-	-	-	-	38,304,873
Instruction - Related Services	5,000,944	-	-	-	-	5,000,944
Pupil Services	5,126,501	2,698,971	-	-	-	7,825,472
Ancillary Services	-	-	-	-	208,218	208,218
General Administration	5,212,926	81,233	12,458	-	-	5,306,617
Plant Services	5,981,576	-	121,992	31,790	103,046	6,238,404
Other Outgo	1,631,597	-	-	-	-	1,631,597
Capital Outlay	981,191	149,347	-	1,359,380	436,029	2,925,947
Debt Service:						
Principal	93,628	-	-	-	1,670,000	1,763,628
Interest	-	-	-	-	895,757	895,757
Total Expenditures	<u>62,333,236</u>	<u>2,929,551</u>	<u>134,450</u>	<u>1,391,170</u>	<u>3,313,050</u>	<u>70,101,457</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,104,225)</u>	<u>596,163</u>	<u>438,394</u>	<u>(396,750)</u>	<u>850,669</u>	<u>(615,749)</u>
Other Financing Sources (Uses):						
Transfers In	-	-	-	949,434	-	949,434
Transfers Out	(444,839)	(504,594)	-	-	-	(949,433)
Total Other Financing Sources (Uses)	<u>(444,839)</u>	<u>(504,594)</u>	<u>-</u>	<u>949,434</u>	<u>-</u>	<u>1</u>
Net Change in Fund Balance	(2,549,064)	91,569	438,394	552,684	850,669	(615,748)
Fund Balance - 7/1/2024, as previously stated	15,654,918	-	5,804,713	10,634,538	8,815,039	40,909,208
Change with financial reporting entity (major to nonmajor)	-	3,900,414	-	-	(3,900,414)	-
Fund Balance - 7/1/2024, as restated	<u>15,654,918</u>	<u>3,900,414</u>	<u>5,804,713</u>	<u>10,634,538</u>	<u>4,914,625</u>	<u>40,909,208</u>
Fund Balance, 6/30/2025	<u>\$ 13,105,854</u>	<u>\$ 3,991,983</u>	<u>\$ 6,243,107</u>	<u>\$ 11,187,222</u>	<u>\$ 5,765,294</u>	<u>\$ 40,293,460</u>

The accompanying notes to the financial statements are an integral part of this statement.

Buckeye Union School District

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025

Total change in fund balances governmental funds: \$ (615,748)

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

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

Expenditures for capital outlay	2,925,947	
Depreciation expense	(2,699,821)	
Amortization expense	<u>(98,287)</u>	
	Net	127,839

Debt service: In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were: 1,763,628

Debt issue costs for prepaid debt insurance: In governmental funds, debt issue costs are recognized as expenditures in the period they are incurred. In the government-wide statements, debt issue costs for prepaid debt insurance are amortized over the life of the debt. The difference between debt issue costs for prepaid insurance incurred in the current period and prepaid insurance costs amortized for the period is: (1,903)

Unmatured interest on long-term debt: In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period was: 33,982

Compensated absences: In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amounts earned. The difference between compensated absences paid and compensated absences earned was: (64,568)

The accompanying notes to the financial statements are an integral part of this statement.

Buckeye Union School District

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities, Continued
For the Year Ended June 30, 2025

Pensions: In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was: 3,641,383

Amortization of debt issue premium or discount or deferred gain or loss from debt refunding: In governmental funds, if debt is issued at a premium or at a discount, the premium or discount is recognized as an Other Financing Source or an Other Financing Use in the period it is incurred. In the government-wide statements, the premium or discount, plus any deferred gain or loss from debt refunding, is amortized as interest over the life of the debt. Amortization of debt issue premium or discount, or deferred gain or loss from debt refunding for the period is: 34,617

Change in net position of governmental activities: \$ 4,919,230

Buckeye Union School District

Notes to the Financial Statements

For the Year Ended June 30, 2025

A. Summary of Significant Accounting Policies

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

1. Reporting Entity

The District operates under a locally elected Board of Education form of government and provides educational services to grades K-8 as mandated by the state. 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 and agencies that are not legally separate from the District. For the District, this includes general operations, special revenue funds, capital projects funds, debt service funds, and student-related activities.

2. 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.

The District, the El Dorado School Financing Community Facilities District No. 2007-01, and the Buckeye Union School District Facilities Corporation (the CFDs) have a financial and operational relationship which meet the reporting entity definition criteria of the Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, for inclusion of the CFDs as a blended component unit of the District. Therefore, the financial activities of the CFDs have been included in the basic financial statements as a blended component unit.

The following are those aspects of the relationship between the District and the CFDs which satisfy Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, criteria:

a. Manifestations of Oversight

The governing body of the CFDs are substantively the same as the District's Board of Trustees.

The CFDs have no employees. The District's Superintendent, Director of Fiscal Services, and other employees of the District function as agents of the CFDs. Neither individual received additional compensation for work performed in this capacity.

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

The District exercises significant influence over operations of the CFDs as it is anticipated that the District will be the sole lessee of all facilities owned by the CFDs.

b. Accounting and Fiscal Matters

All major financing arrangements, contracts, and other transactions of the CFDs must have the consent of the District.

The District will assume a “moral obligation”, and potentially a legal obligation, for any debt incurred by the CFDs.

c. Scope of Public Service and Financial Presentation

The CFDs were created for the sole purpose of financially assisting the District.

The CFDs were created pursuant to a joint powers agreement between the District and the California Statewide Communities Development Authority, pursuant to California Government Code, commencing with Section 6500. The CFDs were formed to provide financing assistance to the District for construction and acquisition of major capital facilities. Upon completion the District intends to occupy all CFD facilities.

The CFDs financial activity is presented in the financial statements as blended component units.

3. Basis of Presentation

Government-Wide Statements. The statement of net position and the statement of activities display information about the primary government (the District). These statements include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenue, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenue for each function of the District’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reserved for the statement of activities. 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 of 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 general revenues of the District.

Fund Financial Statements. The fund financial statements provide information about the District’s funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

Governmental funds are used to account for activities that are governmental in nature. Governmental activities are typically tax-supported and include education of pupils, operation of food service programs, construction and maintenance of school facilities, and repayment of long-term debt.

Major Governmental Funds

The District reports the following major governmental funds:

General Fund: The general fund is the primary operating fund of the District. It is used to account for all activities except those that are required to be accounted for in another fund.

Cafeteria Special Revenue Fund: This fund is used to account separately for federal, state, and local resources to operate the food service program (*Education Code §38091 through §38093*). The Cafeteria Special Revenue Fund shall be used only for those expenditures authorized by the governing board as necessary for the operation of the District's food service program (*Education Code §38091 and §38100*).

Capital Facilities Fund: The Capital Facilities Fund is used primarily to account separately for moneys received from fees levied on developers or other agencies as a condition of approving a development (*Education Code §17620 through §17626*). The authority for these levies may be county or city ordinances (*Government Code §65970 through §65981*) or private agreements between the District and the developer. All funds, including interest earned, are restricted to the purposes specified in *Government Code §65970 through §65981* or *Government Code §65995*, or items specified in agreements with the developer (*Government Code §66006*).

County School Facilities Fund: This fund is established pursuant to *Education Code §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). The fund is used primarily to account for new school facility construction, modernization projects, and facility hardship grants as provided in the Leroy F. Green School Facilities Act of 1998 (*Education Code §17070.10 et seq.*).

Non-Major Governmental Funds

The District reports the following non-major governmental funds categorized by the fund type:

Special Revenue Funds: Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The District maintains the following nonmajor special revenue funds:

Associated Student Body Fund: This fund is used to account separately for the activities of associated student body organizations operated by the District.

Deferred Maintenance Fund: This fund is used to account separately for revenues that are restricted or committed for deferred maintenance purposes (*Education Code §17582*).

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

Capital Projects Funds: Capital projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The District maintains the following nonmajor capital projects funds:

Community Facilities District No. 2007-01: This fund is used to account for the Buckeye Union School District's share of the El Dorado School Financing Community Facility District 2007-01. The fund is overseen by the Buckeye Union High School District who acts as a fiscal agent for the Community Facilities District. Funds are restricted to capital projects.

BUSD Facilities Corporation: This fund is used to account for the activities of the Buckeye Union School District Facilities Corporation which has been established to issue debt on behalf of the El Dorado School Financing Community Facilities District No. 2007-01. The fund is utilized to complete capital projects and make debt payments.

Debt Service Funds: Debt service funds are established to account for the accumulation of resources for and the payment of principal and interest on general long-term debt. The District maintains the following nonmajor debt service funds:

Bond Interest and Redemption Fund: The Bond Interest and Redemption Fund is used for the repayment of bonds issued for the District (*Education Code §15125 through §15262*). The County of El Dorado Auditor maintains control over the District's Bond Interest and Redemption Fund. The principal and interest on the bonds must be paid by the County Treasurer from taxes levied by the County Auditor-Controller.

4. Basis of Accounting – Measurement Focus

Government-Wide and Financial Statements. The government-wide and financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements. The governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources.

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

When the District incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the District's policy to use restricted resources first, then unrestricted resources.

5. Encumbrances

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid or at year end, whichever is sooner.

6. Budgets and Budgetary Accounting

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

These budgets are revised by the District's governing board and district superintendent during the year to give consideration to unanticipated income and expenditures.

Formal budgetary integration was used as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts.

7. Revenues and Expenses

a. Revenues – Exchange and Non-Exchange

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 year or expected to be collected soon enough thereafter, to be used to pay liabilities of the current fiscal year. Generally, available is defined as collectible within 60 days. However, to achieve comparability of reporting among California districts and so as to not distort normal revenue patterns, with specific respect to reimbursement grants and corrections to State-aid apportionments, the California Department of Education has defined available for districts as collectible within one year. The following revenue sources are considered to be both measurable and available at fiscal year-end: State apportionments, property taxes, interest, certain grants, and other local sources.

Non-exchange transactions are transactions in which the District receives value without directly giving equal value in return, including 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 are 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.

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

b. 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, if measurable, and typically paid within 90 days. Principal and interest on long-term obligations, 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.

8. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position

a. Deposits and Investments

Cash balances held in banks and in revolving funds are insured to \$250,000 by the Federal Depository Insurance Corporation (FDIC). All cash held by the financial institutions is fully insured or collateralized. For purposes of the statement of cash flows, highly liquid investments are considered to be cash equivalents if they have a maturity of three months or less when purchased.

In accordance with Education Code §41001, the District maintains substantially all its cash in the El Dorado County Treasury. The county pools these funds with those of other districts in the county and invests the cash. These pooled funds are carried at cost, which approximates market value. Interest earned is deposited quarterly into participating funds, except for the Tax Override Funds, in which interest earned is credited to the general fund. Any investment losses are proportionately shared by all funds in the pool.

The county is authorized to deposit cash and invest excess funds by California Government Code §53648 et seq. The funds maintained by the county are either secured by federal depository insurance or are collateralized.

Information regarding the amount of dollars invested in derivatives with El Dorado County Treasury was not available.

b. Stores Inventories and Prepaid Expenditures

Inventories are recorded using the purchases method in that the cost is recorded as an expenditure at the time individual inventory items are purchased. Inventories are valued using the first-in/first-out (FIFO) method and consist of expendable supplies held for consumption. Reported inventories are equally offset by a non-spendable fund balance designation, which indicates that these amounts are not “available for appropriation and expenditure” even though they are a component of net current assets.

The District has the option of reporting an expenditure in governmental funds for prepaid items either when purchased or during the benefiting period. The District has chosen to report the expenditures during the benefiting period.

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

c. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Life</u>
Buildings & Improvements	20 - 50 Years
Land Improvements	10 - 25 Years
Equipment	5 - 15 Years

d. Lease Assets & Lease Liabilities

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles and equipment. In accordance with GASB Statement 87, the District records lease assets and lease liabilities with a capitalization threshold of \$5,000. Lease assets are amortized over the shorter of the useful life of the underlying asset (as defined in capital assets policy) or the lease term. Lease liabilities are reduced as principal payments on the lease are made.

e. Subscription Assets & Subscription Liabilities

A subscription based information technology arrangement (SBITA) is a contract that conveys control of the right to use another party's information technology software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction. SBITAs result in a subscription asset and subscription liability on the date of inception in accordance with GASB Statement 96 which are recorded at present value using an imputed interest rate based on the best available borrowing rate for the District in the year of inception. The District has established a capitalization threshold for subscription assets and liabilities of \$5,000. The subscription assets are amortized over the subscription term. The subscription liabilities are reduced as principal payments on the agreements are paid.

f. Compensated Absences

Accumulated unpaid employee vacation benefits are recognized as liabilities of the District. The balance of the liabilities is recognized in the government-wide financial statements at year end.

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

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

g. Unearned Revenue

Unearned revenue represents amounts received in advance of the period in which the District is legally entitled to the resources. In the governmental funds, unearned revenue is reported as a liability until the underlying revenue recognition criteria have been met. Typical sources of unearned revenue include advance payments for services and grant proceeds received before all eligibility requirements have been satisfied.

h. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers in and transfers out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net position.

i. Fund Balances – Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance represents amounts that cannot be spent because they are either not spendable form (such as inventory or prepaid items) or legally required to remain intact (such as revolving cash accounts or principal of a permanent fund).

Restricted Fund Balance represents amounts that are subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations, or may be imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance represents amounts that can only be used for a specific purpose because of a formal action by the District's governing board. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget or resolution. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the District itself.

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

Unassigned Fund Balance represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose 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.

j. Minimum Fund Balance Policy

The District has adopted a policy to maintain a minimum economic uncertainty reserve of at least 3% of the total general fund expenditures and other financing uses. The reserve may be increased from time to time in order to address specific anticipated revenue or cash flow shortfalls. The primary purpose of this reserve is to avoid the need for service level reductions in the event of economic downturn. The District is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. Because amounts in the nonspendable, restricted, committed, and assigned categories are subject to varying constraints in use, the Reserve for Economic Uncertainties consists of balances that are otherwise unassigned.

k. GASB 54 Fund Presentation

GASB Statement No. 54 defines a special revenue fund as a fund that has a special revenue source that is either 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. The Special Reserve Fund for Other than Capital Outlay (Fund 17) does not have continuing revenue sources that are either restricted or committed in nature. As such, this fund does not meet the definition of special revenue funds under the provisions of GASB Statement No. 54. This fund has been combined with the general fund for reporting purposes.

l. Deferred Inflows and Deferred Outflows of Resources

Deferred outflows of resources is a consumption of net position that is applicable to a future reporting period. Deferred inflows of resources is an acquisition of net position that is applicable to a future reporting period. Deferred outflows of resources and deferred inflows of resources are recorded in accordance with GASB Statement numbers 63 and 65.

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

m. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources relating to pension, deferred inflows of resources relating to pension, pension expense, information about the fiduciary net position of the CalPERS Schools Pool Cost-Sharing Multiple-Employer Plan (CalPERS Plan) and CalSTRS Schools Pool Cost-Sharing Multiple Employer Plan (CalSTRS Plan), and additions to/deductions from the CalPERS Plan and CalSTRS Plan fiduciary net positions have been determined on the same basis as they are reported by the CalPERS Financial Office and CalSTRS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain timeframes. For this report, the following time frames are used:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	July 1, 2024 to June 30, 2025

9. Property Taxes

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 Auditor-Controller bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

10. Use of 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.

11. Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles as defined by Governmental Accounting Standards Board (GASB) Statement No. 72. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy is detailed as follows:

Level 1 Inputs:	Quoted prices (unadjusted) in active markets for identical assets or liabilities that a government can access at the measurement date.
Level 2 Inputs:	Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.
Level 3 Inputs:	Unobservable inputs to an asset or liability.

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

12. New Accounting Pronouncements

The District has adopted accounting policies compliant with new pronouncements issued by the Government Accounting Standards Board (GASB) that are effective for the fiscal year ended June 30, 2025. Those newly implemented pronouncements are as follows:

Description	Date Issued
GASB Statement No. 99 <i>Omnibus 2022</i> (Portions related to financial guarantees and derivative instruments)	Apr-22
GASB Statement No. 100 <i>Accounting Changes and Error Corrections</i> (Amendment of GASB Statement No. 62)	Jun-22
GASB Statement No. 101 <i>Compensated Absences</i>	Jun-22
GASB Statement No. 102 <i>Certain Risk Disclosures</i>	Dec-23
GASB Implementation Guide No. 2023-1 <i>Implementation Guidance Update 2023</i>	Jun-23
GASB Implementation Guide No. 2025-1 <i>Implementation Guidance Update 2025 (Question 4.16 ONLY)</i>	Jun-25

The adoption of GASB Statement No. 99, GASB Statement No. 102, GASB Implementation Guide No. 2023-1 and GASB Implementation Guide No. 2025-1 did not have a material impact on the District's financial position, results of operations, or disclosures in the financial statements.

The adoption of GASB Statement No. 100 resulted in enhanced note disclosures and financial statement presentation but did not result in a material change to the District's financial position.

The adoption of GASB Statement No. 101 resulted in a material change to the District's net position for inclusion of a portion of sick leave that meets reporting requirements consistent with the requirements of the GASB pronouncement.

13. Accounting Changes and Error Corrections

Effective for the fiscal year ended June 30, 2025, the District implemented GASB Statement No. 100, *Accounting Changes and Error Corrections*. GASB 100 requires that changes to or within the financial reporting entity, including changes in fund classification, be reported by adjusting the beginning balances of the affected funds as if the change occurred at the start of the reporting period. The statement also requires enhanced disclosures regarding accounting changes and error corrections.

Error Corrections

No error corrections were identified or recorded during the fiscal year ended June 30, 2025.

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

Change in Capitalization Threshold

During the year, the District increased its capitalization threshold for individual capital asset acquisitions, leases, and information technology subscriptions from \$5,000 to \$25,000, with exception of assets purchased with federal funds to which the change in policy is from \$5,000 to \$10,000. This change was made to better align the District's capitalization policy with industry standards and to improve the efficiency of asset management. The change is an application of materiality specific to capital assets, lease accounting, and information technology subscriptions. The change in threshold is being applied prospectively and no adjustment to beginning net position has been recorded.

Change in Accounting Principle

Effective July 1, 2024, the District implemented GASB Statement No. 101, *Compensated Absences*, which establishes new recognition and measurement criteria for compensated absences. As a result, the District changed its method of accounting for compensated absences to comply with the new standard. The implementation of GASB Statement No. 101 resulted in a restatement of the beginning net position of governmental activities as of July 1, 2024. The affected financial statement line item is "Compensated Absences Payable." The change in accounting principle resulted in the following restatement of beginning net position:

	<u>Government- Wide Financial Statements</u>
Beginning Net Position as Reported in June 30, 2024 Audit Report	\$ 44,453,391
Adjustments to Beginning Balance:	
GASB 101 Implementation	<u>(1,077,206)</u>
Beginning Net Position, as Restated	<u>\$ 43,376,185</u>

Buckeye Union School District

Notes to the Financial Statements, Continued
 For the Year Ended June 30, 2025

Change in Fund Classification

During the year, the District’s Cafeteria Fund, previously reported as a nonmajor governmental fund, met the quantitative criteria for major fund classification and is now reported as a major governmental fund. This change has been accounted for by adjusting the beginning fund balance of the Cafeteria Fund and the aggregate nonmajor governmental funds as of July 1, 2024. The change in classification did not result from a change in the nature of the fund’s activities, but solely from the application of the major fund criteria in accordance with GASB Statement No. 34, as amended. The fund reclassification had no effect on total net position but resulted in the following change in fund presentation on the financial statements:

	<u>Cafeteria Fund</u>	<u>Nonmajor Governmental Funds</u>
Prior Year Audit Report Ending Fund Balance	\$ -	\$ 8,815,039
Adjustments for:		
GASB 34 Major Fund Classification Change	<u>3,900,414</u>	<u>(3,900,414)</u>
Total Adjustments	<u>3,900,414</u>	<u>(3,900,414)</u>
Beginning Fund Balance, As Restated	<u>\$ 3,900,414</u>	<u>\$ 4,914,625</u>

B. Compliance and Accountability

1. Finance Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, “Certain Financial Statement Note Disclosures”, violations of finance-related legal and contractual provisions, if any are reported below, along with actions taken to address such violations:

<u>Violation</u>	<u>Action Taken</u>
None Reported	Not Applicable

2. Deficit Fund Balance or Fund Net Position of Individual Funds

The following funds are funds having deficit fund balances or fund net position at year end, if any, along with remarks which address such deficits:

<u>Fund Name</u>	<u>Deficit Amount</u>	<u>Remarks</u>
None	Not Applicable	Not Applicable

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

C. Fair Value Measurements

The District’s investments at June 30, 2025, categorized within the fair value hierarchy established by generally accepted accounting principles, were as follows:

	Amount	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
External investment pools measured at fair value				
El Dorado County Treasury	\$ 41,912,563	\$ -	\$ 41,912,563	\$ -
Total investments by fair value level	\$ 41,912,563	\$ -	\$ 41,912,563	\$ -
Investments by fair value level				
Money Market Funds	\$ 7,425	\$ -	\$ 7,425	\$ -
Total investments by fair value level	\$ 7,425	\$ -	\$ 7,425	\$ -

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 §41001). The fair value of the District’s investments in the pool is reported in the accounting financial statements as 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 the 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.

The El Dorado County Treasury is not registered with the Securities and Exchange Commission (SEC) as an investment company; however, the County Treasury acts in accordance with investment policies monitored by a Treasury Oversight Committee consisting of members appointed by participants in the investment pool and up to five members of the public having expertise, or an academic background in, public finance. In addition, the County Treasury is audited annually by an independent auditor.

D. Cash and Investments

As of June 30, 2025 the District held the following cash and investments:

	Major Governmental Funds					Total Governmental Funds
	General Fund	Cafeteria Fund	Capital Facilities Fund	County School Facilities Fund	Nonmajor Governmental Funds	
Cash in County Treasury	\$15,560,524	\$4,332,270	\$6,243,954	\$10,235,140	\$5,531,839	\$41,903,727
Fair Market Value Adjustment	2,023	1,127	1,616	2,648	1,422	8,836
Cash in Banks	-	-	-	-	83,082	83,082
Revolving Cash	1,000	70	-	-	-	1,070
Cash with Fiscal Agent/Trustee	-	-	-	-	7,425	7,425
Total Cash and Cash Equivalents	\$15,563,547	\$4,333,467	\$6,245,570	\$10,237,788	\$5,623,768	\$42,004,140

Buckeye Union School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

1. Cash in County Treasury

In accordance with Education Code §41001, the District maintains substantially all of its cash in the El Dorado County Treasury as part of the common investment pool (\$41,903,727 as of June 30, 2025). The fair value of the District's portion of this pool as of that date, as provided by the pool sponsor, was \$41,912,563. Assumptions made in determining the fair value of the pooled investment portfolios are available from the County Treasurer.

2. Cash on Hand, In Banks, and in Revolving Fund

Cash balances on hand and in banks (\$83,082 as of June 30, 2025) and in revolving fund (\$1,070 as of June 30, 2025) are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC).

3. Cash with Fiscal Agent

Cash balances with fiscal agent (\$7,425 as of June 30, 2023) represent amounts held in a trust money market account as reserves for outstanding debt.

4. Investments Authorized by the California Government Code and the District's Investment Policy

The table below identifies the investment types that are authorized for the District by the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District's investment policy.

<u>Authorized Investment Type</u>	<u>Maximum Remaining Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
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	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

5. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The county treasury is restricted by Government Code §53635 pursuant to §53601 to invest only in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer’s investment pool, bankers’ acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. The ratings of securities by nationally recognized rating agencies are designed to give an indication of risk.

At June 30, 2025, credit risk for the District’s investments was as follows:

<u>Investment Type</u>	<u>Rating</u>	<u>Rating Agency</u>	<u>Amount</u>
County Treasurer's Investment Pool	Unrated	Not Applicable	\$ 41,912,563
Money Market Funds	Unrated	Not Applicable	7,425

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution’s trust department or agent but not in the District’s name. The California Government Code and the District’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: 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 agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty’s trust department or agent but not in the District’s name.

At June 30, 2025, the District bank accounts were held in institutions which held insurance for the entire amount, but not in the District’s name and as such the District was not exposed to custodial credit risk for any amounts in excess of the FDIC insurance limitations per banking institution.

Buckeye Union School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond the amount stipulated by the California Government Code. Investments in any one issuer that represent five percent or more of the total investments are either an external investment pool and are therefore exempt. As such, the District was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk that changes in 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 maintains pooled investments with the El Dorado County Treasury with a fair value of \$41,912,563. The average weighted maturity for this pool was 627 days at June 30, 2025.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the District was not exposed to foreign currency risk.

6. Investment Accounting Policy

The District is required by GASB Statement No. 31 to disclose its policy for determining which investments, if any, are reported at amortized cost. The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

The District's investments in external investment pools are reported at an amount determined by the fair value per share of the pool's underlying portfolio, unless the pool is a 2a7-like, in which case they are reported at share value. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

E. Accounts Receivable

There are no significant receivables which are not scheduled for collection within one year of year end. Accounts receivable balances as of June 30, 2025, consisted of:

	General Fund	Cafeteria Fund	Capital Facilities Fund	Total
Federal Government:				
Title III	\$ 19,079	\$ -	\$ -	\$ 19,079
Title IV	22,192	-	-	22,192
Child Nutrition Program	-	85,150	-	85,150
Special Education	484,601	-	-	484,601
Other Federal Programs	14,905	-	-	14,905
State Government:				
LCFF State Aid	333,120	-	-	333,120
Arts & Music	46,291	-	-	46,291
Lottery	291,153	-	-	291,153
Special Education	51,760	-	-	51,760
Child Nutrition Program	-	270,222	-	270,222
Local Sources				
Interest	149,816	-	2,462	152,278
Other Local Sources	786,992	3,397	-	790,389
Total Accounts Receivable	<u>\$ 2,199,909</u>	<u>\$ 358,769</u>	<u>\$ 2,462</u>	<u>\$ 2,561,140</u>

F. Prepaid Expenditures/Expenses

Prepaid expenditures/expenses for the year ended June 30, 2025, consisted of:

	General Fund	Nonmajor Governmental Funds
Professional Services	\$ 56,475	\$ 141,526
Software Licenses	3,295	-
Total Prepaid Expenditures	<u>\$ 59,770</u>	<u>\$ 141,526</u>

Buckeye Union School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

G. Capital Assets, Lease Assets and Subscription Assets

Capital asset, lease asset and subscription asset activity for the year ended June 30, 2025, was as follows:

Governmental activities:	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ 12,012,104	\$ -	\$ -	\$ 12,012,104
Work in progress	19,350	1,382,060	-	1,401,410
Total capital assets not being depreciated	12,031,454	1,382,060	-	13,413,514
Capital assets being depreciated:				
Land improvements	3,832,880	58,907	-	3,891,787
Buildings and improvements	90,070,503	-	-	90,070,503
Equipment	8,106,660	1,484,980	842,264	8,749,376
Total capital assets being depreciated	102,010,043	1,543,887	842,264	102,711,666
Less accumulated depreciation for:				
Land improvements	(2,864,288)	(71,601)	-	(2,935,889)
Buildings and improvements	(38,476,483)	(2,131,098)	-	(40,607,581)
Equipment	(5,448,563)	(497,122)	(842,264)	(5,103,421)
Total accumulated depreciation	(46,789,334)	(2,699,821)	(842,264)	(48,646,891)
Total capital assets being depreciated, net	55,220,709	(1,155,934)	-	54,064,775
Governmental activities capital assets, net	67,252,163	226,126	-	67,478,289
Lease assets				
Equipment	490,720	-	144,693	346,027
Accumulated amortization for lease assets	(229,919)	(69,205)	(144,693)	(154,431)
Lease assets, net	260,801	(69,205)	-	191,596
Subscription assets				
Subscriptions	145,410	-	-	145,410
Accumulated amortization for lease assets	(29,082)	(29,082)	-	(58,164)
Subscription assets, net	116,328	(29,082)	-	87,246
Governmental activities capital assets and lease assets, net	67,629,292	127,839	-	67,757,131

Depreciation and amortization were charged to functions as follows:

	Depreciation	Amortization
Instruction	\$ 1,488,554	\$ 69,205
Instruction - Related Services		
Instructional Library, Media & Technology	275,635	-
Pupil Services		
Home to School Transportation	223,429	-
Food Services	130,624	-
All Other Pupil Services	8,505	-
Ancillary Services	195,147	
General Administration		
Centralized Data Processing	84,016	-
Other General Administration	83,822	29,082
Plant Services	210,089	-
Total	\$ 2,699,821	\$ 98,287

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

H. Interfund Balances & Activities

1. Due To and From Other Funds

Balances due to and due from other funds at June 30, 2025, consisted of the following:

<u>Interfund Receivable (Due From Other Funds)</u>	<u>Interfund Payable (Due To Other Funds)</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Nonmajor Funds Combined	\$ 203,414	Expenses reimbursement
County School Facilities Fund	Nonmajor Funds Combined	504,594	Capital projects
County School Facilities Fund	General Fund	444,840	Capital projects
	Total	<u>\$ 1,152,848</u>	

2. Transfers To and From Other Funds

Transfers to and from other funds at June 30, 2025, consisted of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>	<u>Purpose</u>
County School Facilities	Nonmajor Funds Combined	\$ 504,594	Capital projects
County School Facilities	General Fund	444,840	Capital projects
	Total	<u>\$ 949,434</u>	

I. Accounts Payable

Accounts payable balances in the fund financial statements as of June 30, 2025, consisted of:

	<u>Major Governmental Funds</u>			<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Cafeteria Fund</u>	<u>Capital Facilities Fund</u>	
Vendors Payable	\$ 121,406	\$ 18,641	\$ 4,925	\$ 144,972
LCFF Adjustment	970,559	-	-	970,559
Payroll and Benefits	3,272,281	-	-	3,272,281
Total Accounts Payable	<u>\$ 4,364,246</u>	<u>\$ 18,641</u>	<u>\$ 4,925</u>	<u>\$ 4,387,812</u>

Buckeye Union School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

J. Unearned Revenue

Unearned revenue balances as of June 30, 2025, consisted of:

	<u>General Fund</u>
State Programs	
Universal Pre-K	\$ 11,701
Child Nutrition: NSLP	<u>100,000</u>
Total Unearned Revenue	<u>\$ 111,701</u>

K. Short Term Debt Activity

The District accounts for short-term debts for maintenance purposes through the General Fund. The proceeds from loans are shown in the financial statements as other financing sources. During the year ended June 30, 2025, the District did not enter into any short-term debt agreements.

Buckeye Union School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

L. Fund Balance Classifications of the Governmental Funds

Ending fund balance classifications of the governmental funds for the year ended June 30, 2025 consisted of:

	Major Governmental Funds				Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Cafeteria Fund	Capital Facilities Fund	County School Facilities Fund		
Nonspendable Fund Balance						
Revolving Cash	\$ 1,000	\$ 70	\$ -	\$ -	\$ -	\$ 1,070
Inventory	-	26,396	-	-	-	26,396
Prepaid Expenditures	59,770	-	-	-	141,526	201,296
Total Nonspendable Fund Balance	60,770	26,466	-	-	141,526	228,762
Restricted Fund Balance						
Child Nutrition Program	-	3,965,517	-	-	-	3,965,517
Capital Projects	-	-	6,243,107	11,187,222	3,084,184	20,514,513
Debt Service	-	-	-	-	1,840,235	1,840,235
Educational Programs	3,378,706	-	-	-	-	3,378,706
Other Purposes	1,024,685	-	-	-	83,082	1,107,767
Total Restricted Fund Balance	4,403,391	3,965,517	6,243,107	11,187,222	5,007,501	30,806,738
Assigned Fund Balance						
Other Assignments	6,337,410	-	-	-	616,267	6,953,677
Special Reserve	420,940	-	-	-	-	420,940
Total Assigned Fund Balance	6,758,350	-	-	-	616,267	7,374,617
Unassigned Fund Balance						
For Economic Uncertainties (REU)	1,883,343	-	-	-	-	1,883,343
Total Unassigned Fund Balance	1,883,343	-	-	-	-	1,883,343
Total Fund Balance	\$ 13,105,854	\$ 3,991,983	\$ 6,243,107	\$ 11,187,222	\$ 5,765,294	\$ 40,293,460

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

M. Long Term Obligations

1. Long-Term Obligation Activity

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended June 30, 2025, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<u>Governmental Activities:</u>					
General Obligation Bonds	\$ 21,130,298	\$ -	\$ 1,343,662	\$ 19,786,636	\$ 1,547,722
Certificates of Participation	8,651,216	-	457,849	8,193,367	479,144
Leases Payable	268,568	-	65,254	203,314	66,715
Subscriptions Payable	118,286	-	28,374	89,912	29,138
Net Pension Liability*	47,922,437	-	6,020,519	41,901,918	-
Compensated Absences*	1,428,994	64,568	-	1,493,562	1,156,433
Total Governmental Activities	<u>\$ 79,519,799</u>	<u>\$ 64,568</u>	<u>\$ 7,915,658</u>	<u>\$ 71,668,709</u>	<u>\$ 3,279,152</u>

*Other long-term liabilities

- Payments for general obligation bonds are made from the bond interest and redemption fund.
- Payments for certificates of participation are made from the BUSD facilities corporation.
- Payments for leases payable are made from the general fund.
- Payments for subscriptions payable are made from the general fund.
- Payments for pension contributions are made from the general fund and cafeteria fund.
- Payments for compensated absences are made from the general fund and the cafeteria fund.

2. General Obligation Bonds

The District's bonded debt consists of various issues of general obligation bonds that are generally callable with interest payable semiannually. Bond proceeds pay primarily for acquiring or constructing capital facilities. The District repays general obligation bonds from voter-approved property taxes.

On November 7, 2006, registered voters authorized the issuance of \$28,300,000 principal amount of general obligation bonds for authorized school purposes. The bonds were issued in two series, Series 2007 in the amount of \$16,400,000 and Series 2008 in the amount of \$11,899,996. In 2014 the District issued general obligation refunding bonds to refund all remaining payments of the 2006 election issued bonds. Of the total amount originally authorized, no amounts remain available for issue.

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

General obligation bonds at June 30, 2025 consisted of the following:

	<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount of Original Issue</u>
2014 Refunding Bonds	09/25/14	3.00 - 5.00%	08/01/34	\$ 25,735,000
Total				<u>\$ 25,735,000</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
2014 Refunding Bonds					
Principal	\$ 20,025,000	\$ -	\$ 1,240,000	\$ 18,785,000	\$ 1,440,000
Premium	1,105,298	-	103,662	1,001,636	107,722
Total	<u>\$ 21,130,298</u>	<u>\$ -</u>	<u>\$ 1,343,662</u>	<u>\$ 19,786,636</u>	<u>\$ 1,547,722</u>

The annual requirements to amortize the bonds outstanding at June 30, 2025 are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	1,440,000	626,438	\$ 2,066,438
2027	1,600,000	550,438	2,150,438
2028	1,775,000	483,813	2,258,813
2029	1,920,000	428,388	2,348,388
2030	2,070,000	368,538	2,438,538
2031-2035	9,980,000	714,366	10,694,366
Total	<u>\$ 18,785,000</u>	<u>\$ 3,171,979</u>	<u>\$ 21,956,979</u>

Premium/Discount

Bond premium arises when the market rate of interest is higher than the stated interest rate on the bond. Generally Accepted Accounting Principles (GAAP) require that the premium increase the face value of the bond and then amortize the premium over the life of the bond.

Effective interest on general obligation bonds issued at a premium are as follows:

	<u>2014</u> <u>Bonds</u>
Total Interest Payments	\$ 12,333,824
Less Bond Premium	<u>(1,872,982)</u>
Net Interest Payments	<u>10,460,842</u>
PAR Amount of Bonds	25,735,000
Periods	19
Effective Interest Rate	2.14%

Buckeye Union School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

3. Certificates of Participation

The outstanding certificates of participation at June 30, 2025 are:

	<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount of Original Issue</u>
2021 Refunding COPs	08/03/21	2.00 - 3.00%	11/01/38	\$ 8,900,000
Total				<u>\$ 8,900,000</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
2021 Refunding COPs					
Principal	\$ 8,125,000	\$ -	\$ 430,000	\$ 7,695,000	\$ 450,000
Premium	526,216	-	27,849	498,367	29,144
Total	<u>\$ 8,651,216</u>	<u>\$ -</u>	<u>\$ 457,849</u>	<u>\$ 8,193,367</u>	<u>\$ 479,144</u>

The annual requirements to amortize the certificates of participation outstanding at June 30, 2025 are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	450,000	188,369	\$ 638,369
2027	465,000	174,644	639,644
2028	475,000	160,544	635,544
2029	500,000	145,919	645,919
2030	515,000	130,694	645,694
2031-2035	2,845,000	419,042	3,264,042
2036-2040	2,445,000	97,791	2,542,791
Total	<u>\$ 7,695,000</u>	<u>\$ 1,317,001</u>	<u>\$ 9,012,001</u>

Certificates of Participation Premium

Certificates of participation premium arises when the market rate of interest is higher than the stated interest rate on the certificates. Generally Accepted Accounting Principles (GAAP) require that the premium increase the face value of the certificates and then amortize the premium over the life of the certificates.

Buckeye Union School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

Effective interest on certificates of participation issued at a premium are as follows:

	2021 Refunding COPs
Total Interest Payments	\$ 2,131,001
Less Bond Premium	<u>(576,409)</u>
Net Interest Payments	<u>1,554,592</u>
PAR Amount of Bonds	8,900,000
Periods	17
Effective Interest Rate	1.03%

4. Leases Payable

The District has lease agreements with Xerox and Kyocera for the right to use copy machines. The leases are each for 60 month terms and have been discounted to present value using a 3% discount rate.

The District entered into an agreement with Buckmaster during the 2023-24 year at an effective interest rate of 6.5% for a 60 month term.

The following represents lease activity for the fiscal year ended June 30, 2025:

<u>Description</u>	<u>Date Lease Began</u>	<u>Original Balance</u>	<u>Balance July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2025</u>	<u>Due Within One Year</u>
Blue Oak Xerox (2)	4/1/2021	\$ 46,690	\$ 17,105	\$ -	\$ 9,684	\$ 7,421	\$ 7,421
Buckmaster	8/1/2023	299,337	251,463	-	55,570	195,893	59,294
Total Lease Liability		<u>\$ 346,027</u>	<u>\$ 268,568</u>	<u>\$ -</u>	<u>\$ 65,254</u>	<u>\$ 203,314</u>	<u>\$ 66,715</u>

Future payments on the leases are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	66,715	11,079	\$ 77,794
2027	63,264	7,016	70,280
2028	67,501	2,779	70,280
2029	5,834	32	5,866
Total	<u>\$ 203,314</u>	<u>\$ 20,906</u>	<u>\$ 224,220</u>

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

5. Subscription Liabilities

The District entered into a software agreement with Finalsight during the 2023-24 year with an effective interest rate of 6.5% for a term of 60 months. Future payments on the subscriptions are as follows:

<u>Description</u>	<u>Date Lease Began</u>	<u>Original Balance</u>	<u>Balance July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2025</u>	<u>Due Within One Year</u>
Finalsite	7/1/2023	\$ 145,410	\$ 118,286	\$ -	\$ 28,374	\$ 89,912	\$ 29,138
Total Lease Liability		<u>\$ 145,410</u>	<u>\$ 118,286</u>	<u>\$ -</u>	<u>\$ 28,374</u>	<u>\$ 89,912</u>	<u>\$ 29,138</u>

Future payments on the subscriptions are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 29,138	\$ 487	\$ 29,625
2027	29,966	329	30,295
2028	<u>30,808</u>	<u>167</u>	<u>30,975</u>
Total	<u>\$ 89,912</u>	<u>\$ 983</u>	<u>\$ 90,895</u>

6. Compensated Absences

Total unpaid employee compensated absences as of June 30, 2025 amounted to \$1,493,562. This amount is included as part of long-term liabilities in the government-wide financial statements.

7. Net Pension Liability

The District's beginning net pension liability was \$47,922,437 and decreased by \$6,020,519 during the year ended June 30, 2025 for an ending net pension liability of \$41,901,918. See Note N for additional information regarding the net pension liability.

Buckeye Union School District

Notes to the Financial Statements, Continued
 For the Year Ended June 30, 2025

N. Pension Plans

1. General Information about the Pension Plans

a. Plan Descriptions

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS) and classified employees are members of the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Local Government resolution. Support by the State for the CalSTRS plan is such that the plan has a special funding situation as defined by GASB Statement No. 68. CalSTRS and CalPERS issue publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on their respective websites.

b. Benefits Paid

CalSTRS and CalPERS provide service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at 62 for normal benefits or at age 55 with statutorily reduced benefits. Employees hired prior to January 1, 2013 are eligible to retire at age 60 for normal benefits or at age 55 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. All members are eligible for death benefits after one year of total service.

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

<u>Hire Date</u>	<u>CalSTRS</u>	
	<u>Before</u>	<u>After</u>
	<u>Jan. 1, 2013</u>	<u>Jan. 1, 2013</u>
Benefit Formula	2% at 60	2% at 62**
Benefit Vesting Schedule	5 Years	5 Years
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	55 - 60	55 - 62
Monthly Benefits as a % of Eligible Compensation	1.1 - 2.4%*	1.0 - 2.4%*
Required Employee Contribution Rates (2024-25)	10.250%	10.205%
Required Employer Contribution Rates (2024-25)	19.100%	19.100%
Required State Contribution Rates (2024-25)	10.828%	10.828%

*Amounts are limited to 120% of Social Security Wage Base.

**The contribution rate for CalSTRS 2% at 62 members is based, in part, on the normal cost of benefits and may increase or decrease in future years.

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

<u>Hire Date</u>	CalPERS	
	Before Jan. 1, 2013	After Jan. 1, 2013
Benefit Formula	2% at 60	2% at 62**
Benefit Vesting Schedule	5 Years	5 Years
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50 - 62	52 - 67
Monthly Benefits as a % of Eligible Compensation	1.1 - 2.5%*	1.0 - 2.5%*
Required Employee Contribution Rates (2024-25)	7.000%	8.000%
Required Employer Contribution Rates (2024-25)	27.050%	27.050%

*Amounts are limited to 120% of Social Security Wage Base

**The rate imposed on CalPERS 2% at 62 members is based on the normal cost of benefits.

c. Contributions

CalSTRS

For the fiscal year ended June 30, 2025, California Education Code §22950 requires members to contribute monthly to the system 10.205% (if hired on or after January 1, 2013) or 10.25% (if hired before January 1, 2013) of the creditable compensation upon which members' contributions under this part are based. In addition, the employer required rates established by the CalSTRS board have been established at 19.10% of creditable compensation for the fiscal year ended June 30, 2025. The CalSTRS Board has the authority to increase or decrease percentages paid specific to reflect the contribution required to eliminate by June 30, 2046, the remaining unfunded actuarial obligation with respect to service credited to members before July 1, 2014, as determined by the Board based upon a recommendation from its actuary. Those adjustments are limited to 1% annually, not to exceed 20.25% of creditable compensation.

CalPERS

California Public Employees' Retirement Law §20814(c) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. The CalPERS Board retains the authority to amend contribution rates. The total plan contributions are determined through CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of the employees. For the fiscal year ended June 30, 2025, the employee contribution rate was 7.00% for employees hired prior to January 1, 2013 and 8.00% for employees hired on or after January 1, 2013, and the employer contribution rate was 27.05% of covered payroll.

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

On Behalf Payments

Consistent with California Education Code §22955.1, the State of California makes contributions to CalSTRS on behalf of employees working for the District. For the fiscal year ended June 30, 2025 the State contributed 10.828% of salaries creditable to CalSTRS. Consistent with the requirements of generally accepted accounting principles, the District has recorded these contributions as revenue and expense in the fund financial statements (current financial resources measurement focus). The government-wide financial statements have recorded revenue and expense for pension expense paid on behalf of the District (economic resources measurement focus). Contributions reported for on behalf payments are based on the District’s proportionate share of the States contribution for the fiscal year. Contributions made by the state on behalf of the District and the State’s pension expense associated with District employees for the past three fiscal years are as follows:

Year Ended June 30,	CalSTRS		
	On Behalf Contribution Rate	On Behalf Contribution Amount	On Behalf Pension Expense
2023	10.828%	\$ 2,588,482	\$ 7,887,781
2024	10.828%	2,157,527	(687,988)
2025	10.828%	2,105,808	(350,209)

d. Contributions Recognized

For the fiscal year ended June 30, 2025 (measurement period June 30, 2024), the contributions recognized for each plan were:

	Governmental Fund Financial Statements (Current Financial Resources Measurement Focus)		
	CalSTRS	CalPERS	Total
<i>Governmental Funds</i>			
Contributions - Employer	\$ 4,675,944	\$ 2,801,427	\$ 7,477,371
Contributions - State On Behalf Payments	2,276,179	-	2,276,179
Total Governmental Funds	<u>\$ 6,952,123</u>	<u>\$ 2,801,427</u>	<u>\$ 9,753,550</u>
	Government-Wide Financial Statements (Economic Resources Measurement Focus)		
	CalSTRS	CalPERS	Total
<i>Governmental Activities</i>			
Contributions - Employer	\$ 4,589,751	\$ 2,552,091	\$ 7,141,842
Contributions - State On Behalf Payments	2,105,808	-	2,105,808
Total Governmental Activities	<u>\$ 6,695,559</u>	<u>\$ 2,552,091</u>	<u>\$ 9,247,650</u>

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

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

As of June 30, 2024 (measurement date) the District reported net pension liabilities for its proportionate share of the net pension liability of each plan as follows:

	Governmental Activities
CalSTRS	\$ 24,569,316
CalPERS	17,332,602
Total	<u>\$ 41,901,918</u>

The District's net pension liability for each Plan is measured as the proportionate share of the total net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2024. The total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023 rolled forward to measurement date June 30, 2024 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, as actuarially determined.

The District's proportionate share of the net pension liability for each Plan as of June 30, 2024 and June 30, 2025 were as follows:

	<u>CalSTRS</u>		<u>CalPERS</u>
	District's Proportionate Share	State's Proportionate Share for District *Employees	Total for District Employees
			District's Proportionate Share
<i>Governmental Activities</i>			
Proportion June 30, 2024	0.039196%	0.018788%	0.057984%
Proportion June 30, 2025	0.036582%	0.016784%	0.053366%
Change in Proportion	<u>-0.002614%</u>	<u>-0.002004%</u>	<u>-0.004618%</u>
			<u>-0.001422%</u>

*Represents State's Proportionate Share on behalf of District employees.

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

a. Pension Expense

	<i>Governmental Activities</i>		
	<u>CalSTRS</u>	<u>CalPERS</u>	<u>Total</u>
Change in Net Pension Liability	\$ (5,282,637)	\$ (737,883)	\$ (6,020,520)
State On Behalf Pension Expense	(350,209)	-	(350,209)
Employer Contributions	4,675,944	2,801,427	7,477,371
Change in Deferrals for:			
Experience Differences	(955,151)	(947,131)	(1,902,282)
Changes in Assumptions	65,304	449,391	514,695
Changes in Proportionate Share	1,946,956	371,758	2,318,714
Subsequent Contributions	63,222	(98,801)	(35,579)
Earnings Differences	226,671	1,256,917	1,483,588
Total Pension Expense Government-Wide	<u>\$ 390,100</u>	<u>\$ 3,095,678</u>	<u>\$ 3,485,778</u>

b. Deferred Outflows and Inflows of Resources

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>		
	<u>CalSTRS</u>	<u>CalPERS</u>	<u>Total</u>
<i>Governmental Activities</i>			
Subsequent Contributions	\$ 4,675,944	\$ 2,801,427	\$ 7,477,371
Experience Differences	2,779,447	1,453,086	4,232,533
Changes in Assumptions	107,551	383,109	490,660
Changes in Proportionate Share	2,844,005	125,432	2,969,437
Earnings Differences	-	673,271	673,271
Total Deferred Outflows of Resources	<u>\$ 10,406,947</u>	<u>\$ 5,436,325</u>	<u>\$ 15,843,272</u>

	<u>Deferred Inflows of Resources</u>		
	<u>CalSTRS</u>	<u>CalPERS</u>	<u>Total</u>
<i>Governmental Activities</i>			
Experience Differences	\$ (1,075,094)	\$ (124,049)	\$ (1,199,143)
Changes in Proportionate Share	(2,817,143)	(488,900)	(3,306,043)
Earnings Differences	(100,382)	-	(100,382)
Total Deferred Inflows of Resources	<u>\$ (3,992,619)</u>	<u>\$ (612,949)</u>	<u>\$ (4,605,568)</u>

Pension contributions made subsequent to the measurement date reported as deferred outflows of resources will be recognized as a portion of pension expense in the year ended June 30, 2026. The remaining amounts reported as deferred outflows or deferred inflows of resources will be recognized as an increase or decrease to pension expense over a five-year period.

Buckeye Union School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

Pension expense resulting from deferred outflows and deferred inflows of resources will be recognized as follows:

Year Ended June 30,	<i>Governmental Activities</i>				Net Effect on Expenses
	Deferred Outflows of Resources		Deferred Inflows of Resources		
	CalSTRS	CalPERS	CalSTRS	CalPERS	
2026	\$ 5,873,585	\$ 3,891,292	\$ (2,867,465)	\$ (300,966)	\$ 6,596,446
2027	1,197,640	1,588,533	1,044,356	(172,525)	3,658,004
2028	1,143,866	169,532	(822,387)	(139,458)	351,553
2029	1,016,361	(213,032)	(758,338)	-	44,991
2030	1,016,365	-	(294,394)	-	721,971
Thereafter	159,130	-	(294,391)	-	(135,261)
Total	<u>\$ 10,406,947</u>	<u>\$ 5,436,325</u>	<u>\$ (3,992,619)</u>	<u>\$ (612,949)</u>	<u>\$ 11,237,704</u>

c. Actuarial Assumptions

Total pension liabilities for the fiscal year ended June 30, 2025, were based on actuarial valuations determined using the following actuarial assumptions:

	CalSTRS	CalPERS
Fiscal Year	6/30/2025	6/30/2025
Measurement Date	6/30/2024	6/30/2024
Valuation Date	6/30/2023	6/30/2023
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Experience Study Period	2007 - 2022	2000 - 2019
Actuarial Assumptions:		
Discount Rate	7.10%	6.90%
Inflation	2.75%	2.30%
Wage Growth	3.50%	Varies ⁽³⁾
Payroll Growth	3.25%	Varies ⁽³⁾
Investment Rate of Return	7.10%	6.90%
Post Retirement Benefit Increase	2.00% Simple ⁽¹⁾	2.00% - 2.30% ⁽⁴⁾
Mortality	CalSTRS Data ⁽²⁾	CalPERS Data ⁽⁵⁾

(1) CalSTRS post-retirement benefit increases assumed at 2% simple (annually) maintaining 85% purchasing power level.

(2) CalSTRS base mortality tables are custom tables derived to best fit the patterns of mortality among CalSTRS members. The projection scale was set to equal 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table issued by the Society of Actuaries.

(3) Varies by entry age and service.

(4) CalPERS post retirement benefit increases assumes 2.00% until PPPA floor on purchasing power applies, 2.50% thereafter.

(5) CalPERS mortality table was developed based on CalPERS specific data. The table includes 15 years of mortality improvement using the Society of Actuaries 90% of scale MP-2016. For more details on this table, please refer to the December 2021 experience study report (based on CalPERS demographic data from 2000 to 2019) that can be found on the CalPERS website.

Buckeye Union School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

d. Discount Rate

The discount rate used to measure the total pension liability was 7.10% for CalSTRS and 6.90% for CalPERS. The projection of cash flows used to determine the discount rates assumed the contributions from the plan members, employers, and state contributing agencies (where applicable) will be made at statutory contribution rates. To determine whether the District bond rate should be used in the calculation of a discount rate for each plan, CalSTRS and CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current discount rates are adequate, and the use of the discount bond rate calculations is not necessary for either plan. The stress test results are presented in detailed reports that can be obtained from CalPERS and CalSTRS respective websites.

The CalPERS discount rate was increased from 7.50% to 7.65% at measurement date June 30, 2015 (Fiscal year June 30, 2016) to correct for an adjustment to exclude administrative expenses. Subsequently CalPERS discount rate was decreased from 7.65% to 7.15% at measurement date June 30, 2017 (Fiscal year June 30, 2018) to adjust for changes resulting from actuarially determined amounts. Finally, the CalPERS discount rate was decreased from 7.15% to 6.90% at measurement date June 30, 2022 (Fiscal year June 30, 2023) resulting from a new actuarial experience study completed.

The CalSTRS discount rate was adjusted from 7.60% to 7.10% for measurement date June 30, 2017 (Fiscal year June 30, 2018) to adjust for changes resulting from a new actuarial experience study.

According to Paragraph 30 of GASB Statement No. 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The investment return assumption used in the accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. Using this lower discount rate has resulted in a slightly higher total pension liability and net pension liability. CalSTRS and CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalSTRS and CalPERS are scheduled to review actuarial assumptions as part of their regular Asset Liability Management (ALM) review cycle. CalSTRS completed their ALM November 2019 with new policies in effect on July 1, 2021. CalPERS completed their ALM in 2021 with new policies in effect on July 1, 2022. Both CalSTRS and CalPERS conduct new ALM's every 4 years.

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

In determining the long-term expected rate of return, CalSTRS and CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and long-term (11-60 years) using a building block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest quarter of one percent.

Buckeye Union School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

The tables below reflect the long-term expected real rate of return by asset class. The rate of return was calculated using capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

CalSTRS

Asset Class	Assumed Asset Allocation	Long-Term Expected Rate of Return ⁽¹⁾	Long-Term Expected Real Rate of Return ⁽²⁾
Public Equity	38.00%	8.00%	5.25%
Real Estate	15.00%	6.80%	4.05%
Private Equity	14.00%	9.50%	6.75%
Fixed Income	14.00%	5.20%	2.45%
Risk Mitigation Strategies	10.00%	5.00%	2.25%
Inflation Sensitive	7.00%	6.40%	3.65%
Cash/Liquid	2.00%	2.80%	0.05%

⁽¹⁾ 20 to 30 year geometric average.

⁽²⁾ Real rates of return are net of assumed 2.75% inflation

CalPERS

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return ^{(3),(4)}
Global Equity - cap weighted	30.00%	4.54%
Global Equity - non-cap weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-Backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%

⁽³⁾ An expected price inflation of 2.30% used for this period.

⁽⁴⁾ Figures are based on the 2021-22 Asset Liability Management Study.

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

e. Sensitivity to Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	<u>CalSTRS</u>	<u>CalPERS</u>
1% Decrease	6.10%	5.90%
Net Pension Liability	\$ 43,701,223	\$ 25,747,727
Current Discount Rate	7.10%	6.90%
Net Pension Liability	\$ 24,569,316	\$ 17,332,602
1% Increase	8.10%	7.90%
Net Pension Liability	\$ 8,593,843	\$ 10,381,041

3. Total Pension Liability, Pension Plan Fiduciary Net Position and Net Pension Liability

CalSTRS Governmental Activities

	<u>Increase (Decrease)</u>				
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>	<u>State's Share of Net Pension Liability</u>	<u>District's Share of Net Pension Liability</u>
	(a)	(b)	(a) - (b)	(c)	(a) - (b) - (c)
Balance at June 30, 2024					
(Previously Reported)	\$ 227,923,505	\$ 183,762,478	\$ 44,161,027	\$ 14,309,074	\$ 29,851,953
Changes for the year					
Change in proportionate share	(18,152,434)	(14,635,333)	(3,517,101)	(1,526,261)	(1,990,840)
Service cost	4,646,044	-	4,646,044	1,461,215	3,184,829
Interest	14,865,633	-	14,865,633	4,675,351	10,190,282
Experience differences	1,624,995	-	1,624,995	511,073	1,113,922
Change in assumptions	(2,855,615)	-	(2,855,615)	(898,112)	(1,957,503)
Change in benefits	17,611	-	17,611	5,539	12,072
Contributions:					
Employer	-	4,581,701	(4,581,701)	(1,440,979)	(3,140,722)
Employee	-	2,526,880	(2,526,880)	(794,722)	(1,732,158)
State on behalf	-	2,105,808	(2,105,808)	(662,292)	(1,443,516)
Net investment income	-	13,967,483	(13,967,483)	(4,392,876)	(9,574,607)
Other income	-	208,661	(208,661)	(65,625)	(143,036)
Benefit payments ⁽¹⁾	(10,239,868)	(10,239,868)	-	-	-
Administrative expenses	-	(108,333)	108,333	34,072	74,261
Borrowing costs	-	(177,709)	177,709	55,891	121,818
Other expenses	-	(3,736)	3,736	1,175	2,561
Net changes	(10,093,634)	(1,774,446)	(8,319,188)	(3,036,551)	(5,282,637)
Balance at June 30, 2025	<u>\$ 217,829,871</u>	<u>\$ 181,988,032</u>	<u>\$ 35,841,839</u>	<u>\$ 11,272,523</u>	<u>\$ 24,569,316</u>

(1) – Includes refunds of employee contributions

Buckeye Union School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

CalPERS Governmental Activities

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at June 30, 2024			
(Previously Reported)	\$ 60,160,364	\$ 42,089,879	\$ 18,070,485
Changes for the year			
Change in proportionate share	(1,713,703)	(1,198,954)	(514,749)
Service cost	1,503,029	-	1,503,029
Interest	4,081,993	-	4,081,993
Experience differences	1,404,907	-	1,404,907
Contributions:			
Employer	-	2,603,788	(2,603,788)
Employee	-	744,040	(744,040)
Net investment income	-	3,899,076	(3,899,076)
Benefit payments ⁽¹⁾	(2,887,528)	(2,887,528)	-
Administrative expenses	-	(33,841)	33,841
Net changes	2,388,698	3,126,581	(737,883)
Balance at June 30, 2025	\$ 62,549,062	\$ 45,216,460	\$ 17,332,602

(1) – Includes refunds of employee contributions

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalSTRS and CalPERS financial reports available on their respective websites.

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

O. Risk Management

The District is exposed to risk of losses due to:

- Torts,
- Theft of, damage to, or destruction of assets,
- Business interruption,
- Errors or omissions,
- Job related illness or injuries to employees,
- Natural disasters,
- Other risks associated with public entity risk pools

Risk management is the process of managing the District's activities to minimize the adverse effects of these risks. The main element of risk management are risk control (to minimize the losses that strike an organization) and risk financing (to obtain finances to provide for or restore the economic damages of those losses). Risk financing techniques include risk retention, risk transfer to and from an insurer, and risk transfer to a non-insurer.

The District has implemented the risk financing technique of risk transfer to an insurer. The District has purchased property & liability insurance as well as workers compensation insurance to cover any losses resulting from the risks identified above.

There have been no significant changes in property and liability or workers compensation coverage during the current fiscal year.

P. Participation in Joint Powers Authorities

The District is a member of one joint powers agreement (JPA) entity, Schools Insurance Authority (SIA) for the operation of a common risk management and insurance programs for property and liability coverage, workers compensation, and other employee benefits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage from coverage in the prior year.

The JPA has 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 JPA and the District are included in these statements. Audited financial statements are available from the JPA.

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

Q. Commitments and Contingencies

1. State and Federal Allowances, Awards, and Grants

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

2. Litigation

The District is periodically 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 as of June 30, 2025.

3. Construction Commitments

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

<u>Project</u>	<u>Commitment</u>	<u>Expected Date of Completion*</u>
RHMS Kitchen Project	\$ 2,400,000	August 2025

*Expected date of completion subject to change

Buckeye Union School District

Notes to the Financial Statements, Continued
 For the Year Ended June 30, 2025

R. Deferred Outflows of Resources

The District has issued refunding bonds and refunding COPs resulting in losses on refunding which are recognized as a deferred outflow of resources. The losses on refunding will be amortized over the life of the debt using the straight-line method.

Consistent with the requirements of GASB 65 prepaid debt insurance is recorded as deferred outflow of resources and amortized over the life of the debt using the economic interest method.

In accordance with GASB Statement No. 68 & 71, payments made subsequent to the pension plan measurement date and other items as outlined in the GASB pronouncement have been recorded as deferred outflows of resources.

A summary of the deferred outflows of resources as of June 30, 2025, is as follows:

Description	Beginning Balance	Increases	Decreases	Ending Balance
Refunding Losses	\$ 1,051,692	\$ -	\$ 96,894	\$ 954,798
Prepaid Debt Insurance	31,470	-	1,903	29,567
Pension Related				
CalSTRS	10,923,737	756,424	1,273,214	10,406,947
CalPERS	6,389,558	341,059	1,294,292	5,436,325
Total Deferred Outflows of Resources	\$ 18,396,457	\$ 1,097,483	\$ 2,666,303	\$ 16,827,637

Future amortization of deferred outflows of resources is as follows:

Year Ending June 30,	Refunding Loss	Prepaid Insurance	Pension Related	Total
2026	\$ 96,894	\$ 1,729	\$ 9,764,877	\$ 9,863,500
2027	96,894	1,787	2,786,173	2,884,854
2028	96,894	1,825	1,313,398	1,412,117
2029	96,894	1,921	803,329	902,144
2030	96,894	1,979	1,016,365	1,115,238
Thereafter	470,328	20,326	159,130	649,784
Total	\$ 954,798	\$ 29,567	\$ 15,843,272	\$ 16,827,637

Buckeye Union School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

S. Deferred Inflows of Resources

In accordance with GASB Statement No. 68 & 71, items as outlined in the GASB statement have been recorded as deferred inflows of resources.

A summary of the deferred inflows of resources as of June 30, 2025 is as follows:

<u>Description</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Pension Related				
CalSTRS	3,162,407	3,206,021	2,375,809	\$ 3,992,619
CalPERS	534,048	595,854	516,953	612,949
Total Deferred Inflows of Resources	<u>\$ 3,696,455</u>	<u>\$ 3,801,875</u>	<u>\$ 2,892,762</u>	<u>\$ 4,605,568</u>

Future amortization of deferred inflows is as follows:

<u>Year Ending June 30,</u>	<u>Pension Related</u>
2026	\$ 3,168,431
2027	(871,831)
2028	961,845
2029	758,338
2030	294,394
Thereafter	294,391
Total	<u>\$ 4,605,568</u>

Buckeye Union School District

Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

T. Upcoming Accounting Guidance

The Governmental Accounting Standards Board (GASB) issues pronouncements and additional guidance for governmental agencies to establish consistent accounting across all governments in the United States. The following table represents items that have been issued by GASB that will become effective in future periods:

Description	Date Issued	Year Effective
GASB Statement No. 103 <i>Financial Reporting Model Improvements</i>	Apr-24	2025-26
GASB Statement No. 104 <i>Disclosure of Certain Capital Assets</i>	Sep-24	2025-26
GASB Implementation Guide No. 2025-1 <i>Implementation Guidance Update 2025 (Except Question 4.16)</i>	Jun-25	2025-26

The effects of the upcoming guidance and pronouncements on the District’s financial statements has not yet been determined.

Required Supplementary Information

Buckeye Union School District

Budgetary Comparison Schedule – General Fund

For the Year Ended June 30, 2025

	Budgeted Amounts		Variance Original to Final Budget Positive/ (Negative)	Actual	Variance Actual to Final Budget Positive/ (Negative)
	Original	Final			
Revenues					
LCFF Sources					
State Apportionment	\$ 22,136,666	\$ 30,194,879	\$ 8,058,213	\$ 24,473,664	\$ (5,721,215)
Education Protection Account	13,594,233	7,448,761	(6,145,472)	13,903,361	6,454,600
Property Taxes	12,016,770	10,043,194	(1,973,576)	9,637,702	(405,492)
Federal Revenue	1,022,099	867,261	(154,838)	913,463	46,202
Other State Revenue	6,033,117	6,008,709	(24,408)	6,459,395	450,686
Interest Income	300,000	360,000	60,000	507,340	147,340
Fair Market Value Adjustment	-	-	-	261,509	261,509
Other Local Revenue	3,521,437	3,783,663	262,226	4,051,198	267,535
Total Revenues	58,624,322	58,706,467	82,145	60,207,632	1,501,165
Expenditures					
Current Expenditures:					
Certificated Salaries	24,158,126	24,659,326	(501,200)	25,187,778	(528,452)
Classified Salaries	11,145,656	10,722,877	422,779	10,686,946	35,931
Employee Benefits	15,575,853	14,700,495	875,358	14,553,423	147,072
Books and Supplies	4,703,093	4,369,605	333,488	3,902,220	467,385
Services and Other Operating	6,293,147	6,596,902	(303,755)	5,396,825	1,200,077
Other Outgo	486,071	1,443,390	(957,319)	1,631,597	(188,207)
Direct Support/Indirect Costs	(77,315)	(77,315)	-	(81,233)	3,918
Capital Outlay	120,000	973,511	(853,511)	962,052	11,459
Debt Service:					
Principal	-	-	-	93,628	(93,628)
Total Expenditures	62,404,631	63,388,791	(984,160)	62,333,236	1,055,555
Excess (Deficiency) of Revenues					
Over Expenditures	(3,780,309)	(4,682,324)	(902,015)	(2,125,604)	2,556,720
Other Financing Sources (Uses)					
Transfers Out	-	-	-	(444,839)	(444,839)
Total Other Financing Sources (Uses)	-	-	-	(444,839)	(444,839)
Net Change in Fund Balance	(3,780,309)	(4,682,324)	(902,015)	(2,570,443)	2,111,881
Fund Balance - Beginning of Year	15,255,357	15,255,357	-	15,255,357	-
Fund Balance - End of Year	\$ 11,475,048	\$ 10,573,033	\$ (902,015)	\$ 12,684,914	\$ 2,111,881

See Accompanying Notes to Required Supplementary Information

Buckeye Union School District

Budgetary Comparison Schedule – Cafeteria Fund

For the Year Ended June 30, 2025

	Budgeted Amounts		Variance Original to Final Budget Positive/ (Negative)	Actual	Variance Actual to Final Budget Positive/ (Negative)
	Original	Final			
Revenues					
Federal Revenue	\$ 680,000	\$ 723,842	\$ 43,842	\$ 743,319	\$ 19,477
Other State Revenue	240,000	240,000	-	2,306,986	2,066,986
Interest Income	15,000	20,000	5,000	-	(20,000)
Fair Market Value Adjustment	-	-	-	-	-
Other Local Revenue	6,000	26,000	20,000	293,783	267,783
Total Revenues	941,000	1,009,842	68,842	3,344,088	2,334,246
Expenditures					
Current Expenditures:					
Classified Salaries	279,489	327,095	(47,606)	683,165	(356,070)
Employee Benefits	147,987	157,972	(9,985)	264,552	(106,580)
Books and Supplies	67,469	92,848	(25,379)	1,200,226	(1,107,378)
Services and Other Operating	592,838	653,570	(60,732)	369,402	284,168
Other Outgo	35,000	33,000	2,000	81,233	(48,233)
Capital Outlay	39,028	21,267	17,761	149,347	(128,080)
Total Expenditures	1,161,811	1,285,752	(123,941)	2,747,925	(1,462,173)
Excess (Deficiency) of Revenues Over Expenditures	(220,811)	(275,910)	(55,099)	596,163	872,073
Other Financing Sources (Uses)					
Transfers Out	-	-	-	(504,594)	(504,594)
Total Other Financing Sources (Uses)	-	-	-	(504,594)	(504,594)
Net Change in Fund Balance	(220,811)	(275,910)	(55,099)	91,569	367,479
Fund Balance - Beginning of Year	3,900,414	3,900,414	-	3,900,414	-
Fund Balance - End of Year	\$ 3,679,603	\$ 3,624,504	\$ (55,099)	\$ 3,991,983	\$ 367,479

Buckeye Union School District

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

Last Ten Fiscal Years

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension liability (asset)	0.036582%	0.039196%	0.033843%	0.0354%	0.0345%	0.0363%	0.0377%	0.0371%	0.0360%	0.0380%
District's proportionate share of the net pension liability (asset)	\$ 24,569,316	\$ 29,851,952	\$ 23,516,049	\$ 16,119,110	\$ 33,433,622	\$ 32,757,284	\$ 34,621,365	\$ 34,308,322	\$ 29,154,062	\$ 25,606,938
State's proportionate share of the net pension liability (asset) associated with the District	11,272,523	14,309,075	14,341,851	11,951,559	23,766,294	19,132,877	18,299,066	20,019,199	17,818,129	13,882,191
Total	<u>\$ 35,841,839</u>	<u>\$ 44,161,027</u>	<u>\$ 37,857,900</u>	<u>\$ 28,070,669</u>	<u>\$ 57,199,916</u>	<u>\$ 51,890,161</u>	<u>\$ 52,920,431</u>	<u>\$ 54,327,521</u>	<u>\$ 46,972,191</u>	<u>\$ 39,489,129</u>
District's covered payroll*	24,030,110	23,566,445	21,604,663	20,993,362	21,238,281	19,494,760	20,005,211	19,615,095	17,908,705	17,576,869
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	102.24%	126.67%	108.85%	76.78%	157.42%	168.03%	173.06%	174.91%	162.79%	145.69%
Plan fiduciary net position as a percentage of the total pension liability	83.55%	80.62%	81.20%	87.21%	71.82%	72.56%	70.99%	69.46%	70.04%	74.02%

*Covered payroll on this schedule is based on measurement date, as such covered payroll represented for each fiscal year is the covered payroll from the prior year as identified on the schedule of contributions.

See Accompanying Notes to Required Supplementary Information

Buckeye Union School District

Schedule of the District's Contributions - CalSTRS

Last Ten Fiscal Years

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 4,675,944	\$ 4,589,751	\$ 4,501,191	\$ 3,698,754	\$ 3,390,428	\$ 3,631,746	\$ 3,173,747	\$ 2,886,752	\$ 2,467,579	\$ 1,921,604
Contributions in relation to the contractually required contribution	<u>(4,675,944)</u>	<u>(4,589,751)</u>	<u>(4,501,191)</u>	<u>(3,698,754)</u>	<u>(3,390,428)</u>	<u>(3,631,746)</u>	<u>(3,173,747)</u>	<u>(2,886,752)</u>	<u>(2,467,579)</u>	<u>(1,921,604)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll*	\$ 24,481,382	\$ 24,030,110	\$ 23,566,445	\$ 21,860,248	\$ 20,993,362	\$ 21,238,281	\$ 19,494,760	\$ 20,005,211	\$ 19,615,095	\$ 17,908,705
Contributions as a percentage of covered payroll	19.10%	19.10%	19.10%	16.92%	16.15%	17.10%	16.28%	14.43%	12.58%	10.73%

*Covered payroll on this schedule is based on the fiscal year.

Buckeye Union School District

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

Last Ten Fiscal Years

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension liability (asset)	0.0485%	0.0499%	0.0501%	0.0475%	0.0500%	0.0482%	0.0506%	0.0492%	0.0496%	0.0512%
District's proportionate share of the net pension liability (asset)	\$ 17,332,602	\$ 18,070,485	\$ 17,248,242	\$ 9,649,501	\$ 15,338,163	\$ 14,042,575	\$ 13,494,486	\$ 11,742,235	\$ 9,786,483	\$ 7,551,308
District's covered payroll*	\$ 9,565,558	\$ 8,641,738	\$ 7,782,968	\$ 6,813,691	\$ 7,265,149	\$ 6,743,052	\$ 6,748,200	\$ 6,317,504	\$ 6,000,540	\$ 5,697,078
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	181.20%	209.11%	221.62%	141.62%	211.12%	208.25%	199.97%	185.87%	163.09%	132.55%
Plan fiduciary net position as a percentage of the total pension liability	72.29%	69.96%	69.76%	80.97%	70.00%	70.05%	70.85%	71.87%	73.90%	79.43%

*Covered payroll on this schedule is based on measurement date, as such covered payroll represented for each fiscal year is the covered payroll from the prior year as identified on the schedule of contributions.

Buckeye Union School District

Schedule of the District's Contributions - CalPERS

Last Ten Fiscal Years

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 2,801,427	\$ 2,552,091	\$ 2,192,409	\$ 1,948,839	\$ 1,581,465	\$ 1,432,760	\$ 1,217,930	\$ 1,048,063	\$ 877,375	\$ 710,884
Contributions in relation to the contractually required contribution	<u>(2,801,427)</u>	<u>(2,552,091)</u>	<u>(2,192,409)</u>	<u>(1,948,839)</u>	<u>(1,581,465)</u>	<u>(1,432,760)</u>	<u>(1,217,930)</u>	<u>(1,048,063)</u>	<u>(877,375)</u>	<u>(710,884)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll*	\$ 10,356,477	\$ 9,565,558	\$ 8,641,738	\$ 8,506,499	\$ 7,639,928	\$ 7,265,149	\$ 6,743,052	\$ 6,748,200	\$ 6,317,504	\$ 6,000,540
Contributions as a percentage of covered payroll	27.050%	26.680%	25.370%	22.910%	20.700%	19.721%	18.062%	15.531%	13.888%	11.847%

*Covered payroll on this schedule is based on the fiscal year.

Buckeye Union School District

Notes to Required Supplementary Information
For the Year Ended June 30, 2025

A. Budgetary Comparison Schedule – General Fund

As described in Note A to these financial statements, for purposes of reporting in conformity with GASB Statement No. 54, the District’s Special Reserve Fund for Other than Capital Outlay (Fund 17) was included with the General Fund. The Budgetary Comparison Schedule included in the Required Supplementary Information is based on the legally adopted budget for the General Fund only.

General Fund - Basic Financial Statements Ending Fund Balance	\$ 13,105,854
Less Fund 17 Fund Balance	<u>(420,940)</u>
General Fund - Budgetary Comparison Schedule Ending Fund Balance	<u>\$ 12,684,914</u>
General Fund - Basic Financial Statements Net Change in Fund Balance	\$ (2,549,064)
Less Fund 17 Net Change in Fund Balance	<u>(21,379)</u>
General Fund - Budgetary Comparison Schedule Net Change in Fund Balance	<u>\$ (2,570,443)</u>

B. Excess of Expenditures Over Appropriations

As of June 30, 2025, the District’s expenditures which exceeded appropriations in the following categories:

<u>Appropriations Category</u>	<u>Excess Expenditures</u>	<u>Reason for Excess Expenditures</u>
General Fund:		
Certificated Salaries	\$ 528,452	The District underestimated the costs of certificated salaries during budgeting.
Other Outgo	188,207	The District underestimated the costs of other outgo.
Debt Service	93,628	The District budgeted for lease payments with services and other operating expenditures instead of debt service.
Cafeteria Fund:		
Classified Salaries	\$ 356,070	The District underestimated the costs of classified salaries during budgeting.
Employee Benefits	106,580	The District underestimated the costs of certificated salaries during budgeting.
Books and Supplies	1,107,378	The District underestimated the costs of books and supplies during budgeting.
Other Outgo	48,233	The District underestimated the costs of other outgo.
Capital Outlay	128,080	The District underestimated the costs of capital expenditures during budgeting.

Amounts in excess of appropriations were not considered a violation of any laws, regulations, contracts or grant agreements and did not have a direct or material effect on the financial statements.

Buckeye Union School District

Notes to Required Supplementary Information, Continued

For the Year Ended June 30, 2025

C. Schedule of District's Proportionate Share – CalSTRS

1. Benefit Changes: Changes in benefits reflect changes enacted by law for benefits offered and eligibility criteria.
2. Changes in Assumptions: Assumptions used in determining the total pension liability of the CalSTRS Plan changed due to actuarial experience studies performed by CalSTRS.

D. Schedule of District's Contributions – CalSTRS

The total pension liability for California State Teachers' Retirement System (CalSTRS) for measurement date June 30, 2024, was determined with a valuation completed June 30, 2023. In determining the total pension liability, the financial reporting actuarial valuation used the following actuarial methods and assumptions:

Reporting Period	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>	<u>June 30, 2019</u>	<u>June 30, 2020</u>
Measurement Date	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
Valuation Date	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018
Experience Study	2006 - 2010	2006 - 2010	2010 - 2015	2010 - 2015	2010 - 2015
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Investment Rate of Return ⁽¹⁾	7.60%	7.60%	7.10%	7.10%	7.10%
Consumer Price Inflation	3.00%	3.00%	2.75%	2.75%	2.75%
Wage Growth (Average)	3.75%	3.75%	3.50%	3.50%	3.50%
Post-Retirement Benefit Increases	2.00% Simple	2.00% Simple	2.00% Simple	2.00% Simple	2.00% Simple
Reporting Period	<u>June 30, 2021</u>	<u>June 30, 2022</u>	<u>June 30, 2023</u>	<u>June 30, 2024</u>	<u>June 30, 2025</u>
Measurement Date	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
Valuation Date	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023
Experience Study	2010 - 2015	2015 - 2018	2015 - 2018	2015 - 2018	2007 - 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Investment Rate of Return ⁽¹⁾	7.10%	7.10%	7.10%	7.10%	7.10%
Consumer Price Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Wage Growth (Average)	3.50%	3.50%	3.50%	3.50%	3.50%
Post-Retirement Benefit Increases	2.00% Simple	2.00% Simple	2.00% Simple	2.00% Simple	2.00% Simple

(1) – Net of investment expenses but gross of administrative expenses.

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

Additional information can be obtained by reviewing the CalSTRS Actuarial Experience Study on the CalSTRS website.

Buckeye Union School District

Notes to Required Supplementary Information, Continued

For the Year Ended June 30, 2025

E. Schedule of District’s Proportionate Share – CalPERS

1. Benefit Changes: Changes in benefits reflect changes enacted by law for benefits offered and eligibility criteria.
2. Changes in Assumptions: Assumptions used in determining the total pension liability of the CalPERS Plan changed due to actuarial experience studies performed by CalPERS.

F. Schedule of District’s Contributions – CalPERS

The total pension liability for California Public Employees Retirement System – School Pool (CalPERS) for measurement date June 30, 2024, was determined with a valuation completed June 30, 2023. In determining the total pension liability, the financial reporting actuarial valuation used the following actuarial methods and assumptions:

Reporting Period	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
Measurement Date	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
Valuation Date	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018
Experience Study	1997 - 2011	1997 - 2011	1997 - 2011	1997 - 2015	1997 - 2015
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Investment Rate of Return ⁽¹⁾	7.65%	7.65%	7.15%	7.15%	7.15%
Consumer Price Inflation	2.75%	2.75%	2.75%	2.50%	2.50%
Wage Growth (Average)	3.00%	3.00%	3.00%	3.00%	3.00%
Post-Retirement Benefit Increases	2.00% Simple	2.00% Simple	2.00% Simple	2.00% Simple	2.00% Simple
Reporting Period	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Measurement Date	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
Valuation Date	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023
Experience Study	1997 - 2015	1997 - 2015	2000 - 2019	2000 - 2019	2000 - 2019
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Investment Rate of Return ⁽¹⁾	7.15%	7.15%	6.90%	6.90%	6.90%
Consumer Price Inflation	2.50%	2.50%	2.50%	2.50%	2.30%
Wage Growth (Average)	2.75%	2.75%	2.75%	2.75%	Varies by Age
Post-Retirement Benefit Increases	2.00% Simple	2.00% Simple	2.00% Simple	2.00% Simple	2.00 - 2.30%

The mortality table used was developed based on CalPERS specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table please refer to the December 2021 experience study report (based on demographic data from 2000 to 2019) available on the CalPERS website.

Combining Statements as Supplementary Information

Buckeye Union School District

Combining Balance Sheet – Nonmajor Governmental Funds

June 30, 2025

	Special Revenue Funds		Blended Component Units Funds		Debt Service Fund	Total Nonmajor Governmental Funds
	Associated Student Body Fund	Deferred Maintenance Fund	BUSD Facilities Corporation	Community Facilities District No. 2007-01	Bond Interest & Redemption Fund	
Assets						
Cash and Cash Equivalents	\$ 83,082	\$ 616,267	\$ 3,084,184	\$ 4,878	\$ 1,835,357	\$ 5,623,768
Prepaid Expenditures	-	141,526	-	-	-	141,526
Total Assets	<u>\$ 83,082</u>	<u>\$ 757,793</u>	<u>\$ 3,084,184</u>	<u>\$ 4,878</u>	<u>\$ 1,835,357</u>	<u>\$ 5,765,294</u>
Liabilities and Fund Balance:						
Liabilities:						
Total Liabilities	-	-	-	-	-	-
Fund Balance:						
Nonspendable	-	141,526	-	-	-	141,526
Restricted	83,082	-	3,084,184	4,878	1,835,357	5,007,501
Committed	-	616,267	-	-	-	616,267
Total Fund Balance	<u>83,082</u>	<u>757,793</u>	<u>3,084,184</u>	<u>4,878</u>	<u>1,835,357</u>	<u>5,765,294</u>
Total Liabilities and Fund Balances	<u>\$ 83,082</u>	<u>\$ 757,793</u>	<u>\$ 3,084,184</u>	<u>\$ 4,878</u>	<u>\$ 1,835,357</u>	<u>\$ 5,765,294</u>

Buckeye Union School District

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds For the Year Ended June 30, 2025

	Special Revenue Funds			Blended Component Units Funds		Debt Service Fund	Total Nonmajor Governmental Funds
	Associated Student Body Fund	Cafeteria Fund	Deferred Maintenance Fund	BUSD Facilities Corporation	Community Facilities District No. 2007-01	Bond Interest & Redemption Fund	
Revenues							
Property Taxes	\$ -		\$ -	\$ 1,763,328	\$ -	\$ 1,986,969	\$ 3,750,297
Interest	-		36,960	80,276	202	28,490	145,928
Fair Market Value Adjustment	-		19,236	29,907	-	27,504	76,647
Other Local Revenue	190,847		-	-	-	-	190,847
Total Revenues	<u>\$ 190,847</u>		<u>\$ 56,196</u>	<u>\$ 1,873,511</u>	<u>\$ 202</u>	<u>\$ 2,042,963</u>	<u>\$ 4,163,719</u>
Expenditures							
Current Expenditures:							
Ancillary Services	208,218		-	-	-	-	208,218
Plant Services	-		81,635	21,411	-	-	103,046
Capital Outlay	-		435,029	1,000	-	-	436,029
Debt Service:							
Principal	-		-	430,000	-	1,240,000	1,670,000
Interest	-		-	201,569	-	694,188	895,757
Total Expenditures	<u>208,218</u>		<u>516,664</u>	<u>653,980</u>	<u>-</u>	<u>1,934,188</u>	<u>3,313,050</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(17,371)</u>		<u>(460,468)</u>	<u>1,219,531</u>	<u>202</u>	<u>108,775</u>	<u>850,669</u>
Net Change in Fund Balance	(17,371)		(460,468)	1,219,531	202	108,775	850,669
Fund Balance, Beginning of Year	100,453	3,900,414	1,218,261	1,864,653	4,676	1,726,582	8,815,039
	-	(3,900,414)	-	-	-	-	(3,900,414)
	<u>100,453</u>	<u>-</u>	<u>1,218,261</u>	<u>1,864,653</u>	<u>4,676</u>	<u>1,726,582</u>	<u>4,914,625</u>
Fund Balance, End of Year	<u>\$ 83,082</u>	<u>\$ -</u>	<u>\$ 757,793</u>	<u>\$ 3,084,184</u>	<u>\$ 4,878</u>	<u>\$ 1,835,357</u>	<u>\$ 5,765,294</u>

Other Supplementary Information

Buckeye Union School District
 Schedule of Average Daily Attendance
 For the Year Ended June 30, 2025

Buckeye Union School District

	Second Period Report		Annual Report	
	Certificate #		Certificate #BBCCE65D	
	Original	Revised	Original	Revised
TK/K-3				
Regular ADA	1,170.99	N/A	1,170.09	N/A
Extended Year Special Education	4.38	N/A	4.38	N/A
Nonpublic, Nonsectarian Schools	1.87	N/A	1.87	N/A
Total TK/K-3	<u>1,177.24</u>	<u>N/A</u>	<u>1,176.34</u>	<u>N/A</u>
Grades 4-6				
Regular ADA	1,145.00	N/A	1,145.17	N/A
Extended Year Special Education	2.10	N/A	2.10	N/A
Nonpublic, Nonsectarian Schools	0.80	N/A	0.80	N/A
Total Grades 4-6	<u>1,147.90</u>	<u>N/A</u>	<u>1,148.07</u>	<u>N/A</u>
Grades 7-8				
Regular ADA	826.37	N/A	823.10	N/A
Extended Year Special Education	0.89	N/A	0.89	N/A
Total Grades 7-8	<u>827.26</u>	<u>N/A</u>	<u>823.99</u>	<u>N/A</u>
Total ADA	<u>3,152.40</u>	<u>N/A</u>	<u>3,148.40</u>	<u>N/A</u>

Valley View Charter Montessori

	Second Period Report		Annual Report	
	Certificate #		Certificate #E1D02153	
	Original	Revised	Revised	Revised
TK/K-3 - Classroom Based				
Regular ADA	275.51	N/A	276.31	N/A
Total TK/K-3	<u>275.51</u>	<u>N/A</u>	<u>276.31</u>	<u>N/A</u>
Grades 4-6 - Classroom Based				
Regular ADA	227.32	N/A	226.99	N/A
Total Grades 4-6	<u>227.32</u>	<u>N/A</u>	<u>226.99</u>	<u>N/A</u>
Grades 7-8 - Classroom Based				
Regular ADA	161.64	N/A	161.89	N/A
Total Grades 7-8	<u>161.64</u>	<u>N/A</u>	<u>161.89</u>	<u>N/A</u>
Total Classroom Based ADA	<u>664.47</u>	<u>N/A</u>	<u>665.19</u>	<u>N/A</u>

Buckeye Union School District
 Schedule of Average Daily Attendance, Continued
 Year Ended June 30, 2025

Buckeye Union Mandarin Immersion Charter

	Second Period Report		Annual Report	
	Certificate #		Certificate #533E2B41	
	Original	Revised	Revised	Revised
TK/K-3 - Classroom Based				
Regular ADA	115.05	N/A	115.02	N/A
Total TK/K-3	115.05	N/A	115.02	N/A
Grades 4-6 - Classroom Based				
Regular ADA	55.80	N/A	55.67	N/A
Total Grades 4-6	55.80	N/A	55.67	N/A
Grades 7-8 - Classroom Based				
Regular ADA	5.95	N/A	5.89	N/A
Total Grades 7-8	5.95	N/A	5.89	N/A
Total Classroom Based ADA	176.80	N/A	176.58	N/A

N/A – There were no attendance findings that caused a revision in the District’s average daily attendance.

Average daily attendance is a measurement of the number of pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to school districts and charter schools. This schedule provides information regarding the attendance of students by grade span and adjustments to the attendance as a result of an audit finding when applicable.

Buckeye Union School District

Schedule of Instructional Time

For the Year Ended June 30, 2025

Buckeye Union School District

Grade Level	Minutes Requirement	2024-25 Actual Minutes	J-13A Minutes	2024-25 Total Instructional Minutes	2024-25 Actual School Days Offered (Traditional)	J-13A Days	2024-25 Total School Days	Status
Transitional Kindergarten	36,000	36,180	0	36,180	180	0	180	Complied
Kindergarten	36,000	36,180	0	36,180	180	0	180	Complied
1st Grade	50,400	51,048	0	51,048	180	0	180	Complied
2nd Grade	50,400	51,048	0	51,048	180	0	180	Complied
3rd Grade	50,400	51,588	0	51,588	180	0	180	Complied
4th Grade	54,000	54,008	0	54,008	180	0	180	Complied
5th Grade	54,000	54,008	0	54,008	180	0	180	Complied
6th Grade	54,000	58,364	0	58,364	180	0	180	Complied
7th Grade	54,000	58,364	0	58,364	180	0	180	Complied
8th Grade	54,000	58,364	0	58,364	180	0	180	Complied

Valley View Charter Montessori

Grade Level	Minutes Requirement	2024-25 Actual Minutes	J-13A Minutes	2024-25 Total Instructional Minutes	2024-25 Actual School Days Offered (Traditional)	J-13A Days	2024-25 Total School Days	Status
Transitional Kindergarten	36,000	36,180	0	36,180	180	0	180	Complied
Kindergarten	36,000	36,180	0	36,180	180	0	180	Complied
1st Grade	50,400	53,748	0	53,748	180	0	180	Complied
2nd Grade	50,400	53,748	0	53,748	180	0	180	Complied
3rd Grade	50,400	53,748	0	53,748	180	0	180	Complied
4th Grade	54,000	55,788	0	55,788	180	0	180	Complied
5th Grade	54,000	55,788	0	55,788	180	0	180	Complied
6th Grade	54,000	58,040	0	58,040	180	0	180	Complied
7th Grade	54,000	58,040	0	58,040	180	0	180	Complied
8th Grade	54,000	58,040	0	58,040	180	0	180	Complied

Buckeye Union School District
 Schedule of Instructional Time, Continued
 For the Year Ended June 30, 2025

Buckeye Union Mandarin Immersion Charter

Grade Level	Minutes Requirement	2024-25 Actual Minutes	J-13A Minutes	2024-25 Total Instructional Minutes	2024-25 Actual School Days Offered (Traditional)	J-13A Days	2024-25 Total School Days	Status
Transitional Kindergarten	36,000	36,180	0	36,180	180	0	180	Complied
Kindergarten	36,000	36,180	0	36,180	180	0	180	Complied
1st Grade	50,400	53,628	0	53,628	180	0	180	Complied
2nd Grade	50,400	53,628	0	53,628	180	0	180	Complied
3rd Grade	50,400	53,628	0	53,628	180	0	180	Complied
4th Grade	54,000	54,168	0	54,168	180	0	180	Complied
5th Grade	54,000	54,168	0	54,168	180	0	180	Complied
6th Grade	54,000	57,896	0	57,896	180	0	180	Complied
7th Grade	54,000	57,896	0	57,896	180	0	180	Complied
8th Grade	54,000	57,896	0	57,896	180	0	180	Complied

This schedule provides the information necessary to determine if the District has complied with Article 8 (commencing with Section 46200) of Chapter 2 of Part 26 of the Education Code. The requirements are as follows:

1) EC §46207: As a condition of apportionment the following annual instructional minutes must be offered:

- To pupils in Kindergarten 36,000 minutes
- To pupils in grades 1 to 3 50,400 minutes
- To pupils in grades 4 to 8 54,000 minutes
- To pupils in grades 9 to 12 64,800 minutes

2) EC §46208: As a condition of apportionment 180 school days must be offered for traditional calendars. In order to qualify as a school day the following minimum daily minutes must be met:

- EC §46112: Grades 1 to 3 230 minutes
- EC §46113: Grades 4 to 8 240 minutes
- EC §46114: Kindergarten 180 minutes
- EC §46141: Grades 9 to 12 240 minutes

Buckeye Union School District
Schedule of Instructional Time, Continued
For the Year Ended June 30, 2025

In addition, this schedule provides the information necessary to determine if the charter schools have complied with Education Code §47612 & §47612.5 which require the following:

- 1) EC §47612: As a condition of apportionment 175 school days must be offered for traditional calendar. If a multi-track calendar is utilized, each track must offer 175 school days.
- 2) EC §47612.5: As a condition of apportionment charter schools must offer the same number of instructional minutes as required of school districts in EC §46207.

The District did not request a J-13A waiver during the 2024-25 fiscal year.

Buckeye Union School District
 Schedule of Financial Trends & Analysis
 For the Year Ended June 30, 2025

General Fund	Budget 2026 (See Note 1)	2025	2024 (See Note 1)	2023 (See Note 1)
Revenues and Other Financing Sources	\$ 61,025,550	\$ 60,207,632	\$ 61,871,720	\$ 65,250,610
Expenditures and Other Financing Uses	<u>62,253,802</u>	<u>62,778,075</u>	<u>61,801,946</u>	<u>60,347,562</u>
Net Change in Fund Balance	<u>(1,228,252)</u>	<u>(2,570,443)</u>	<u>69,774</u>	<u>4,903,048</u>
Ending Fund Balance	<u>\$ 11,456,662</u>	<u>\$ 12,684,914</u>	<u>\$ 15,255,357</u>	<u>\$ 15,185,583</u>
Available Reserves (See Note 2)	<u>\$ 6,058,832</u>	<u>\$ 5,279,858</u>	<u>\$ 6,032,761</u>	<u>\$ 4,618,105</u>
Available Reserves as a Percentage of Total Outgo	<u>9.73%</u>	<u>8.41%</u>	<u>9.76%</u>	<u>7.65%</u>
Long Term Debt (See Note 3)	<u>\$ 26,150,510</u>	<u>\$ 28,273,229</u>	<u>\$ 30,168,368</u>	<u>\$ 31,486,484</u>
Average Daily Attendance at P2	<u>4,052</u>	<u>3,994</u>	<u>4,076</u>	<u>4,147</u>

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.

The general fund balance has decreased by \$2,500,669 (16.47%) over the past two years. The fiscal year 2025-26 budget projects a decrease of \$1,228,252 (9.68%). For a district of this size, the State recommends available reserves of 3% of total general fund expenditures and other financing uses (total outgo).

Total long-term debt has decreased by \$3,213,255 (10.2%) over the past two years.

Average daily attendance (ADA) has decreased by 153 over the past two years.

Buckeye Union School District
Schedule of Financial Trends & Analysis, Continued
For the Year Ended June 30, 2025

Notes:

1. AU-C §725.05 requires the following conditions be met to provide an opinion on whether supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole:
 - a) The supplementary information was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements.
 - b) The supplementary information relates to the same period as the financial statements.
 - c) The auditor issued an audit report on the financial statements that contained neither an adverse opinion nor a disclaimer of opinion.
 - d) The supplementary information will accompany the audited financial statements or such audited financial statements will be made readily available by the District.

Three of the above columns are not related to the same period as the financial statements and as such we do not provide an opinion on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole. Additionally, the analysis presented utilizes information from periods outside the period of the financial statements and as such we do not provide an opinion on whether the analysis is fairly stated, in all material respects, to the financial statements as a whole. The information has been presented for analysis only and has not been audited.

2. Available reserves consist of all unassigned and assigned fund balances contained within the general fund.
3. Long term debt consists of general obligation bonds, certificates of participation, leases payable, and subscription liabilities.
4. GASB Statement No. 54 requires the inclusion of the Special Reserve Fund for Other Than Capital Outlay (Fund 17) with the General Fund for reporting purposes only. This schedule has been prepared without the inclusion of Fund 17.

Buckeye Union School District

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

June 30, 2025

	General Fund (Fund 01)	Special Reserve Fund for Other than Capital Outlay (Fund 17)
June 30, 2025, annual financial and budget report fund balances	<u>\$ 12,684,914</u>	<u>\$ 420,940</u>
Adjustments and reclassifications:		
GASB 54 Fund Presentation	<u>420,940</u>	<u>(420,940)</u>
Net adjustments and reclassifications	<u>420,940</u>	<u>(420,940)</u>
June 30, 2025, audited financial statement fund balances	<u><u>\$ 13,105,854</u></u>	<u><u>\$ -</u></u>

This schedule provides the information necessary to reconcile the fund balances of all funds as reported on the SACS Annual Financial and Budget Report with the audited financial statements. Funds that required no adjustment are not presented.

Buckeye Union School District

Schedule of Charter Schools

For the Year Ended June 30, 2025

<u>Charter Schools</u>	<u>Charter Number</u>	<u>Included in Audit?</u>
Valley View Charter Montessori	0665	Yes
Buckeye Union Mandarin Immersion Charter	1999	Yes
Shingle Springs Campus Charter	0774	No
Rising Sun Montessori Charter School	1655	No
Clarksville Charter School	1891	No
Cottonwood Charter School	1964	No

This schedule is provided to list all charter schools chartered by the District and displays information for each charter school on whether or not the charter school is included in the District audit.

Buckeye Union School District

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2025

Federal Grantor/Pass Through Grantor/ Program or Cluster Title	Federal AL Number	Pass-Through Entity Identifying Number	Subrecipient Expenditures	Total Federal Expenditures
CHILD NUTRITION CLUSTER:				
<u>U.S. Department of Agriculture</u>				
Passed through California Department of Education				
School Breakfast Program	10.553	13525	\$ -	\$ 171,639
National School Lunch Program	10.555	13396	-	533,781
National School Lunch Program - Noncash Commodities	10.555	13396	-	181,626
Supply Chain Assistance (SCA) Funds	10.555	15655	-	37,898
Total Child Nutrition Cluster			-	924,944
FISH & WILDLIFE CLUSTER				
<u>U.S. Department of the Interior</u>				
Passed through California Department of Fish & Wildlife				
U.S. Wildlife Reserve	15.611	Unknown	-	80,764
Total Fish & Wildlife Cluster			-	80,764
SPECIAL EDUCATION (IDEA) CLUSTER:				
<u>U.S. Department of Education</u>				
Passed through California Department of Education				
IDEA Basic Local Assistance	84.027	13379	-	433,058
IDEA Mental Health	84.027	15197	-	51,543
Total Special Education (IDEA) Cluster			-	484,601
OTHER PROGRAMS:				
<u>U.S. Department of Education</u>				
ESSA Title I Basic	84.010	14329	-	187,275
Subtotal ESSA Title I Program			-	187,275
Title III Immigrant Education	84.365	15146	-	5,414
Title III English Learner Program	84.365	14346	-	20,025
Subtotal Title III Program			-	25,439
Education for Homeless Children & Youth	84.196	14332	-	2,798
Title II Supporting Effective Instruction	84.367	14341	-	69,668
Title IV Student Support Academic Enrichment	84.424	15396	-	29,590
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ -	\$ 1,805,079

See Accompanying Notes to Schedule of Expenditures of Federal Awards

Buckeye Union School District

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the District and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with requirements of 2 CFR §200.502 *Basis for Determining Federal Awards Expended* and 2CFR §200.510(b) *Schedule of Expenditures of Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Summary of Significant Accounting Policies

The expenditures reported on the schedule 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. Negative amounts shown on the schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Indirect Cost Rate

Indirect costs were calculated in accordance with 2 CFR §200.412 *Direct and Indirect Costs*. The District used an indirect cost rate of 10.02% based on the rate approved by the California Department of Education for each program which did not have a pre-defined allowable indirect cost rate. The District did not elect to use the 10% de minimis cost rate as covered in 2 CFR §200.414 *Indirect Costs*. The following programs utilized a lower indirect cost rate based on program restrictions or other factors determined by the District:

<u>Program</u>	<u>AL#</u>	<u>Indirect Cost Rate</u>
Title III English Learner Program	84.365	2.00%
Title IV Student Support Academic Enrichment	84.424	2.00%

Schoolwide Program

The District operates “schoolwide programs” at five school sites. Using federal funding, schoolwide programs are designed to upgrade an entire educational program within a school for all students, rather than limiting services to certain targeted students. The following federal program amounts were expended by the District in its schoolwide programs:

<u>Program</u>	<u>AL#</u>	<u>Amount Expended</u>
Title I	84.010	\$187,275

Buckeye Union School District

Notes to the Schedule of Expenditures of Federal Awards, Continued
Year Ended June 30, 2025

Reconciliation of Revenues

The District is permitted to bill for Medi-Cal administrative activities and services provided as a Provider Type 55 (LEA Provider) which under the provisions of 2CFR §200.330 distinguishes the District as a contractor rather than a subrecipient of the federal funds. As such, the program has not been included in the schedule of expenditures of federal awards.

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

Total Federal Revenues on Statement of Revenues, Expenditures and Changes in Fund Balance	\$	1,838,408
Less: Amounts representing Medi-Cal Billing Option		<u>(33,329)</u>
Total Federal Expenditures on Schedule of Expenditures of Federal Awards	\$	<u><u>1,805,079</u></u>

Other Information

Buckeye Union School District

Local Education Agency Organization Structure

June 30, 2025

The Buckeye Union School District was established on September 1, 1858 by the unionization of French Creek and Buckeye Union School Districts. The District includes the residential communities of Shingle Springs, Cameron Park and El Dorado Hills and includes an area of approximately 54 square miles. There were no changes in the District boundaries during the current fiscal year. The District operates five elementary schools, two middle schools and two charter schools.

GOVERNING BOARD

<u>Name</u>	<u>Office</u>	<u>Term and Term Expiration</u>
Kirk Seal	President	Four Year Term Expires December 2028
Melissa Keyzer	Clerk	Four Year Term Expires December 2028
Brenda Hanson-Smith	Trustee	Four Year Term Expires December 2026
Jon Yoffie	Trustee	Four Year Term Expires December 2026
Scott Masten, Ph.D.	Trustee	Four Year Term Expires December 2026

ADMINISTRATION

David Roth, Ph.D.
Superintendent

Jacqueline McHaney
Assistant Superintendent
Administrative Services

Rachelle Ball
Director of Curriculum and Instruction

Mike Henkel
Director of Fiscal Services

Nicole Schraeder
Director of Student Services

Other Independent Auditors' Reports

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 Board of Education
Buckeye Union School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Buckeye Union 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, and have issued our report thereon dated January 29, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Wilkinson Hedley King & Co. LLP

El Cajon, California

January 29, 2026

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

To the Board of Education
Buckeye Union School District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Buckeye Union 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 types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *US 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.

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 generally accepted auditing standards, *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 generally accepted auditing standards, *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.

Wilkinson-Hadley King & Co. LLP

El Cajon, California
January 29, 2026

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

To the Board of Education
Buckeye Union School District

Report on Compliance for Applicable State Programs

Opinion on Each Applicable State Program

We have audited the Buckeye Union School District's (the District) compliance with the requirements specified in the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, Section 19810 identified below for the year ended June 30, 2025.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above on each of its applicable state programs for the year ended June 30, 2025.

Basis for Opinion on Each Applicable State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, Section 19810 (the Audit Guide). Our responsibilities under those standards and the Audit Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each applicable state 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 state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Audit Guide 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 applicable state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Audit Guide, 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 state 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 Audit Guide, 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.
- Select and test transactions and records to determine the District’s compliance with the state laws and regulations applicable to the following programs:

	Procedures Performed
<u>Local Education Agencies Other than Charter Schools</u>	
A. Attendance.....	Yes
B. Teacher Certification and Misassignments.....	Yes
C. <i>(Reserved)</i>	N/A
D. Independent Study.....	No
E. Continuation Education.....	N/A
F. Instructional Time.....	Yes
G. Instructional Materials.....	Yes
H. Ratio of Administrative Employees to Teachers.....	Yes
I. Classroom Teacher Salaries.....	Yes
J. Early Retirement Incentive.....	N/A
K. Gann Limit Calculation.....	Yes
L. School Accountability Report Card.....	Yes
M. Juvenile Court Schools.....	N/A
N. Middle or Early College High Schools.....	N/A
O. K-3 Grade Span Adjustment.....	Yes
P. <i>(Reserved)</i>	N/A
Q. Apprenticeship: Related and Supplemental Instruction.....	N/A
R. Comprehensive School Safety Plan.....	Yes
S. District of Choice.....	N/A
TT. Home to School Transportation Reimbursement.....	Yes

<u>School Districts, County Offices of Education, and Charter Schools</u>		<u>Procedures Performed</u>
T.	Proposition 28 Arts & Music in Schools.....	Yes
U.	After/Before School Education and Safety Program.....	N/A
V.	Proper Expenditure of Education Protection Account Funds.....	Yes
W.	Unduplicated Local Control Funding Formula Pupil Counts.....	Yes
X.	Local Control and Accountability Plan.....	Yes
Y.	Independent Study - Course Based.....	N/A
Z.	Immunizations.....	No
AZ.	Educator Effectiveness.....	Yes
BZ.	Expanded Learning Opportunities Grant (ELO-G).....	Yes
CZ.	Career Technical Education Incentive Grant.....	N/A
DZ.	Expanded Learning Opportunities Program (ELO-P).....	Yes
EZ.	Transitional Kindergarten.....	Yes
FZ.	Kindergarten Continuance.....	Yes
<u>Charter Schools</u>		
AA.	Attendance.....	Yes
BB.	Mode of Instruction.....	Yes
CC.	Nonclassroom-Based Instruction/Independent Study.....	N/A
DD.	Determination of Funding for Nonclassroom-Based Instruction..	N/A
EE.	Annual Instructional Minutes - Classroom Based.....	Yes
FF.	Charter School Facility Grant Program.....	N/A

N/A – The School District did not offer the program during the current fiscal year or the program applies to a different type of local education agency.

We did not perform procedures for Independent Study because the District was below the ADA threshold for testing as stated in the Audit Guide.

We did not perform procedures for Immunizations because the school sites for the District did not appear on the California Department of Public Health list of LEAs that are subject to the audit of immunizations.

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 State 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over state compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over state compliance may exist that were not identified.

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 state 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 state program will not be prevented, or detected and corrected, on a timely basis.

We did not identify any material weaknesses in internal controls over compliance. However, material weaknesses or significant deficiencies in internal control over state compliance may exist that were not identified.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our 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 *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, Section 19810. Accordingly, this report is not suitable for any other purpose.



El Cajon, California
January 29, 2026

Auditor's Results, Findings & Recommendations

Buckeye Union School District

Schedule of Auditor's Results
For the Year Ended June 30, 2025

FINANCIAL STATEMENTS

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weakness(es) identified? Yes X No

One or more significant deficiencies identified that are not considered material weakness(es)? Yes X No

Noncompliance material to financial statements noted? Yes X No

FEDERAL AWARDS

Internal control over major federal programs:

One or more material weakness(es) identified? Yes X No

One or more significant deficiencies identified that are not considered material weakness(es)? Yes X No

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

Compliance supplement utilized for single audit November 2025

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

Identification of major programs:

AL Number(s)	Name of Federal Program or Cluster
10.553, 10.555	Child Nutrition Cluster

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

Auditee qualified as low-risk auditee? X Yes No

Buckeye Union School District
Schedule of Auditor's Results, Continued
For the Year Ended June 30, 2025

STATE AWARDS

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

Internal control over applicable state programs:

One or more material weakness(es) identified? Yes X No

One or more significant deficiencies identified that are
not considered material weakness(es)? Yes X No

Any audit findings disclosed that are required to be reported
in accordance with *2024-25 Guide for Annual Audits
of California K-12 Local Education Agencies?*

 Yes X No

Buckeye Union School District

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2025

Findings represent significant deficiencies, material weaknesses, and/or instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), or the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Finding codes as identified in the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* are as follows:

<u>Five Digit Code</u>	<u>AB 3627 Finding Type</u>
10000	Attendance
20000	Inventory of Equipment
30000	Internal Control
40000	State Compliance
42000	Charter School Facilities
43000	Apprenticeship: Related and Supplemental Instruction
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

A. Financial Statement Findings

None

B. Federal Awards

None

C. State Award Findings

None

Buckeye Union School District

Schedule of Prior Year Audit Findings

For the Year Ended June 30, 2025

<u>Finding/Recommendation</u>	<u>Status</u>	<u>Explanation if Not Implemented</u>
Finding 2024-001 Bid Process (30000)		
<u>Condition:</u> In our review of additions to capital assets it appeared there were additions that would meet requirements for competitive bid procedures that were not followed.		
<u>Recommendation:</u> Ensure all required bid procedures are followed by all District employees for all projects.	Implemented	