WESTERN PLACER UNIFIED SCHOOL DISTRICT

FINANCIAL STATEMENTS

June 30, 2025

WESTERN PLACER UNIFIED SCHOOL DISTRICT

FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2025

CONTENTS

INDEPENDENT AUDITOR'S REPORT 1

MANAGEMENT'S DISCUSSION AND ANALYSIS 4

BASIC FINANCIAL STATEMENTS:

GOVERNMENT-WIDE FINANCIAL STATEMENTS:

STATEMENT OF NET POSITION 13

STATEMENT OF ACTIVITIES 14

FUND FINANCIAL STATEMENTS:

BALANCE SHEET - GOVERNMENTAL FUNDS 15

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION 16

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS 17

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES 18

STATEMENT OF FIDUCIARY NET POSITION - TRUST FUNDS 19

STATEMENT OF CHANGE IN FIDUCIARY NET POSITION - TRUST FUNDS 20

NOTES TO FINANCIAL STATEMENTS 21

REQUIRED SUPPLEMENTARY INFORMATION:

GENERAL FUND BUDGETARY COMPARISON SCHEDULE 51

SCHEDULE OF CHANGES IN NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY 52

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY 53

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS 55

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION 57

WESTERN PLACER UNIFIED SCHOOL DISTRICT

FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2025
(Continued)

CONTENTS

SUPPLEMENTARY INFORMATION:

COMBINING BALANCE SHEET - ALL NON-MAJOR FUNDS 58

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES - ALL NON-MAJOR FUNDS 59

SCHEDULE OF AVERAGE DAILY ATTENDANCE 60

SCHEDULE OF INSTRUCTIONAL TIME 61

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS 62

RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH AUDITED FINANCIAL STATEMENTS 63

SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS – UNAUDITED 64

SCHEDULE OF CHARTER SCHOOLS 65

NOTES TO SUPPLEMENTARY INFORMATION 66

OTHER INFORMATION:

ORGANIZATION 67

INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE FOR STATE PROGRAMS 68

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* 72

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AS REQUIRED BY THE UNIFORM GUIDANCE 74

FINDINGS AND RECOMMENDATIONS:

SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS 77

SCHEDULE OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS 85

Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Western Placer Unified School District
Lincoln, California

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. This resulted in a restatement of the beginning governmental activities net position of $5,062,789. Our opinions are not modified with respect to this matter.

(Continued)

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 Western Placer Unified School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 to 12 and the General Fund Budgetary Comparison Schedule, the Schedule of Changes in Net Other Postemployment Benefits (OPEB) Liability, the Schedule of the District's Proportionate Share of the Net Pension Liability, and the Schedule of the District's Contributions on pages 51 to 56 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

(Continued)

Supplementary Information

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

Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the Organization page but does not include the basic financial statements and our auditor's report thereon. Our opinion on the financial statements does 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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 27, 2026 on our consideration of Western Placer Unified School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Western Placer Unified School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Western Placer Unified School District's internal control over financial reporting and compliance.

Crowe LLP

Crowe LLP

Sacramento, California
January 27, 2026

WESTERN PLACER UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

The management's discussion and analysis of Western Placer Unified School District's (the District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2025. Management has prepared the financial statements and the related footnote disclosures along with this discussion and analysis. 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 on pages 1 through 3, notes to the financial statements on pages 21 through 50, and the District's financial statements, which begin on page 13.

FINANCIAL HIGHLIGHTS

In 2024-25, the District's Total Assets decreased by $1.9 million which represents a 0.45% decrease from the 2023-24 fiscal year. The decrease was primarily due to decreases in cash and investments of $21.9 million, which were spent primarily on the addition of capital assets. Correspondingly, capital assets (net of accumulated depreciation) increased by $16.3 million due to the net increase in buildings, equipment and work-in-progress in District capital assets.

- The District's Net Position decreased by $1.6 million from June 30, 2024. Total revenues were $153.3 million, compared to $149.9 million in expenses. In addition to the current year revenues and expenses, the District recognized a reduction in net position of $5.1 million due to the implementation of GASB 101.

- The fund balance of the General Fund decreased overall by $2.8 million from the prior year, ending the year at $26.9 million. The fund balance in the unassigned fund balance category decreased by $3.5 million, having begun the year with a balance of $13.5 million. This reserve also includes the 3% Reserve for Economic Uncertainty of $3.7 million. Deficit spending was projected in the 2024-25 fiscal year in both the original and revised budgets adopted by the board. Fund balance increased at year-end due to restricted federal, state ongoing and one-time program carryovers.

- District enrollment in 2024-25 was 8,051 at CalPADS reporting, an increase of 182 students, or 2.3%. The attendance rate for 2024-25 was 93.6%. District enrollment is projected to increase by 242 students during 2025-26 due to full Transitional Kindergarten implementation and increased enrollment growth in the Twelve Bridges and downtown attendance areas. The 2025-26 projected attendance rate is 94.0%.

- The District continues to see construction growth and updates projected enrollment accordingly.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements are organized to first present the District's overall financial position, followed by more detailed information on specific financial activities. This annual report consists of three parts:

- Management's Discussion and Analysis – this section, which provides an overall review of the financial activity for the past fiscal year as well as a look at the future years.

- Basic Financial Statements – a look at Western Placer Unified School District's financial statement as a whole for the entire operating entity. The financial statements also include notes that explain some of the information in the statements and provide more detailed data.

- Required Supplementary Information – detailed information for specific financial activities including required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year.

Reporting on the District as a Whole

Statement of Net Position and Statement of Activities

These two statements provide information about the District as a whole using the accrual accounting methods similar to those used by private-sector companies. They help answer the question, "How did we do financially during 2024-25?"

The change in net position is reported in the Statement of Net Position. This change in net position is important because it tells the reader whether the financial position of the District has improved or diminished. The causes of this change may be the result of many factors, some of them financial and 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.

All current year revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid. The relationship between revenues and expenses indicates the District's operating results. It is important to remember, the District's goal is to provide services to its students, not to generate profits as is necessary in commercial entities. One must consider many other non-financial factors, such as the quality of education provided and the safety of the schools, in order to assess the overall health of the District.

In the District-wide financial statements, the District's activities are divided into two categories:

- Governmental Activities – All of the District's services are reported here, including regular and special education, general administration, transportation, food services, plant services, facilities acquisition and construction, interest, and long-term debt. State support from LCFF and categorical apportionments finance most of these activities.

- Business-type Activities – The District does not currently have any business type activities.

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. 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, bond covenants, or through grant or program restrictions.

- The District establishes other funds to control and manage money for specific purposes (like repaying its long-term debts) or to show that it is properly using certain revenues (like federal grants).

A District may have three kinds of funds:

- Governmental Funds – Most of the District's activities are reported in governmental funds. The major governmental funds of the District are the General Fund, Capital Facilities Fund, and Mello Roos Fund. Governmental funds focus on short-term financial resources—how money comes in, how it is spent, and what remains available at year-end. 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.

- Proprietary Funds – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds use the full accrual basis of accounting, the same as the District-wide statements. The District does not have programs classified in this category.

- Fiduciary Funds – The District is the trustee, or fiduciary, for assets that belong to others, such as the Retiree Benefits fund. The District is responsible for ensuring that the assets that are reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the District-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS
The District as a Whole

Statement of Net Position
The District's total assets decreased by $1.9 million to $425.2 million during the 2024-25 fiscal year. Cash and cash equivalent accounts decreased $21.9 million, mostly due to the purchase of Capital Assets. Deferred outflows of resources for pensions and OPEB decreased by $2.7 million due to current year actuarily determined amounts.

Total liabilities decreased $4.7 million primarily due to the decrease of long-term liabilities due after one year by $4.6 million. Deferred inflows of resources for pensions and OPEB increased by $1.4 million due to current year actuarily determined amounts.

The District's net position for 2024-25 was $113.8 million, a decrease of $1.6 million (1.36%) from 2023-24. Of this balance, $61.9 million was restricted while ($61.0) million was unrestricted. Net investment in capital assets accounted for $112.9 million of the total net position. The Statement of Net Position is included in the table below and provides the detail information for 2023-24 and 2024-25, along with the variances between the years.

Table 1
Net Position
June 30, 2024 and 2025
Governmental Activities

	2023-24	2024-25	$ Difference	% Difference
Assets:				
Cash and investments	$ 94,409,783	$ 72,543,848	$ (21,865,935)	-23.16%
Receivables	8,191,584	11,761,890	3,570,306	43.59%
Prepaid expenses	563,013	707,618	144,605	25.68%
Stores inventory	98,076	47,079	(50,997)	-52.00%
Other current assets	1,342	1,342	-	0.00%
Capital assets (net of accumulated depreciation)	323,907,984	340,174,480	16,266,496	5.02%
Total assets	**427,171,782**	**425,236,257**	**(1,935,525)**	**-0.45%**
Deferred Outflows of Resources:				
Deferred outflows of resources-pensions and OPEB	40,044,328	37,338,858	(2,705,470)	-6.76%
Deferred outflow from advance refunding of debt	5,671,955	5,426,266	(245,689)	-4.33%
Total deferred outflows of resources - pensions	**45,716,283**	**42,765,124**	**(2,951,159)**	**-6.46%**
Liabilities:				
Accounts payable	14,258,078	14,000,071	(258,007)	-1.81%
Unearned revenue	785,252	832,170	46,918	5.97%
Long-term liabilities				
Due within one year	7,551,352	7,632,416	81,064	1.07%
Due after one year	321,969,071	317,412,811	(4,556,260)	-1.42%
Total liabilities	**344,563,753**	**339,877,468**	**(4,686,285)**	**-1.36%**
Deferred Inflows of Resources:				
Deferred inflows of resources-pensions and OPEB	**12,934,053**	**14,304,553**	**1,370,500**	**10.60%**
Net Position				
Invested in capital assets, net of related debt	129,642,199	112,859,883	(16,782,316)	-12.95%
Restricted	36,933,333	61,869,468	24,936,135	67.52%
Unrestricted	(51,185,273)	(60,909,991)	(9,724,718)	19.00%
Net Investment in Capital Assets	**$ 115,390,259**	**$ 113,819,360**	**$ (1,570,899)**	**-1.36%**

Statement of Activities

The District's total expenses were $149.9 million; $1.1 million higher in 2024-25 than 2023-24. Program revenues were $32.8 million; $66.1 million lower in 2024-25 than 2023-24. General revenues were $120.5 million; $4.0 million higher in 2024-25 than 2023-24.

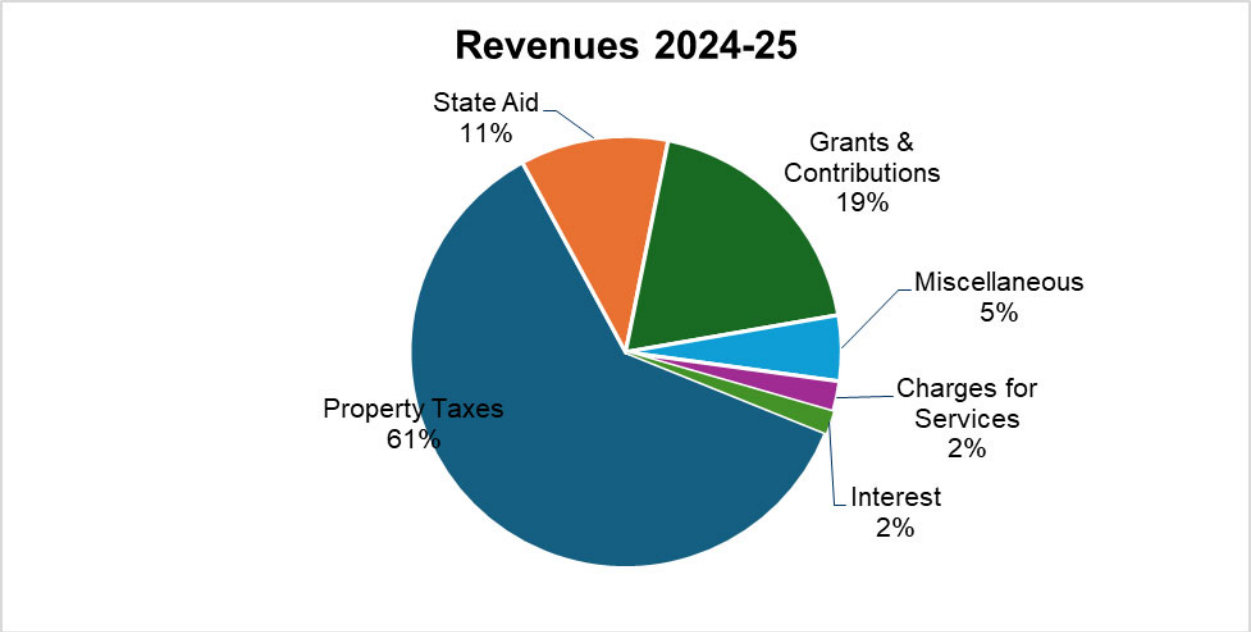
Table 2
Statement of Activites
June 30, 2024 and 2025
Governmental Activities

	2023-24	2024-25	$ Difference	% Difference
General Revenues				
Taxes Levied for General Purposes	$ 74,553,132	$ 78,347,151	$ 3,794,019	5.09%
Taxes Levied for Debt Service	7,540,837	7,217,706	(323,131)	-4.29%
Taxes Levied for Specific Purposes	7,286,323	7,892,019	605,696	8.31%
Unrestricted Federal and State Aid	20,047,619	17,037,674	(3,009,945)	-15.01%
Interest and Investment Earnings	2,175,636	2,524,128	348,492	100.00%
Interagency Revenues	361,295	404,015	42,720	11.82%
Miscellaneous	4,520,235	7,108,014	2,587,779	57.25%
Total General Revenues	**116,485,077**	**120,530,707**	**4,045,630**	**3.47%**
Program Revenues				
Charges for Services	3,500,435	3,528,438	28,003	0.80%
Operating Grants & Contributions	30,164,722	29,269,346	(895,376)	-2.97%
Capital Grants & Contributions	65,224,639	14,895	(65,209,744)	100.00%
Total Program Revenues	**98,889,796**	**32,812,679**	**(66,077,117)**	**100.00%**
Total Revenues	**215,374,873**	**153,343,386**	**(62,031,487)**	**-28.80%**
Expenses				
Instruction	82,518,177	80,052,291	(2,465,886)	-2.99%
Supervision of Instruction	3,974,834	4,981,171	1,006,337	25.32%
Instructional Library, Media & Technology	1,098,183	1,074,029	(24,154)	-2.20%
School Administration	7,724,409	8,125,549	401,140	5.19%
Home-to-School Transportation	2,636,307	2,668,576	32,269	1.22%
Food Service	5,371,435	6,367,193	995,758	18.54%
Pupil Support Services	6,703,136	6,931,126	227,990	100.00%
General Administration	9,342,860	10,883,008	1,540,148	16.48%
Plant Services	13,047,047	12,280,830	(766,217)	-5.87%
Ancillary Services	3,914,895	4,669,332	754,437	19.27%
Community Services	39,739	79,046	39,307	98.91%
Transfer Between Agencies	2,189,626	3,313,392	1,123,766	51.32%
Interest on Debt and Fiscal Charges	10,226,158	8,425,953	(1,800,205)	-17.60%
Total Expenses	**148,786,806**	**149,851,496**	**1,064,690**	**0.72%**
Change in Net Position	**66,588,067**	**3,491,890**	**(63,096,177)**	-94.76%
Net Position - Beginning	**48,802,192**	**115,390,259**	**66,588,067**	136.44%
Restatement due to implementation GASB 101	**-**	**(5,062,789)**	**(5,062,789)**	100.00%
Net Position - Ending	**$ 115,390,259**	**$ 113,819,360**	**$ (1,570,899)**	**-1.36%**

The users of the District's programs paid $3.5 million (Charges and Services) of the cost. The federal and state governments subsidized certain programs with grants and contributions of $29.3 million (Grants & Contributions). This included over $12 million in federal and state special education funds, $1 million in Proposition 28 Arts & Music in School grant funds, $2.3 million in state lottery revenues, and $2.6 million for state Expanded Learning Opportunity Programs. Most of the governmental activities were paid with $93.5 million in property taxes, $17.0 million of unrestricted state aid based on the statewide Local Control Funding Formula, and $2.5 million of investment interest earnings. Miscellaneous revenues of $7.5 million is comprised of a number of items, including facilities use fees, developer fees, State construction facilities reimbursements, Mello-Roos receipts, interagency revenues and site co-curricular revenues.

Figure 1 charts the District's revenues for the 2024-25 school year.

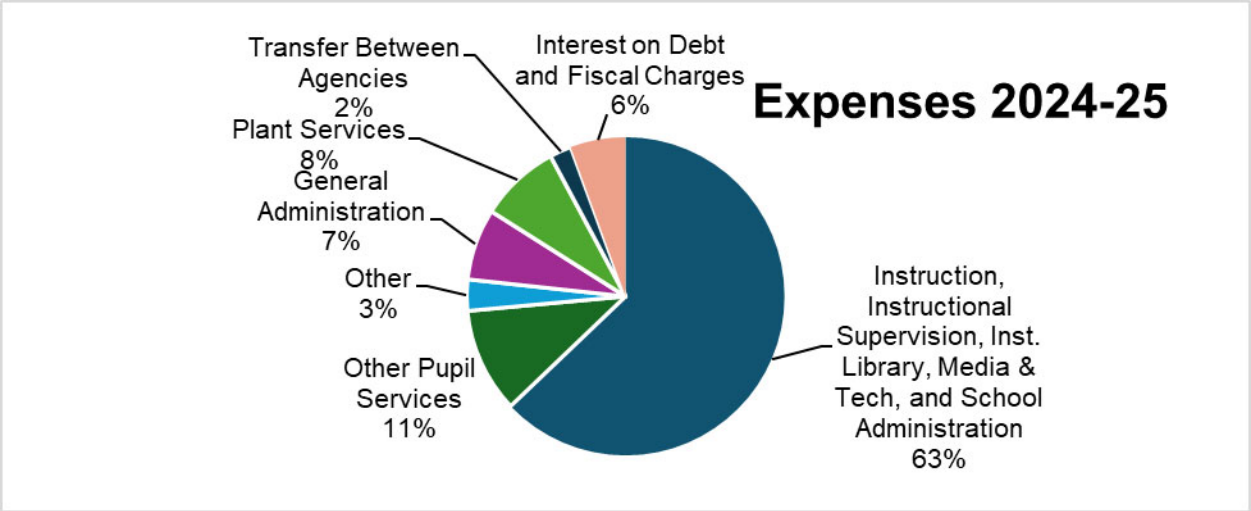
Sources of Western Placer USD's Revenue for the 2024-25 Fiscal Year
Figure 1



As shown in the Statement of Activities, the cost of all the District's governmental activities this year was $149.9 million. Instruction, supervision of instructional, instructional library, media & technology, and school administration expenses made up approximately 63% of total 2024-25 expenses, a 1% decrease from 2023-24. General administration accounted for approximately 7% of the expense budget, a 1% increase from 2023-24. Interest on debt, fiscal charges and transfers between agencies represented 6% of expenses, a 1% decrease from 2023-24. pupil services accounted for 11% of expenses, a 1% increase from 2023-24. Plant maintenance and operations accounted for 8% of the expense budget, a 1% decrease from 2023-24.

Figure 2 charts the District's expenditures for the 2024-25 school year.

Western Placer USD's Expenses for the Fiscal Year 2024-25
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 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 $73.8 million, a decrease of $18.3 million from the previous fiscal year's combined ending balance of $92.1 million. The funds with greatest change were:

- Building Fund decreasing by a net $12.2 million due to completion of the Twelve Bridges High School Phase 2 expansion.
- Mello-Roos Fund decreasing by $5.0 million due to payment of long-term debt and a transfer of $10.3 million to the Capital Facilities Fund for the new Phoenix High School building.
- General Fund decreasing $2.8 million, primarily spending down of one-time revenues received in 2024-25 and prior years.

General Fund Budgetary Highlights

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

- Budget revisions acknowledging the inclusion of restricted ending balances, deferred revenue, and unspent carryover funds from the prior year.
- Budget revisions to update revenues to actual enrollment information and to update expenditures for staffing adjustments related to actual enrollments.
- Budget revisions to reflect salary settlements.
- Other budget revisions are routine for the district operations, including adjustments to state and federal revenues and expenditures based on final awards and allocations, 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 approximately $9.6 million. Actual audited activity reflected a net decrease to the ending balance of $2.8 million. The difference between the final budget and the actual ending balance is due primarily to unspent federal and state program carryover funds, including one-time state Learning Recovery Emergency Block Grant and Arts, Music and Instructional Materials Discretionary Block Grant funds, and Proposition 28 Arts and Music funds.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

By the end of the 2024-25 fiscal year, the District had invested $340.1 million in a broad range of capital assets, including school sites, school buildings, work in progress, site improvements, vehicles, and equipment. This amount represents an increase of $16.3 million from the previous fiscal year, which consists of construction work in progress and site equipment additions totaling $30.1 million, net of deletions and depreciation expense in the current fiscal year of $13.9 million.

Table 3
Capital Assets
(net of depreciation)

	2023-24	2024-25	$ Difference	% Difference
Land	47,681,849	47,794,664	$ 112,815	0.24%
Buildings	238,782,758	238,136,773	(645,985)	-0.27%
Site Improvements	29,373,337	36,144,737	6,771,400	23.05%
Equipment & Vehicles	3,607,834	4,618,090	1,010,256	28.00%
Work in Progress (WIP)	4,462,206	13,480,216	9,018,010	202.10%
Total	**$ 323,907,984**	**$ 340,174,480**	**$ 16,266,496**	**5.02%**

Long-Term Debt

At June 30, 2025, the District had $325,045,227 in long-term debt outstanding.

Table 4
Outstanding Liabilities

	2023-24	2024-25
General Obligation Bonds	$ 103,280,000	$ 100,115,000
Special Tax Bond	7,522,757	6,895,941
Unamortized Premiums	12,178,724	11,839,134
Cerfiticates of Participation	117,195,000	114,220,000
Net Pension Liability	82,549,000	76,594,000
PARS	-	2,637,842
Other Post Employment Benefits	6,349,996	6,782,513
Compensated Absences	444,946	5,960,797
TOTAL	**$ 329,520,423**	**$ 325,045,227**

The General Obligation Bonds are financed by the local taxpayers and represent 30.8% of the District's long-term debt. Certificates of Participation (COPs) are defeased through Mello-Roos special taxes and developer fees. COPs represent an additional 35.1% of the District long-term debt. The District's Net Pension Liability represents 23.6% of the District's long-term liability. The District's remaining debt is composed of other post-employment benefits, special tax bond, unamortized premiums, compensated absences and PARS.

FACTORS BEARING ON THE DISTRICT'S FUTURE

Over the last several years, the District has seen a steady growth in student enrollment as new housing developments are completed and new homeowners moved into the District. Over the last ten years since 2014-15, the district has increased enrollment by 1,393 students (20.9%).

In 2024-25, the District continued to see increased student enrollment with an increase of 182 students from 2023-24

For 2025-26, at First Interim Budget, we are projecting to continue to see enrollment increase due to full TK implementation and growth in the Twelve Bridges and downtown areas of Lincoln. Projected enrollment remains the same as the original Adopted of 8,293 students, an increase of 242 students (3.0%) from 2024-25 with an ADA-to-enrollment rate of 94.0% and projected ADA of 7,795. For 2026-27, we are projecting 2.0% enrollment growth with an ADA-to-enrollment rate of 94.0%, resulting in a projected ADA of 7,951--an increase of 171 ADA from the projected 2025-26 ADA.

The District's greatest challenge continues to be maintaining a viable relationship between its revenues and expenditures while at the same time expanding its infrastructure and services to address the educational, technology and facility needs of its existing and future students. The District must also continue to use one-time state and federal funding for one-time purposes. The District is committed to a balanced budget and maintaining a minimum reserve of 3% of expenditures for economic uncertainties.

The 2025-26 State Budget was approved by June 30, 2025. The final budget for 2025-26 included a statutory COLA of 2.30%

In 2025-26, the District's First Interim Budget reporting shows the General Fund with a planned deficit of $12.0 million, largely due to $14.6 million in prior year unspent funds budgeted in 2025-26 expenditures. Although the district projects deficit spending, it still maintains the required 3% reserve for Economic Uncertainty plus an additional 1.5% of unassigned surplus in 2025-26, 2.6% in 2026-27 and 3.9% in 2027-28. While the District's fund balance reserves are less than unified school districts statewide, this situation is somewhat mitigated by the fact that student enrollment continues to increase each year.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, Western Placer Unified School District, 600 Sixth Street, Suite 400, Lincoln, CA 95648, (916) 645-6350.

BASIC FINANCIAL STATEMENTS

WESTERN PLACER UNIFIED SCHOOL DISTRICT
STATEMENT OF NET POSITION
June 30, 2025

	Governmental Activities
ASSETS	
Cash and investments (Note 2)	$ 72,543,848
Receivables	11,761,890
Prepaid expenses	707,618
Stores inventory	47,079
Other current assets	1,342
Non-depreciable capital assets (Note 4)	61,274,880
Depreciable capital assets, net of accumulated depreciation (Note 4)	278,899,600
Total assets	425,236,257
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources - pensions (Notes 7 and 8)	33,702,785
Deferred outflows of resources - OPEB (Note 9)	3,636,073
Deferred outflow from advance refunding of debt	5,426,266
Total deferred outflows of resources	42,765,124
LIABILITIES	
Accounts payable	14,000,071
Unearned revenue	832,170
Long-term liabilities (Note 5):	
Due within one year	7,632,416
Due after one year	317,412,811
Total liabilities	339,877,468
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources - pensions (Notes 7 and 8)	7,408,000
Deferred inflows of resources - OPEB (Note 9)	6,896,553
Total deferred inflows of resources	14,304,553
NET POSITION	
Net investment in capital assets	112,859,883
Restricted:	
Legally restricted programs	16,734,220
Capital projects	39,428,555
Debt service	5,706,693
Unrestricted	(60,909,991)
Total net position	$ 113,819,360

See accompanying notes to financial statements.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenues and Change in Net Position: Governmental Activities
Governmental activities:					
Instruction	$ 80,052,291	$ 113,438	$ 12,134,971	$ 14,895	$ (67,788,987)
Instruction-related services:					
Supervision of instruction	4,981,171	40,374	985,343	-	(3,955,454)
Instructional library, media and technology	1,074,029	-	4,216	-	(1,069,813)
School site administration	8,125,549	4,980	1,524,130	-	(6,596,439)
Pupil services:					
Home-to-school transportation	2,668,576	2,872	16,933	-	(2,648,771)
Food services	6,367,193	1,778	5,794,178	-	(571,237)
All other pupil services	6,931,126	4,942	1,893,875	-	(5,032,309)
General administration:					
Data processing	3,304,159	40,495	45,794	-	(3,217,870)
All other general administration	7,578,849	69,602	956,065	-	(6,553,182)
Plant services	12,280,830	1,824,584	949,851	-	(9,506,395)
Ancillary services	4,669,332	86,788	2,563,694	-	(2,018,850)
Community services	79,046	-	15	-	(79,031)
Other outgo	3,313,392	1,338,585	2,400,281	-	425,474
Interest on long-term liabilities	8,425,953	-	-	-	(8,425,953)
Total governmental activities	$ 149,851,496	$ 3,528,438	$ 29,269,346	$ 14,895	(117,038,817)
General revenues:					
Taxes and subventions:					
Taxes levied for general purposes					78,347,151
Taxes levied for debt service					7,217,706
Taxes levied for other specific purposes					7,892,019
Federal and state aid not restricted to specific purposes					17,037,674
Interest and investment earnings					2,524,128
Interagency transfers					404,015
Miscellaneous					7,108,014
Total general revenues					120,530,707
Change in net position					3,491,890
Net position, July 1, 2024					115,390,259
Restatement due to implementation of GASB 101 (Note 1)					(5,062,789)
Net Position, July 1, 2020, as restated					110,327,470
Net position, June 30, 2025					$ 113,819,360

See accompanying notes to financial statements.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2025

	General Fund	Capital Facilities Fund	Mello Roos Fund	All Non-Major Funds	Total Governmental Funds
ASSETS					
Cash and investments:					
Cash in County Treasury	$ 25,217,700	$ 3,886,570	$ 33,943,674	$ 8,334,036	$ 71,381,980
Cash in banks	-	-	-	1,091,962	1,091,962
Revolving cash	5,000	-	-	-	5,000
Cash with fiscal agent	-	-	46,264	-	46,264
Collections awaiting deposit	3,939	14,703	-	-	18,642
Receivables	10,183,388	21,283	106,444	1,450,775	11,761,890
Prepaid expenditures	707,618	-	-	-	707,618
Stores inventory	-	-	-	47,079	47,079
Other current assets	-	-	-	1,342	1,342
Due from other funds	257,886	10,360,328	-	586,181	11,204,395
Total assets	$ 36,375,531	$ 14,282,884	$ 34,096,382	$ 11,511,375	$ 96,266,172
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 8,032,696	$ 922,472	$ 4,200	$ 1,507,637	$ 10,467,005
Unearned revenue	832,170	-	-	-	832,170
Due to other funds	586,182	-	10,327,731	290,482	11,204,395
Total liabilities	9,451,048	922,472	10,331,931	1,798,119	22,503,570
Fund balances:					
Nonspendable	712,618	-	-	47,079	759,697
Restricted	15,360,561	13,360,412	23,764,451	9,666,177	62,151,601
Assigned	792,435	-	-	-	792,435
Unassigned	10,058,869	-	-	-	10,058,869
Total fund balances	26,924,483	13,360,412	23,764,451	9,713,256	73,762,602
Total liabilities and fund balances	$ 36,375,531	$ 14,282,884	$ 34,096,382	$ 11,511,375	$ 96,266,172

See accompanying notes to financial statements.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2025

Total fund balances - Governmental Funds		$ 73,762,602
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used for governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets is $435,905,558 and the accumulated depreciation is $95,731,078 (Note 4).		340,174,480
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 statements, it is recognized in the period that it is incurred.		(3,533,066)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds Long-term liabilities at June 30, 2025 consisted of (Note 5):		
Special Tax Bonds	$ (6,895,941)	
General Obligation Bonds	(100,115,000)	
Unamortized premiums	(11,839,134)	
Certificates of Participation	(114,220,000)	
Public Agency Retirement System (PARS)	(2,637,842)	
Net OPEB liability (Note 9)	(6,782,513)	
Net pension liability (Notes 7 and 8)	(76,594,000)	
Compensated absences	(5,960,797)	
		(325,045,227)
In governmental funds, deferred inflows and deferred outflows of resources resulting from defeasance of debt are not recorded. In governmental activities, for advance refundings resulting in defeasance of debt reported in governmental activities, the difference between reacquisition price and the net carrying amount of the retired debt are reported as deferred inflows or deferred outflows of resources:		5,426,266
In governmental funds, deferred outflows and inflows of resources relating to to pensions and OPEB are not reported because they are applicable to future periods. In the statement net position, deferred outflows and inflows of resources relating to pensions are reported (Notes 7, 8 and 9).		
Deferred outflows of resources relating to pensions	33,702,785	
Deferred outflows of resources relating to OPEB	3,636,073	
Deferred inflows of resources relating to pensions	(7,408,000)	
Deferred inflows of resources relating to OPEB	(6,896,553)	
		23,034,305
Total net position - governmental activities		$ 113,819,360

See accompanying notes to financial statements.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

	General Fund	Capital Facilities Fund	Mello Roos Fund	Formerly Major Building Fund	Formerly Major County School Facilities Fund	All Non-Major Funds	Total Governmental Funds
Revenues:							
Local Control Funding Formula (LCFF):							
State apportionment	$ 36,257,010	$ -	$ -			$ -	$ 36,257,010
Local sources	57,661,846	-	-			-	57,661,846
Total LCFF	93,918,856	-	-			-	93,918,856
Federal sources	3,286,889	-	-			2,129,603	5,416,492
Other state sources	14,529,969	-	-			3,946,105	18,476,074
Other local sources	9,939,499	3,813,641	13,550,920			9,603,749	36,907,809
Total revenues	121,675,213	3,813,641	13,550,920			15,679,457	154,719,231
Expenditures:							
Current:							
Certificated salaries	49,422,360	-	-			-	49,422,360
Classified salaries	18,387,780	351,686	-			1,903,775	20,643,241
Employee benefits	30,510,453	152,736	-			980,205	31,643,394
Books and supplies	4,686,876	44,052	-			3,056,142	7,787,070
Contract services and operating expenditures	16,983,679	525,124	22,015			2,473,164	20,003,982
Other outgo	3,313,392	-	-				3,313,392
Capital outlay	925,419	11,122,552	-			12,562,401	24,610,372
Debt service:							
Principal retirement	-	-	3,601,816			3,165,000	6,766,816
Interest	-	-	4,573,234			4,255,950	8,829,184
Total expenditures	124,229,959	12,196,150	8,197,065			28,396,637	173,019,811
(Deficiency) excess of revenues (under) over expenditures	(2,554,746)	(8,382,509)	5,353,855			(12,717,180)	(18,300,580)
Other financing sources (uses):							
Transfers in	257,452	10,327,731	-			543,984	11,129,167
Transfers out	(543,984)	-	(10,327,731)			(257,452)	(11,129,167)
Total other financing sources (uses)	(286,532)	10,327,731	(10,327,731)			286,532	-
Change in fund balances	(2,841,278)	1,945,222	(4,973,876)			(12,430,648)	(18,300,580)
Fund balances, July 1, 2024	29,765,761	11,415,190	28,738,327	12,568,342	381,320	9,194,242	92,063,182
Adjustment - changes to and within the District	-	-	-	(12,568,342)	(381,320)	12,949,662	-
Fund balances, July 1, 2024, as adjusted	29,765,761	11,415,190	28,738,327	-	-	22,143,904	92,063,182
Fund balances, June 30, 2025	$ 26,924,483	$ 13,360,412	$ 23,764,451	$ -	$ -	$ 9,713,256	$ 73,762,602

See accompanying notes to financial statements.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

Net change in fund balances - Total Governmental Funds		$ (18,300,580)
Amounts reported for governmental activities in the statement of activities are different because:		
Acquisition of capital assets is an expenditure in the governmental funds, but increases capital assets in the statement of net position (Note 4).	$ 25,154,224	
Depreciation of capital assets is an expense that is not recorded in the governmental funds (Note 4).	(8,885,576)	
Loss from disposal of capital assets: In governmental funds, the disposal of capital assets are reported as revenue. In the statement of activities, only the resulting loss is reported (Note 4).	(2,152)	
Repayment of principal on long-term liabilities is an expenditure in the governmental funds, but decreases the long-term liabilities in the statement of net position (Note 5).	6,766,816	
Unmatured interest on long-term liabilities is not recorded in the governmental funds until it becomes due, but increases the liabilities in the statement of net position.	309,330	
In governmental funds, debt issued at a premium is recognized as an other financing source. In the is amortized as interest over the life of the debt (Note 5).	339,590	
In government-wide statements, any deferred gain or loss from debt refunding, is amortized as interest over the life of the debt. Deferred gain or loss from debt refunding for the period is:	(245,689)	
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 (Notes 5, 7,and 8):	1,951,010	
In the statement of activities, expenses related to the net OPEB liability, PARS and compensated absences are measured by the amounts earned during the year. In the governmental funds, expenditures are measured by the amount of financial resources used (Notes 5 and 9).	(3,595,083)	21,792,470
Change in net position of governmental activities		$ 3,491,890

See accompanying notes to financial statements.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
TRUST FUNDS
For the Year Ended June 30, 2025

	Trust Funds	
	Scholarship	Retiree Benefits
ASSETS		
Cash and investments (Note 2):		
Cash in County Treasury	$ 174,560	$ 7,972
Accounts receivable	559	26
Total assets	175,119	7,998
NET POSITION		
Restricted for scholarships and retiree benefits	$ 175,119	$ 7,998

See accompanying notes to financial statements.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
STATEMENT OF CHANGE IN FIDUCIARY NET POSITION
TRUST FUNDS
For the Year Ended June 30, 2025

	Trust Funds	
	Scholarship	Retiree Benefits
Additions:		
Other local sources	$ 6,609	$ 301
Change in net position	5,359	301
Net position, July 1, 2024	169,760	7,697
Net position, June 30, 2025	$ 175,119	$ 7,998

See accompanying notes to financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Mello-Roos Community Facilities District: The District and the Mello-Roos Community Facilities District (the "CFD") have a financial and operational relationship that meets the reporting entity definition criteria of GASB Codification Section 2100, *The Financial Reporting Entity*, for inclusion of the CFD as a blended component unit of the District. Accordingly, the financial activities of the CFD have been included in the financial statements of the District within the Mello-Roos Fund, a debt service fund. Special tax bonds issued by the CFD are included in long-term liabilities on the government-wide financial statements.

Western Placer Unified School District Financing Corporation: The District and the Western Placer Unified School District Financing Corporation (the Corporation) have a financial and operational relationship that meets the reporting entity definition criteria of GASB Codification Section 2100, *The Financial Reporting Entity*, for inclusion of the Corporation as a blended component unit of the District. Accordingly, the financial activities of the Corporation have been included in the general-purpose financial statements of the District within the Building Fund, a capital projects fund. The certificates of participation issued by the Corporation are included in long-term liabilities on the government-wide financial statements.

The following are those aspects of the relationship between the District and the Corporation and the District and the CFD and Corporation which satisfy *Codification of Governmental Accounting and Financial Reporting Standards, Section 2100*, as amended by criteria:

A - Accountability:

1. The CFD and Corporation's Board of Directors were appointed by the District's Board of Trustees.
2. The CFD and Corporation have no employees. The District's Assistant Superintendent, Business and Operations functions as the agent of the CFD and Corporation and does not receive additional compensation for work performed in this capacity.
3. The District's Board exercises significant influence over operations of the CFD and Corporation as the District is the sole lessee of all facilities owned by the CFD and Corporation.
4. All major financing arrangements, contracts, and other transactions of the CFD and Corporation must have the consent of the District.
5. Any deficits incurred by the CFD and Corporation will be reflected in the lease payments of the District. Any surpluses of the CFD and Corporation revert to the District at the end of the lease period.
6. The District's lease payments are the sole revenue source of the CFD and Corporation.
7. The District has assumed a "moral obligation," and potentially a legal obligation, for any debt incurred by the CFD and Corporation.

(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B - Scope of Public Service - The CFD and Corporation were formed for the sole purpose of financially assisting the District. The CFD and Corporation were formed to provide financing assistance to the District for construction, rehabilitation and acquisition of major capital facilities to support the student population.

C - Financial Presentation - For financial presentation purposes, the CFD and Corporation's financial activity have been blended with the financial data of the District. The basic financial statements present the CFD and Corporation's financial activity within the Mello-Roos and Building Funds, respectively.

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

Basis of Presentation - Government-Wide Financial Statements: The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. Custodial funds are not included in the government-wide financial statements. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities.

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

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

Allocation of Indirect Expenses: The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term liabilities is considered an indirect expense and is reported separately on the Statement of Activities.

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

(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A - Major Funds

General Fund - The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund. The activities of the Special Reserve for Other Than Capital Outlay Fund have been included in the General Fund for financial reporting purposes.

Capital Facilities Fund - The Capital Facilities Fund is a capital projects fund used to account for resources used for the acquisition or construction of capital facilities by the District.

Mello-Roos Fund - The Mello-Roos Fund is a debt service fund used to account for the accumulation of resources for, and the payment of, Mello-Roos debt principal, interest, and related costs.

B - Other Funds

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

Capital Projects Funds – The Capital Projects Fund is used to account for resources used for the acquisition or construction of capital facilities by the District. This classification includes the Special Reserve for Capital Outlay Fund, Building Fund, and County School Facilities Fund.

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

Trust Funds - The Trust Funds are used to account for assets held by the District as Trustee. The District maintains two expendable trust funds, the Scholarship Trust, which is to be used to provide financial assistance to students of the District, and the Retiree Benefits Fund, which is used by the District to reserve for funds to pay for retiree benefits.

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

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

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

(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Receivables: Receivables are made up principally of amounts due from the State of California and Categorical programs. The District has determined that no allowance for doubtful accounts was needed as of June 30, 2025.

Stores Inventory: Inventory is stated at cost (average cost) which does not exceed replacement cost. Inventory consists of expendable supplies held for future use in the following period by the District's operating units, transportation supplies, and food held for consumption. Maintenance and other supplies held for physical plant repair are not included in inventory; rather, these amounts are recorded as expenditures when purchased.

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

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

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

(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State Teachers' Retirement Plan (STRP) and Public Employers Retirement Fund B (PERF B) and additions to/deductions from STRP's and PERF B's fiduciary net position have been determined on the same basis as they are reported by STRP and PERF B. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Certain investments are reported at fair value. The following is a summary of pension amounts in the aggregate as of June 30, 2025:

	STRP	PERF B	Total
Deferred outflows of resources	$ 22,149,050	$ 11,553,735	$ 33,702,785
Deferred inflows of resources	$ 7,187,000	$ 221,000	$ 7,408,000
Net pension liability	$ 45,719,000	$ 30,875,000	$ 76,594,000
Pension expense	$ 8,179,784	$ 6,631,879	$ 14,811,663

Compensated Absences: Compensated absence benefits in the amount of $5,960,797 are recorded as a long-term liability of the District. The liability represents earned but unused vacation and other leave balances which are more likely than not to be paid or used. In accordance with the provisions of both STRP and PERF B, when an employee retires, all unused sick leave is added to the creditable service period for the calculation of the employee's retirement benefits.

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

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

Net Position: Net position is displayed in three components:

1. *Net Investment in Capital Assets* – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent bond proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. *Restricted Net Position* - Restrictions of the ending net position indicate the portions of net position not appropriable for expenditure or amounts legally segregated for a specific future use. The restriction for legally restricted programs represents the portion of net position restricted to specific program expenditures. The restriction for capital projects represents the portion of net position restricted for capital projects. The restriction for debt service represents the portion of net position available for the retirement of debt. The restriction for scholarships represents the portion of net position to be used to provide financial assistance to students of the District. The restriction for retiree benefits represents the portion of net position available for the former employees of the district. It is the District's policy to use restricted net position first when allowable expenditures are incurred.

3. *Unrestricted Net Position* – All other net position that do not meet the definitions of "restricted" or "net investment in capital assets."

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

A - *Nonspendable Fund Balance*: The nonspendable fund balance classification reflects amounts that are not in spendable form, such as revolving fund cash, prepaid expenditures and stores inventory.

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

C - *Committed Fund Balance*: The committed fund balance classification reflects amounts subject to internal constraints self-imposed by formal action of the Board of Trustees. The constraints giving rise to committed fund balance must be imposed no later than the end of the reporting period. The actual amounts may be determined subsequent to that date but prior to the issuance of the financial statements. Formal action by the Board of Trustees is required to remove any commitment from any fund balance. At June 30, 2025, the District had no committed fund balances.

D - *Assigned Fund Balance*: The assigned fund balance classification reflects amounts that the District's Board of Trustees has approved to be used for specific purposes, based on the District's intent related to those specific purposes. The Board of Trustees can designate personnel with the authority to assign fund balances.

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

(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

While GASB Cod. Sec. 1300 and 1800 do not require districts to establish a minimum fund balance policy or a stabilization arrangement, GASB Cod. Sec. 1300 and 1800 do require the disclosure of a minimum fund balance policy and stabilization arrangements, if they have been adopted by the Board of Trustees. At June 30, 2018, the District has established a minimum General Fund fund balance policy of 5% of General Fund total outgo. As of June 30, 2025, the District has an unassigned balance of $10,058,869.

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

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

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

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

New Accounting Pronouncements: In June 2022, the GASB issued GASB Statement No. 101, *Compensated Absences*, and made effective for fiscal years beginning after December 15, 2023. GASB Statement No. 101 requires recognition of a liability for leave when earned if it is attributable to services already rendered and is expected to be paid. The liability includes vacation, sick leave, and other forms of paid time off that accumulate and vest or are expected to be used in future periods. Based on the implementation of GASB Statement No. 101, the District restated its beginning net position of governmental activities and beginning long-term liabilities for a total of $5,062,789.

(Continued)

NOTE 2 – CASH AND INVESTMENTS

Cash and investments at June 30, 2025 are reported at fair value and consisted of the following:

	Governmental Activities	Fiduciary Activities
Pooled Fund:		
Cash in County Treasury	$ 71,381,980	$ 182,532
Deposits:		
Cash on hand and in banks	1,091,962	-
Cash in revolving fund	5,000	-
Collections awaiting deposit	18,642	-
Investments:		
Cash with Fiscal Agent	46,264	-
Total cash and investments	$ 72,543,848	$ 182,532

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

Deposits - Custodial Credit Risk: The District limits custodial credit risk by ensuring uninsured balances are collateralized by the respective financial institution. Cash balances held in banks are insured up to $250,000 by the Federal Deposit Insurance Corporation (FDIC) and are collateralized by the respective financial institution. At June 30, 2025, the carrying amount of the District's accounts was $1,115,604 and the bank balance was $1,144,920, $423,032 of which was insured by the FDIC .

Cash with Fiscal Agent: The Cash with Fiscal Agent of $46,264 in the Mello-Roos Fund represents debt proceeds that have been set aside for capital projects and the repayment of long-term liabilities. These amounts are held by a third party custodian in the District's name.

Interest Rate Risk: The District does not have a formal investment policy that limits cash and investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2025, the District had no significant interest rate risk related to cash and investments held.

Credit Risk: The District does not have a formal investment policy that limits its investment choices other than the limitations of state law.

Concentration of Credit Risk: The District does not place limits on the amount it may invest in any one issuer. At June 30, 2025, the District had no concentration of credit risk.

(Continued)

NOTE 3 – INTERFUND TRANSACTIONS

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

Interfund Receivables/Payables: Individual interfund receivable and payable balances at June 30, 2025 were as follows:

Fund	Interfund Receivables	Interfund Payables
Major Funds:		
General	$ 257,886	$ 586,182
Capital Facilities	10,360,328	-
Mello-Roos	-	10,327,731
Non-Major Funds:		
Adult Education	34,136	432
Cafeteria	52,045	197,454
Deferred Maintenance	500,000	-
Building	-	32,596
Special Reserve for Capital Outlay	-	60,000
Totals	$ 11,204,395	$ 11,204,395

Transfers: Transfers consist of operating transfers from funds receiving revenue to funds through which the resources are to be expended. Transfers for the 2024-2025 fiscal year were as follows:

Transfer from the General Fund to the Adult Education Fund for the Transition Partnership Program.	$ 28,543
Transfer from the Cafeteria Fund to the General Fund for indirect costs.	197,452
Transfer from the Special Reserve for Capital Outlay Fund to the General Fund for property improvements.	60,000
Transfer from the General Fund to the Cafeteria Fund to reimburse for interest expense paid.	15,441
Transfer from the General Fund to the Deferred Maintenance Fund for deferred maintenance contribution.	500,000
Transfer from the Mello Roos Fund to the Capital Facilities Fund for capital projects.	10,327,731
	$ 11,129,167

(Continued)

NOTE 4 – CAPITAL ASSETS

A schedule of changes in capital assets for the year ended June 30, 2025 is shown below:

	Balance July 1, 2024	Transfers and Additions	Transfers and Deletions	Balance June 30, 2025
Governmental Activities				
Non-depreciable:				
Land	$ 47,681,849	$ 112,815	$ -	$ 47,794,664
Work-in-process	4,462,206	22,867,072	13,849,062	13,480,216
Depreciable:				
Buildings	312,653,951	5,910,216	-	318,564,167
Equipment	8,614,099	1,582,656	36,719	10,160,036
Site improvements	37,375,948	8,530,527	-	45,906,475
Totals, at cost	410,788,053	39,003,286	13,885,781	435,905,558
Less accumulated depreciation:				
Buildings	(73,871,193)	(6,556,201)	-	(80,427,394)
Equipment	(5,006,265)	(570,248)	34,567	(5,541,946)
Site improvements	(8,002,611)	(1,759,127)	-	(9,761,738)
Total accumulated depreciation	(86,880,069)	(8,885,576)	34,567	(95,731,078)
Capital assets, net	$ 323,907,984	$ 30,117,710	$ 13,920,348	$ 340,174,480

Depreciation expense was charged to governmental activities as follows:

Instruction	$ 7,108,462
Instructional supervision and administration	8,696
Instructional library, media and technology	3,333
School site administration	143,550
Home-to-School transportation	244,861
Food services	7,888
General administrative	7,877
Centralized data processing	75,901
Plant services	1,285,008
Total depreciation expense	$ 8,885,576

(Continued)

NOTE 5 – LONG-TERM LIABILITIES

Special Tax Bonds: On March 10, 2015, the District issued Community Facilities District No. 1 Special Tax Bonds in the amount of $12,376,387, to provide funds for refunding all of the Series 2005 Bonds. The Mello-Roos Bonds are authorized pursuant to the Mello-Roos Community Facilities Act of 1982 and are payable from the proceeds of an annual Special Tax to be levied and collected on property within the District. The Special tax is to be levied according to the rate and method of apportionment determined by a formula approved by the Board, as the legislative body of the District, and by the registered voters within the District.

The bonds bear interest rates ranging from 2.44% to 3.5% and are scheduled to mature in September 2034.

Scheduled payments on Series 2015 Special Tax Bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 648,467	$ 230,010	$ 878,477
2027	674,814	206,852	881,666
2028	694,995	182,881	877,876
2029	719,788	158,122	877,910
2030	744,137	132,503	876,640
2031-2035	3,413,740	264,801	3,678,541
	$ 6,895,941	$ 1,175,169	$ 8,071,110

General Obligation Bonds and Bond Anticipation Notes: A summary of General Obligation Bonds and Bond Anticipation Notes payable as of June 30, 2025 follows:

Series	Interest Rate	Date of Issue	Original Maturity	Amount of Original Issue	Balance July 1, 2024	Current Year Issuance	Current Year Refunded	Balance June 30, 2025
2015 Series A	3.0%-5.0%	2015	2041	$ 20,000,000	$ 15,665,000	$ -	$ 665,000	$ 15,000,000
2016 Series A	3.0%-5.0%	2016	2048	30,000,000	26,550,000	-	665,000	25,885,000
2014 Series B	3.0%-5.0%	2017	2048	25,000,000	22,190,000	-	570,000	21,620,000
2014 Series C	3.4%-5.0%	2019	2044	15,000,000	12,945,000	-	430,000	12,515,000
2016 Series B	3.5%-5.0%	2019	2044	30,000,000	25,930,000	-	835,000	25,095,000
Total					$ 103,280,000	$ -	$ 3,165,000	$ 100,115,000

(Continued)

NOTE 5 – LONG-TERM LIABILITIES (Continued)

The annual requirements to amortize the General Obligation Bonds payable and outstanding as of June 30, 2025 are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 3,280,000	$ 4,135,926	$ 7,415,926
2027	3,420,000	3,996,351	7,416,351
2028	3,560,000	3,849,726	7,409,726
2029	3,720,000	3,697,792	7,417,792
2030	3,870,000	3,536,326	7,406,326
2031-2035	21,990,000	15,043,844	37,033,844
2036-2040	26,795,000	10,148,663	36,943,663
2041-2045	24,550,000	4,248,225	28,798,225
2046-2050	8,930,000	575,700	9,505,700
	$ 100,115,000	$ 49,232,552	$ 149,347,552

Certificates of Participation (COP): In September 2016, the District issued $69,520,000 Refinancing Project COP, with interest rates ranging from 3.75% to 5.0%, maturing in 2048. Bond proceeds from the issuance were used to refund both the 2008 COP and 2008B COP.

In September 2017, the District issued $51,795,000 Refinancing Project COP, with interest rates ranging from 2.0% to 5.0%, maturing in 2050. Bond proceeds from the issuance were used to refund the 2009 refinancing COP.

On October 29, 2019, the District issued Certificates of Participation 2019 Refinancing Project in the amount of $8,285,000 to advance refund the Certificates of Participation 2011 Refinancing Project. The 2019 Refinancing Certificates of Participation mature in varying amounts during the succeeding year through November 2037 with interest rates ranging from 2.0% to 3.7%.

The Certificates of Participation are scheduled to mature as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 2,315,000	$ 4,233,232	$ 6,548,232
2027	2,415,000	4,122,091	6,537,091
2028	2,845,000	4,004,339	6,849,339
2029	3,000,000	3,881,018	6,881,018
2030	2,920,000	3,756,511	6,676,511
2031-2035	18,215,000	16,760,994	34,975,994
2036-2040	22,985,000	12,980,947	35,965,947
2041-2045	25,800,000	8,421,028	34,221,028
2046-2050	33,725,000	3,751,731	37,476,731
	$ 114,220,000	$ 61,911,891	$ 176,131,891

(Continued)

NOTE 5 – LONG-TERM LIABILITIES (Continued)

Public Agency Retirement System (PARS): The District implemented a Public Agency Retirement System (PARS) Supplementary Retirement Plan, which was available to employees that satisfied all the requirements outlined in the execution agreement with an effective date of December 17, 2024. There are 44 participants in the Plan. The District will make non-elective employer contributions to the participants' 403(b) annuity contract held with Pacific Life Insurance Company. The following is a schedule of the future payments for the PARS Supplementary Retirement Plan:

Year Ending June 30,	Annual Payments
2026	$ 527,568
2027	527,568
2028	527,568
2029	527,569
2030	527,569
	$ 2,637,842

Schedule of Changes in Long-Term Liabilities: A schedule of changes in long-term liabilities for the year ended June 30, 2025 is shown below:

	Balance July 1, 2024	Restatement due to GASB 101 Implementation	Restated Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Amounts Due Within One Year
Debt:							
Special Tax Bonds	$ 7,522,757	$ -	$ 7,522,757	$ -	$ 626,816	$ 6,895,941	$ 648,467
General Obligation Bonds	103,280,000	-	103,280,000	-	3,165,000	100,115,000	3,280,000
Unamortized premiums	12,178,724	-	12,178,724	-	339,590	11,839,134	353,041
Certificates of participation	117,195,000	-	117,195,000	-	2,975,000	114,220,000	2,315,000
Other long-term liabilities:							
PARS	-	-	-	2,637,842	-	2,637,842	527,568
Net OPEB liability (Note 9)	6,349,996	-	6,349,996	432,517	-	6,782,513	-
Net pension liability (Notes 7 and 8)	82,549,000	-	82,549,000	-	5,955,000	76,594,000	-
Compensated absences	444,946	5,062,789	5,507,735	453,062	-	5,960,797	508,340
Total	$ 329,520,423	$ 5,062,789	$ 334,583,212	$ 3,523,421	$ 13,061,406	$ 325,045,227	$ 7,632,416

Payments on the Special Tax Bonds, Certificates of Participation are made from the Mello-Roos Fund. Payments on the General Obligation Bonds are made from the Bond Interest and Redemption Fund. Payments for the net OPEB liability, PARS, and net pension liability are made from the fund for which the related employee worked.

(Continued)

NOTE 6 – FUND BALANCES

Fund balances, by category, at June 30, 2025 consisted of the following:

	General Fund	Capital Facilities Fund	Mello Roos Fund	All Non-Major Funds	Total
Nonspendable:					
Revolving cash fund	$ 5,000	$ -	$ -	$ -	$ 5,000
Prepaid expenditures	707,618	-	-	-	707,618
Stores inventory	-	-	-	47,079	47,079
Subtotal nonspendable	712,618	-	-	47,079	759,697
Restricted:					
Legally restricted programs:					
Grant programs	15,360,561	-	-	-	15,360,561
Student Activities	-	-	-	1,091,962	1,091,962
Adult Education	-	-	-	22,044	22,044
Child Development				13,206	13,206
Cafeteria	-	-	-	(43,056)	(43,056)
Deferred Maintenance	-	-	-	242,424	242,424
Capital projects	-	13,360,412	23,764,451	2,632,904	39,757,767
Debt service	-	-	-	5,706,693	5,706,693
Subtotal restricted	15,360,561	13,360,412	23,764,451	9,666,177	62,151,601
Assigned:					
Special Reserve for Other Than Capital Outlay Fund	792,435	-	-	-	792,435
Unassigned:					
Reserve for economic uncertainty	3,737,294	-	-	-	3,737,294
Undesignated	6,321,575	-	-	-	6,321,575
Subtotal unassigned	10,058,869	-	-	-	10,058,869
Total fund balances	$ 26,924,483	$ 13,360,412	$ 23,764,451	$ 9,713,256	$ 73,762,602

(Continued)

NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN

General Information about the State Teachers' Retirement Plan

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

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

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

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

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

CalSTRS calculates retirement benefits based on one-year final compensation for members with 25 or more years of credited service, or for classroom teachers with fewer than 25 years of credited service if the employer entered into, extended, renewed or amended an agreement prior to January 1, 2014, to elect to pay the additional benefit cost for all of its classroom teachers. One-year final compensation is the member's highest average annual compensation earnable for 12 consecutive months based on the creditable compensation that the member could earn in a school year while employed on a full-time basis. For most members with fewer than 25 years of credited service, final compensation is the highest average annual compensation earnable for any 36 consecutive months based on the creditable compensation that the member could earn in a school year while employed on a full-time basis.

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

All CalSTRS 2% at 62 members' final compensation is based on their highest average annual compensation earnable for 36 consecutive months based on the creditable compensation that the member could earn in a school year while employed on a full-time basis.

(Continued)

NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

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

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

Members - Under CalSTRS 2% at 60, the member contribution rate was 10.250% of applicable member earnings for fiscal year 2023-24.

Under CalSTRS 2% at 62, members pay 9% toward the normal cost and an additional 1.205% as per the CalSTRS Funding Plan for a total member contribution rate of 10.205%. The contribution rate for CalSTRS 2% at 62 members is adjusted if the normal cost increases or decreases by more than 1% annually. Based on the June 30, 2023, actuarial valuation adopted by the CalSTRS Board in May 2024, the increase in normal cost was less than 1%. Therefore, the contribution rate for CalSTRS 2% at 62 members did not change effective July 1, 2024.

Employers – Employers are required to contribute a base contribution rate set in statute at 8.25%. Pursuant to the CalSTRS Funding Plan, employers also have a supplemental contribution rate to eliminate their share of the CalSTRS unfunded actuarial obligation by 2046. The CalSTRS Funding Plan authorizes the CalSTRS Board to adjust the employer supplemental contribution rate up or down by a maximum of 1% annually for a total rate of no higher than 20.25% and no lower than 8.25%. In May 2024, the CalSTRS Board voted to keep the employer supplemental contribution rate at 10.85% for fiscal year 2024-2025 for a total employer contribution rate of 19.10%.

The CalSTRS employer contribution rates effective for fiscal year 2024-2025 through fiscal year 2046-47 are summarized in the table below:

Effective Date	Base Rate	Supplemental Rate Per CalSTRS Funding Plan	Total
July 1, 2024	8.250%	10.850%	19.100%
July 1, 2025 to June 30, 2046	8.250%	(1)	(1)
July 1, 2046	8.250%	AB1469 rate increase ends for 2046-47 and beyond	

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

The District contributed $8,889,050 to the STRP during the fiscal year ended June 30, 2025.

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

(Continued)

NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

The State is required to contribute a base contribution rate set in statute at 2.017%. Pursuant to the CalSTRS Funding Plan, the State also has a supplemental contribution rate, which the Board can increase by no more than 0.5% each fiscal year to help eliminate the State's share of the CalSTRS unfunded actuarial obligation by 2046. In May 2024, the CalSTRS Board voted to keep the State supplemental contribution rate at 6.311% for fiscal year 2024–25.

The total State contribution rate also includes a portion to fund the Supplemental Benefit Maintenance Account (SBMA), which provides inflation protection to CalSTRS members whose current purchasing power has fallen below 85% of the purchasing power of their initial benefit. The SBMA is funded through a continuous appropriation from the State's General Fund in an amount equal to 2.5% of the total creditable compensation of the fiscal year ended in the immediately preceding calendar year, reduced by $72.0 million, pursuant to Education Code section 22954.

The CalSTRS State contribution rates effective for fiscal year 2024-25 and beyond are summarized in the table below:

Effective Date	Base Rate	Supplemental Rate Per CalSTRS Funding Plan	SBMA Funding(1)	Total
July 01, 2024	2.017%	6.311%	2.50%	10.828%
July 01, 2025 to June 30, 2046	2.017%	(1)	2.50%	(1)
July 01, 2046	2.017%	(2)	2.50%	(2)

(1) The CalSTRS Board has limited authority to adjust the State contribution rate annually through June 2046 to eliminate the remaining unfunded actuarial obligation. The CalSTRS Board cannot increase the supplemental rate by more than 0.5% in a fiscal year, and if there is no unfunded actuarial obligation, the supplemental contribution rate imposed would be reduced to 0%.

(2) From July 1, 2046, and thereafter, the rates in effect prior to July 1, 2014, are reinstated, if necessary, to address any remaining unfunded actuarial obligation.

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

At June 30, 2025, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	$ 45,719,000
State's proportionate share of the net pension liability associated with the District	20,976,000
Total	$ 66,695,000

(Continued)

NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023, updated and rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on the District's share of contributions to the STRP relative to the contributions of all participating contributing employers and the State. At June 30, 2025, the District's proportion was 0.068%, which was a decrease of 0.001% from its proportion at June 30, 2024.

For the year ended June 30, 2025, the District recognized pension expense of $8,179,784 and revenue of $2,848,571 for support provided by the State. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 5,171,000	$ 1,999,000
Changes of assumptions	200,000	3,122,000
Net differences between projected and actual earnings on investments	-	184,000
Changes in proportion and differences between District's contributions and proportionate share of contributions	7,889,000	1,882,000
Contributions made subsequent to measurement date	8,889,050	-
Total	$ 22,149,050	$ 7,187,000

$8,889,050 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2026	$ (2,322,300)
2027	$ 4,661,700
2028	$ 898,200
2029	$ 1,376,200
2030	$ 1,730,700
2031	$ (271,500)

Differences between expected and actual experience and changes in assumptions are amortized over a closed period equal to the average remaining service life of plan members, which is 7 years as of the June 30, 2024 measurement date. Deferred outflows and deferred inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed 5-year period.

(Continued)

NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

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

Valuation Date	June 30, 2023
Experience Study	July 1, 2007 through June 30, 2022
Actuarial Cost Method	Entry age actuarial cost method
Investment Rate of Return	7.10%
Consumer Price Inflation	2.75%
Wage Growth	3.50%
Post-retirement Benefit Increases	2.00% simple for DB, maintain 85% purchasing power level for DB

Discount Rate: The discount rate used to measure the total pension liability was 7.10%, which was unchanged from the prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates in accordance with the rate increases per the CalSTRS Funding Plan. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return of 7.10% and assume that contributions, benefit payments, and administrative expense occur midyear.

Based on those assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was calculated using a building-block approach. This method involves developing best-estimate ranges of 20- to 30-year geometrically linked expected future real rates of return for each major asset class. These expected returns are net of pension plan investment expenses and inflation. The best estimate ranges were created using capital market assumptions provided by CalSTRS investment staff and investment consultants.

The actuarial investment rate of return assumption was adopted by the CalSTRS Board in January 2024 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS independent consulting actuary reviews the return assumption for reasonableness based on the most current capital market assumptions. The assumed asset allocation and best estimates of the expected rates of return for each major asset class/strategy as of June 30, 2024, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term* Expected Real Rate of Return
Public Equity	38.0%	5.25%
Real Estate	15.0	4.05
Private Equity	14.0	6.75
Fixed Income	14.0	2.45
Risk Mitigating Strategies	10.0	2.25
Inflation Sensitive	7.0	3.65
Cash / Liquidity	2.0	0.05

* 20- to 30-year geometric average

(Continued)

NOTE 7 – NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

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

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

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
District's proportionate share of the net pension liability	$ 81,320,000	$ 45,719,000	$ 15,992,000

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

NOTE 8 – NET PENSION LIABILITY – PUBLIC EMPLOYER'S RETIREMENT FUND B

General Information about the Public Employer's Retirement Fund B

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

The Plan was established to provide retirement, death and disability benefits to non-teaching and non- certified employees in schools. The benefit provisions for Plan employees are established by statute. CalPERS issues a publicly available financial report that can be obtained at CalPERS' website.

Benefits Provided: The benefits for the defined benefit plan are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Members become fully vested in their retirement benefits earned to date after five years (10 years for State Second Tier members) of credited service. All non-state Second Tier members are eligible to receive cost-of-living adjustments (COLA) up to a maximum of 2% compounded annually (up to 5% maximum as a contract option for retired members of local agencies). State Second Tier members are eligible for a COLA of 3 percent fixed compounded annually.

(Continued)

NOTE 8 – NET PENSION LIABILITY – PUBLIC EMPLOYER'S RETIREMENT FUND B (Continued)

The Plan was established to provide retirement, death and disability benefits to non-teaching and non- certified employees in schools. The benefit provisions for Plan employees are established by statute. CalPERS issues a publicly available financial report that can be obtained at CalPERS' website.

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

Contributions: The benefits for the defined benefit pension plan are funded by contributions from members, employers, non-employers, and earnings from investments. Member and employer contributions are a percentage of applicable member compensation. Member contribution rates are defined by law and depend on the respective employer's benefit formulas. In some circumstances, contributions are made by the employer to satisfy member contribution requirements. Member and employer contribution rates are determined by periodic actuarial valuations or by State statute. Actuarial valuations are based on the benefit formulas and employee groups of each employer. Non-employer contributions are not expected each year, but when provided they are accrued for.

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

The Public Employees' Pension Reform Act of 2013 (PEPRA) became effective in January 2013, and changed how benefits are applied as well as placed compensation limits on certain members as listed below. Members which do not fall into the definitions below, are generally be considered "classic" members in PERF B:

- Members joining on or after January 1, 2013, with no prior membership in another California public retirement system.
- Members joining before January 1, 2013, who are hired by a different CalPERS employer after January 1, 2013, and have a break in service greater than six months.
- Members joining on or after January 1, 2013, who are ineligible for reciprocity with another California public retirement system.

Required contribution rates for active plan members and employers as a percentage of payroll for the year ended June 30, 2025 were as follows:

Members - The classic member contribution rate was 7.0% of applicable member earnings for fiscal year 2024-25. The PEPRA member contribution rate was 8.0% of applicable member earnings for fiscal year 2024-25.

Employers - The employer contribution rate was 27.05% of applicable member earnings for fiscal year 2024-25.

The District contributed $5,024,735 to the plan for the fiscal year ended June 30, 2025.

(Continued)

NOTE 8 – NET PENSION LIABILITY – PUBLIC EMPLOYER'S RETIREMENT FUND B (Continued)

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

At June 30, 2025, the District reported a liability of $30,875,000 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023, updated and rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on the District's share of contributions to the PERF B plan relative to the contributions of all participating school districts. At June 30, 2025 the District's proportion was 0.086%, which was an increase of 0.002% from its proportion at June 30, 2024.

For the year ended June 30, 2025, the District recognized pension expense of $6,631,879. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 2,588,000	$ 221,000
Changes of assumptions	682,000	-
Net differences between projected and actual earnings on investments	1,199,000	-
Changes in proportion and differences between District contributions and proportionate share of contributions	2,060,000	-
Contributions made subsequent to measurement date	5,024,735	-
Total	$ 11,553,735	$ 221,000

$5,024,735 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2026	$ 2,507,000
2027	$ 3,654,000
2028	$ 526,500
2029	$ (379,500)

(Continued)

NOTE 8 – NET PENSION LIABILITY – PUBLIC EMPLOYER'S RETIREMENT FUND B (Continued)

Differences between expected and actual experience, changes in assumptions and changes in proportion and differences between District contributions and proportionate share of contributions are amortized over a closed period equal to the expected average remaining service life of plan members, which was 3.9 years in the June 30, 2024 measurement. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed 5-year period.

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

Valuation Date	June 30, 2023
Experience Study	June 30, 2000 through June 30, 2019
Actuarial Cost Method	Entry age normal
Investment Rate of Return	6.90%
Consumer Price Inflation	2.30%
Wage Growth	Varies by entry age and service
Post-retirement Benefit Increases	2.00% until Purchasing Power Protection Allowance Floor on Purchasing Power Applies, 2.30% thereafter

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

All other actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period from 2000 to 2019, including updates to salary increase, mortality and retirement rates. Further details of the Experience Study can be found at CalPERS' website.

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

Asset Class	Assumed Asset Allocation	Expected Real Rates of Return Years 1-10 [1, 2]
Global Equity – cap-weighted	30.00%	4.54%
Global Equity non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	.27%
Mortgage-backed Securities	5.00%	.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	(5.00%)	(0.59%)

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

(Continued)

NOTE 8 – NET PENSION LIABILITY – PUBLIC EMPLOYER'S RETIREMENT FUND B (Continued)

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

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

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

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability	$ 45,866,000	$ 30,875,000	$ 18,492,000

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

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS

Plan Description: In addition to the pension benefits described in Notes 7 and 8, the District established an Other Postemployment Benefits Plan which is a single-employer defined benefit healthcare plan. The District participates in the California Employer's Retiree Benefit Trust Program (CERBT) to pre-fund OPEB liabilities. The CERBT is an agent multiple employer plan consisting of an aggregation of single- employer plans, with pooled administrative and investment functions that are administered by PERS. A copy of the aggregated CERBT annual financial report may be obtained at www.calpers.ca.gov. CERBT serves as an irrevocable trust, to ensure that funds contributed into the Trust are dedicated to service the needs of member districts, and their employees and retirees.

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

(Continued)

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

Employees Covered by Benefit Terms: The following is a table of plan participants at June 30, 2025:

	Number of Participants
Inactive employees receiving benefits	24
Participating active employees	686
	710

Benefits Provided: The District pays the full cost of health care benefits to age 65 for employees who retired prior to June 30, 1990 and had reached age 60. The full cost of benefits is limited to the amount the District was paying as of June 30, 1990. After age 65, the District continues to pay 50% of the current certificate cap and the retiree pays the remainder. As of June 30, 2025, there were 2 retirees receiving benefits under this agreement.

The District's certificated retirees who had at least fifteen years of service and had reached a minimum age of 55 and retire after July 1, 2001 receive up to $6,455 per year in health care benefits for a maximum of 10 years or until age 65, whichever comes first. As of June 30, 2025, there were 11 retired employees receiving benefits under this agreement.

The District pays up to $2,775 per year in healthcare benefits for classified employees who had at least fifteen years of service and had reached age 55 and retired after July 1, 2003. These benefits cease after a maximum of five years or at age 65, whichever comes first. As of June 30, 2025, there were 11 retired employees receiving benefits under this agreement.

Contributions*:* California Government Code specifies that the District's contribution requirements for covered employees are established and may be amended by the Governing Board. Retirees participating in the group insurance plans offered by the District are required to contribute 100% of the active premiums. In future years, contributions are assumed to increase at the same rate as premiums. The District's premium rates being charged to these retirees are lower than the expected cost for a retiree population under age 65. Thus, an implicit subsidy exists as a result of this difference between the actual cost and the true retiree cost.

Contributions to the Plan from the District were $228,439 for the year ended June 30, 2025. Employees are not required to contribute to the OPEB plan.

OPEB Plan Investments: The plan discount rate of 6.43% was determined using the following asset allocation and assumed rate of return:

Asset Class	Percentage of Portfolio	Rate of Return*
Equities	49%	7.250%
Fixed income	23%	4.250%
Real Estate Investment Trusts	20%	7.250%
Commodities	3%	7.250%
Treasury Inflation Protected Securities (TIPS)	5%	3.000%

* Geometric average

(Continued)

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

Rolling periods of time for all asset classes were used to appropriately reflect correlation between asset classes. This means that the average returns for any asset class do not necessarily reflect the averages over time individually, but reflect the return for the asset class for the portfolio average. Additionally, the historic 20 year real rates of return for each asset class along with the assumed long-term inflation assumption was used to set the discount rate. The investment return was offset by assumed investment expenses of 25 basis points. It was further assumed that contributions to the plan would be sufficient to fully fund the obligation over a period not to exceed 20 years.

Actuarial Assumptions: The net OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Fiscal Year End	June 30, 2025
Actuarial Value of Assets	Market Value
Mortality Rate	PERS - Non-work related rated developed in 2021 California PERS experience study. STRS - Match rates developed in 2020 experience study.
Discount Rate	6.43%
Assumed Investment Return	6.75%
Retirement Rate	Retirement rates match rates developed in the most Recent experience studies for California PERS (2021) and California STRS (2020)
Inflation Rate	2.50% per year
Dependent Coverage	Female spouses are assumed to be three years younger than male spouses. 80% of retirees are assumed to be married. Current retirees are valued based on elected coverage.
Funding Method	Entry Age Cost Method (Level Percentage of Pay).
Health Trend Rate	4.00%
Salary Increases	2.75%

(Continued)

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

Termination Rate	Termination rates match rates developed in the most recent experience studies for California PERS (2021) and California STRS (2020).
Funding Method	Entry Age Cost Method (Level Percentage of Pay).

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Total Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2024	$ 12,071,702	$ 5,721,706	$ 6,349,996
Changes for the year:			
Service cost	717,160	-	717,160
Interest	769,754	626,951	142,803
Administrative expense	-	(1,865)	1,865
Employer contributions	-	228,439	(228,439)
Changes in assumptions	(200,872)	-	(200,872)
Benefit payments	(228,439)	(228,439)	-
Net change	1,057,603	625,086	432,517
Balance at June 30, 2025	$ 13,129,305	$ 6,346,792	$ 6,782,513

Fiduciary Net Position as a % of the Total OPEB Liability, at June 30, 2025: 48.3%

There were no changes between the measurement date and the year ended June 30, 2025 which had a significant effect on the District's total OPEB liability.

(Continued)

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

Sensitivity of the net OPEB Liability to Changes in the Discount Rate: The following presents the net OPEB Liability of the District, as well as what the District's net OPEB Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease (5.43%)	Current Discount Rate (6.43%)	1% Increase (7.43%)
Net OPEB liability	$ 7,888,273	$ 6,782,513	$ 5,777,855

Sensitivity of the net OPEB Liability to Changes in the Healthcare Cost Trend Rates: The following presents the net OPEB Liability of the District, as well as what the District's net OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (3%)	Healthcare Cost Trend Rates Rate (4%)	1% Increase (5%)
Net OPEB liability	$ 5,212,309	$ 6,782,513	$ 8,594,379

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

For the year ended June 30, 2025, the District recognized OPEB expense of $790,238. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 477,910	$ 3,859,748
Changes of assumptions	2,648,602	3,036,805
Net differences between projected and actual earnings on investments	118,441	-
Benefits paid subsequent to measurement date	391,120	-
Total	$ 3,636,073	$ 6,896,553

(Continued)

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

$391,120 reported as deferred outflows of resources related to benefits paid subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2026	(345,030)
2027	(145,377)
2028	(395,441)
2029	(398,975)
2030	(350,816)
Thereafter	(2,015,961)

Differences between expected and actual experience and changes in assumptions are amortized over a closed period equal to the average remaining service life of plan members, which is 13.6 years as of the June 30, 2024 measurement date. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed 5-year period.

NOTE 10 – JOINT POWERS AGREEMENTS

Schools Insurance Group: The District is a member with other school districts of a Joint Powers Authority, Schools Insurance Group (SIG), for the operation of a common risk management and insurance program for property and liability coverage. 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 in the prior year.

Schools Excess Liability Fund: The District is also a member with other school districts of a Joint Powers Authority, Schools Excess Liability Fund (SELF), for the operation of a common risk management and insurance program for excess property and liability coverage. SELF is governed by a Governing Board consisting of representatives from member districts. The Board controls the operations of SELF, including selections of management and approval of operating budgets. 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 following is a summary of financial information for SIG and SELF at June 30, 2024 (most recent information available):

	SIG	SELF
Total assets	$ 139,138,108	$ 374,570,694
Deferred outflows of resources	$ 663,376	$ 636,320
Total liabilities	$ 39,022,511	$ 263,508,895
Deferred inflows of resources	$ 600,575	$ 57,023
Total net position	$ 100,178,398	$ 111,641,096
Total revenues	$ 118,419,466	$ 218,911,380
Total expenditures	$ 104,462,376	$ 145,846,362
Change in net position	$ 13,957,090	$ 73,065,018

(Continued)

NOTE 10 – JOINT POWERS AGREEMENTS (Continued)

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

NOTE 11 – CONTINGENCIES

The District is subject to legal proceedings and claims which arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to these actions will not materially affect the financial position or results of operations of the District.

The District has received federal and state funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could result in expenditure disallowances under terms of the grants, it is management's opinion that any required reimbursements of future revenue offsets subsequently determined will not have a material effect on the District's financial position or results of operations.

At June 30, 2025, the District had commitments for capital construction projects totaling approximately $3.1 million.

NOTE 12 – SUBSEQUENT EVENT

On July 1, 2025, the District issued Tax and Revenue Anticipation Notes (TRANs) totaling $14,700,000, with an interest rate of 2.8%. The TRANs are repaid from property taxes, other revenues cash receipt, or other funds received by the District for its General Fund and are attributable to the fiscal year 2025-26 and legally available for payment thereof. The TRANs are secured by a pledge of certain unrestricted revenues received by the District issuing such TRANs for its General Fund attributable to the fiscal year 2025-26, and the TRANs constitute a first lien and charge payable from the first monies received by the District from such pledged revenues. The TRANs are scheduled to mature on June 30, 2026.

On August 5, 2025 the District issued Certificates of Participation 2025 Financing Project, Series A in the amount of $21,230,000 to finance capital improvements to the District sites and facilities. The 2025 Financing Project, Series A Certificates of Participation mature in varying amounts during the succeeding year through August 2050 with interest rates ranging from 4.5% to 5.0%.

On August 5, 2025 the District issued Certificates of Participation 2025 Financing Project, Series B in the amount of $3,020,000 to finance capital improvements to the District sites and facilities. The 2025 Financing Project, Series B Certificates of Participation mature in varying amounts during the succeeding year through August 2050 with interest rates ranging from 4.5% to 5.0%.

REQUIRED SUPPLEMENTARY INFORMATION

WESTERN PLACER UNIFIED SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2025

	Budget			Variance Favorable
	Original	Final	Actual	(Unfavorable)
Revenues:				
Local Control Funding Formula:				
State apportionment	$ 38,133,546	$ 37,527,939	$ 36,257,010	$ (1,270,929)
Local sources	56,171,704	56,180,596	57,661,846	1,481,250
Total LCFF	94,305,250	93,708,535	93,918,856	210,321
Federal sources	3,179,002	3,716,212	3,286,889	(429,323)
Other state sources	12,247,878	13,931,894	14,529,969	598,075
Other local sources	6,847,000	9,931,379	9,939,499	8,120
Total revenues	116,579,130	121,288,020	121,675,213	387,193
Expenditures:				
Current:				
Certificated salaries	48,885,877	48,744,077	49,422,360	(678,283)
Classified salaries	17,723,660	18,402,987	18,387,780	15,207
Employee benefits	30,835,736	30,581,398	30,510,453	70,945
Books and supplies	9,450,681	9,654,851	4,686,876	4,967,975
Contract services and operating expenditures	13,524,160	18,269,953	16,983,679	1,286,274
Other outgo	2,181,785	3,439,037	3,313,392	125,645
Capital outlay	120,000	1,247,737	925,419	322,318
Total expenditures	122,721,899	130,340,040	124,229,959	6,110,081
(Deficiency) excess of revenues (under) over expenditures	(6,142,769)	(9,052,020)	(2,554,746)	6,497,274
Other financing sources (uses):				
Transfers in	216,603	277,070	257,452	(19,618)
Transfers out	(666,201)	(799,795)	(543,984)	255,811
Total other financing sources (uses)	(449,598)	(522,725)	(286,532)	236,193
Change in fund balance	(6,592,367)	(9,574,745)	(2,841,278)	6,733,467
Fund balance, July 1, 2024	29,765,761	29,765,761	29,765,761	-
Fund balance, June 30, 2025	$ 23,173,394	$ 20,191,016	$ 26,924,483	$ 6,733,467

See accompanying note to required supplementary information.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
SCHEDULE OF CHANGES IN NET OTHER POSTEMPLOYMENT
BENEFITS (OPEB) LIABILITY
For the Year Ended June 30, 2025

Last 10 Fiscal Years

	2018	2019	2020	2021	2022	2023	2024	2025
Total OPEB liability								
Service cost	$ 595,188	$ 611,556	$ 628,374	$ 1,320,447	$ 1,653,094	$ 426,250	$ 437,972	$ 717,160
Interest	445,026	304,091	419,364	468,257	397,608	586,083	640,201	769,754
Changes in assumptions	-	2,035,583	335,636	1,343,055	(4,132,739)	-	3,378,546	(200,872)
Experience gains/losses	-	-	881,913	-	(3,652,047)	22,894	(1,539,913)	-
Expected minus actual benefit payments	-	-	-	(28,413)	(25,027)	-	-	-
Actual Benefit payments	(151,318)	(196,373)	(233,717)	(285,096)	(317,535)	(205,101)	(235,921)	(228,439)
Net change in total OPEB liability	888,896	2,754,857	2,031,570	2,818,250	(6,076,646)	830,126	2,680,885	1,057,603
Total OPEB liability, beginning of year	6,143,764	7,032,660	9,787,517	11,819,087	14,637,337	8,560,691	9,390,817	12,071,702
Total OPEB liability, end of year (a)	$ 7,032,660	$ 9,787,517	$ 11,819,087	$ 14,637,337	$ 8,560,691	$ 9,390,817	$ 12,071,702	$ 13,129,305
Plan fiduciary net position								
Employer contributions	$ 151,318	$ 196,373	$ 170,861	$ 285,096	$ 317,535	$ 205,101	$ 235,921	$ 228,439
Investment gains/losses	-	154,790	87,416	(163,218)	998,284	(1,250,317)	345,275	-
Net investment income	393,328	172,733	186,309	329,561	341,060	419,170	-	626,951
Administrative expense	(1,996)	(7,637)	(950)	(2,300)	(1,844)	(1,573)	(1,562)	(1,865)
Benefits payment	(151,318)	(196,373)	(170,861)	(285,096)	(317,535)	(205,101)	(235,921)	(228,439)
Change in plan fiduciary net position	391,332	319,886	272,775	164,043	1,337,500	(832,720)	343,713	625,086
Fiduciary trust net position, beginning of year	3,725,177	4,116,509	4,436,395	4,709,170	4,873,213	6,210,713	5,377,993	5,721,706
Fiduciary trust net position, end of year (b)	$ 4,116,509	$ 4,436,395	$ 4,709,170	$ 4,873,213	$ 6,210,713	$ 5,377,993	$ 5,721,706	$ 6,346,792
Net OPEB liability, ending (a) - (b)	$ 2,916,151	$ 5,351,122	$ 7,109,917	$ 9,764,124	$ 2,349,978	$ 4,012,824	$ 6,349,996	$ 6,782,513
Covered payroll	$ 38,720,231	$ 39,795,256	$ 42,124,259	$ 45,315,078	$ 47,919,898	$ 55,542,428	$ 61,430,334	$ 65,062,039
Plan fiduciary net position as a percentage of the total OPEB liability	59%	45%	40%	33%	73%	57%	47%	48%
Net OPEB liability as a percentage of covered payroll	8%	13%	17%	22%	5%	7%	10%	10%

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

See accompanying note to required supplementary information.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
For the Year Ended June 30, 2025

State Teachers' Retirement Plan
Last 10 Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
District's proportion of the net pension liability	0.056%	0.057%	0.057%	0.059%	0.058%	0.056%	0.053%	0.056%	0.069%	0.068%
District's proportionate share of the pension liability	$ 37,482,000	$ 45,850,000	$ 52,519,000	$ 53,798,000	$ 52,504,000	$ 54,439,000	$ 24,262,000	$ 38,984,000	$ 52,187,000	$ 45,719,000
State's proportionate share of the net pension liability associated with the District	19,824,000	26,104,000	31,070,000	30,802,000	28,645,000	29,751,000	14,436,000	22,035,000	25,005,000	20,976,000
Total net pension liability	$ 57,306,000	$ 71,954,000	$ 83,589,000	$ 84,600,000	$ 81,149,000	$ 84,190,000	$ 38,698,000	$ 61,019,000	$ 77,192,000	$ 66,695,000
District's covered payroll	$ 25,841,000	$ 28,252,000	$ 30,309,000	$ 30,944,000	$ 31,461,000	$ 32,124,000	$ 33,799,000	$ 36,931,000	$ 41,331,000	$ 44,766,000
District's proportionate share of the net pension liability as a percentage of its covered payroll	145.05%	162.29%	173.28%	173.86%	166.89%	169.47%	71.78%	105.56%	126.27%	102.13%
Plan fiduciary net position as a percentage of the total pension liability	74.02%	70.04%	69.46%	70.99%	72.56%	71.82%	87.21%	81.20%	80.62%	83.55%

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

(Continued)

WESTERN PLACER UNIFIED SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
For the Year Ended June 30, 2025

Public Employer's Retirement Fund B
Last 10 Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
District's proportion of the net pension	0.065%	0.068%	0.069%	0.070%	0.068%	0.067%	0.071%	0.075%	0.084%	0.086%
District's proportionate share of the net pension liability	$ 9,545,000	$ 13,361,000	$ 16,589,000	$ 18,622,000	$ 19,776,000	$ 20,698,000	$ 14,511,000	$ 25,894,000	$ 30,362,000	$ 30,875,000
District's covered payroll	$ 7,169,000	$ 8,116,000	$ 8,855,000	$ 9,219,000	$ 9,405,000	$ 9,724,000	$ 9,962,000	$ 11,331,000	$ 14,440,000	$ 16,814,000
District's proportionate share of the net pension liability as a percentage of its covered payroll	133.14%	164.63%	187.34%	202.00%	210.27%	212.85%	145.66%	224.50%	209.10%	181.19%
Plan fiduciary net position as a percentage of the total pension liability	79.43%	73.89%	71.87%	70.85%	70.05%	70.00%	80.97%	69.76%	69.96%	72.29%

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

See accompanying note to required supplementary information.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
For the Year Ended June 30, 2025

State Teachers' Retirement Plan
Last 10 Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	$ 3,031,452	$ 3,812,851	$ 4,465,253	$ 5,121,861	$ 5,493,192	$ 5,458,596	$ 6,248,644	$ 7,894,168	$ 8,550,213	$ 8,889,050
Contributions in relation to the contractually required contribution	(3,031,452)	(3,812,851)	(4,465,253)	(5,121,861)	(5,493,192)	(5,458,596)	(6,248,644)	(7,894,168)	(8,550,213)	(8,889,050)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 28,252,000	$ 30,309,000	$ 30,944,000	$ 31,461,000	$ 32,124,000	$ 33,799,000	$ 36,931,000	$ 41,331,000	$ 44,766,000	$ 46,540,000
Contributions as a percentage of covered payroll	10.73%	12.58%	14.43%	16.28%	17.10%*	16.15%**	16.92%***	19.10%	19.10%	19.10%

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

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

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

(Continued)

WESTERN PLACER UNIFIED SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
For the Year Ended June 30, 2025

Public Employer's Retirement Fund B
Last 10 Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	$ 961,530	$ 1,229,817	$ 1,431,741	$ 1,698,812	$ 1,917,766	$ 2,062,049	$ 2,595,917	$ 3,663,358	$ 4,485,880	$ 5,024,735
Contributions in relation to the contractually required contribution	(961,530)	(1,229,817)	(1,431,741)	(1,698,812)	(1,917,766)	(2,062,049)	(2,595,917)	(3,663,358)	(4,485,880)	(5,024,735)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 8,116,000	$ 8,855,000	$ 9,219,000	$ 9,405,000	$ 9,724,000	$ 9,962,000	$ 11,331,000	$ 14,440,000	$ 16,814,000	$ 18,576,000
Contributions as a percentage of covered payroll	11.85%	13.89%	15.53%	18.06%	19.72%	20.70%	22.91%	25.37%	26.68%	27.05%

See accompanying note to required supplementary information.

NOTE 1 – PURPOSE OF SCHEDULES

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

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

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

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

Changes of Benefit Terms: There are no changes in benefit terms reported in the Required Supplementary Information.

Changes of Assumptions: The discount rates for OPEB were 7.0%, 4.2%, 3.8%, 2.6%, 6.75%, 6.75%, 6.25%, and 6.43% in the June 30, 2017, 2018, 2019, 2020, 2021, 2022, 2023, and 2024 actuarial reports, respectively.

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

	Measurement Period									
Assumption	As of June 30, 2024	As of June 30, 2023	As of June 30, 2022	As of June 30, 2021	As of June 30, 2020	As of June 30, 2019	As of June 30, 2018	As of June 30, 2017	As of June 30, 2016	As of June 30, 2015
Inflation rate	2.30%	2.30%	2.30%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Discount rate	6.90%	6.90%	6.90%	7.15%	7.15%	7.15%	7.15%	7.65%	7.65%	7.50%

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

	Measurement Period									
Assumption	As of June 30, 2024	As of June 30, 2023	As of June 30, 2022	As of June 30, 2021	As of June 30, 2020	As of June 30, 2019	As of June 30, 2018	As of June 30, 2017	As of June 30, 2016	As of June 30, 2015
Consumer price inflation	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	3.00%	3.00%
Investment rate of return	7.10%	7.10%	7.10%	7.10%	7.10%	7.10%	7.10%	7.10%	7.60%	7.60%
Wage growth	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.75%	3.75%	3.75%

SUPPLEMENTARY INFORMATION

WESTERN PLACER UNIFIED SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NON-MAJOR FUNDS
June 30, 2025

	Student Activities Fund	Adult Education Fund	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Building Fund	County School Facilities Fund	Special Reserve for Capital Outlay Fund	Bond Interest Redemption Fund	Total
ASSETS										
Cash in County Treasury	$ -	$ (108,544)	$ 21,949	$ (1,178,579)	$ (257,576)	$ 1,811,007	$ 394,950	$ 1,961,197	$ 5,689,632	$ 8,334,036
Cash in banks	1,091,962	-	-	-	-	-	-	-	-	1,091,962
Accounts receivable	-	98,906	70	1,321,355	-	5,838	1,265	6,280	17,061	1,450,775
Stores inventory	-	-	-	47,079	-	-	-	-	-	47,079
Due from other funds	-	34,136	-	52,045	500,000	-	-	-	-	586,181
All other current assets	-	-	-	1,342	-	-	-	-	-	1,342
Total assets	$ 1,091,962	$ 24,498	$ 22,019	$ 243,242	$ 242,424	$ 1,816,845	$ 396,215	$ 1,967,477	$ 5,706,693	$ 11,511,375
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts payable	$ -	$ 2,022	$ 8,813	$ 41,765	$ -	$ 1,455,037	$ -	$ -	$ -	$ 1,507,637
Due to other funds	-	432	-	197,454	-	32,596	-	60,000	-	290,482
Total liabilities	-	2,454	8,813	239,219	-	1,487,633	-	60,000	-	1,798,119
Fund balances:										
Nonspendable	-	-	-	47,079	-	-	-	-	-	47,079
Restricted	1,091,962	22,044	13,206	(43,056)	242,424	329,212	396,215	1,907,477	5,706,693	9,666,177
Total fund balance	1,091,962	22,044	13,206	4,023	242,424	329,212	396,215	1,907,477	5,706,693	9,713,256
Total liabilities and fund balances	$ 1,091,962	$ 24,498	$ 22,019	$ 243,242	$ 242,424	$ 1,816,845	$ 396,215	$ 1,967,477	$ 5,706,693	$ 11,511,375

WESTERN PLACER UNIFIED SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES
ALL NON-MAJOR FUNDS
June 30, 2025

	Student Activities Fund	Adult Education Fund	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Building Fund	County School Facilities Fund	Special Reserve for Capital Outlay Fund	Bond Interest Redemption Fund	Total
Revenues:										
Federal sources	$ -	$ 140,682	$ -	$ 1,988,921	$ -	$ -	$ -	$ -	$ -	$ 2,129,603
Other state sources	-	-	-	3,946,105	-	-	-	-	-	3,946,105
Other local sources	1,965,083	(3,083)	827	39,039	(14,374)	197,623	14,895	75,205	7,328,534	9,603,749
Total revenues	1,965,083	137,599	827	5,974,065	(14,374)	197,623	14,895	75,205	7,328,534	15,679,457
Expenditures:										
Current:										
Classified salaries	-	101,592	-	1,802,183	-	-	-	-	-	1,903,775
Employee benefits	-	55,184	-	925,021	-	-	-	-	-	980,205
Books and supplies	-	9,341	-	3,030,646	-	16,155	-	-	-	3,056,142
Contract services and operating expenditures	1,866,463	25	-	304,811	268,672	33,193	-	-	-	2,473,164
Capital outlay	-	-	-	168,246	-	12,387,405	-	6,750	-	12,562,401
Debt service:										
Principal retirement	-	-	-	-	-	-	-	-	3,165,000	3,165,000
Interest	-	-	-	-	-	-	-	-	4,255,950	4,255,950
Total expenditures	1,866,463	166,142	-	6,230,907	268,672	12,436,753	-	6,750	7,420,950	28,396,637
Excess (deficiency) of revenues over (under) expenditures	98,620	(28,543)	827	(256,842)	(283,046)	(12,239,130)	14,895	68,455	(92,416)	(12,717,180)
Other financing sources (uses):										
Transfers in	-	28,543	-	15,441	500,000	-	-	-	-	543,984
Transfers out	-	-	-	(197,452)	-	-	-	(60,000)	-	(257,452)
Total other financing sources (uses)	-	28,543	-	(182,011)	500,000	-	-	(60,000)	-	286,532
Net change in fund balances	98,620	-	827	(438,853)	216,954	(12,239,130)	14,895	8,455	(92,416)	(12,430,648)
Fund balance, July 1, 2024	993,342	22,044	12,379	442,876	25,470	-	-	1,899,022	5,799,109	9,194,242
Adjustment - changes to and within the District	-	-	-	-	-	12,568,342	381,320	-	-	12,949,662
Fund balance, July 1, 2024, as adjusted	993,342	22,044	12,379	442,876	25,470	12,568,342	381,320	1,899,022	5,799,109	22,143,904
Fund balance, June 30, 2025	$ 1,091,962	$ 22,044	$ 13,206	$ 4,023	$ 242,424	$ 329,212	$ 396,215	$ 1,907,477	$ 5,706,693	$ 9,713,256

WESTERN PLACER UNIFIED SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE
June 30, 2025

	Second Period Report	Annual Report
Certificate #:	37932C13	EA979E17
Elementary:		
Transitional Kindergarten through Third	2,292	2,305
Fourth through Sixth	1,696	1,697
Seventh through Eighth	1,085	1,082
Total Elementary	5,073	5,084
Secondary:		
Ninth through Twelfth	2,392	2,379
Continuation Education	68	63
Total Secondary	2,460	2,442
ADA Totals	7,533	7,526

See accompanying notes to supplementary information.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME
For the Year Ended June 30, 2025

Grade Level	Statutory Minutes Requirement	2024-2025 Actual Minutes	Number of Days	Status
Kindergarten	36,000	44,675	180	In Compliance
Grade 1	50,400	53,630	180	In Compliance
Grade 2	50,400	53,810	180	In Compliance
Grade 3	50,400	54,505	180	In Compliance
Grade 4	54,000	55,715	180	In Compliance
Grade 5	54,000	55,715	180	In Compliance
Grade 6	54,000	62,380	180	In Compliance
Grade 7	54,000	62,380	180	In Compliance
Grade 8	54,000	62,380	180	In Compliance
Grade 9	64,800	65,615	180	In Compliance
Grade 10	64,800	65,615	180	In Compliance
Grade 11	64,800	65,615	180	In Compliance
Grade 12	64,800	65,615	180	In Compliance

See accompanying notes to supplementary information.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2025

Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education - Passed through California Department of Education			
	Special Education Cluster:		
84.027	Special Ed: IDEA Basic and Local Assistance Entitlement, Part B, Sec 611	13379	$ 1,810,473
84.027A	Special Ed: IDEA Mental Health Average Daily Attendance (ADA) Allocation, Part B, Sec 611	15197	86,846
84.173	Special Ed: IDEA Preschool Grants, Part B, Sec. 619 (Age 3-4-5)	13430	40,002
	Subtotal Special Education Cluster		1,937,321
	ESEA: Title I Programs:		
84.010	ESEA: Title I, Part A, Basic Grants Low-Income and Neglected	14329	658,382
84.010	ESEA: ESSA School Improvement (CSI Funding for LEAs	15438	266,623
	Subtotal ESEA: Title I Programs		925,005
84.425	COVID 19: American Rescue Plan - Homeless Children and Youth II (ARP HCY II)	15566	7,677
84.367	ESEA (ESSA): Title II, Part A, Supporting Effective Instruction Local Grants	14341	150,167
84.424	ESEA (ESSA) Title IV, Part A, Student Support and Academic Enrichment Grants	15396	101,691
84.126	Department of Rehabilitation: Workability II, Transitions Partnership Program	10006	134,541
84.048	Strengthening Career and Technical Education for the 21st Century (Perkins V): Secondary, Sec. 131	14894	51,520
	ESEA: Title III Programs:		
84.365	ESSA: Title III, Immigrant Student Program	15146	30,544
84.365	ESEA (ESSA) : Title III, English Learner Student Program	14346	89,105
	Subtotal ESEA: Title III		119,649
	Total U.S. Department of Education		3,427,571
U.S. Department of Agriculture - Passed through California Department of Education			
10.555	Child Nutrition: School Programs	13523	1,892,266
10.579	Child Nutrition: NSLP Equipment Assistance Grants	14906	96,655
	Total U.S. Department of Agriculture		1,988,921
	Total Federal Expenditures		$ 5,416,492

See accompanying notes to supplementary information.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT
WITH AUDITED FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

	General Fund
June 30, 2025 Unaudited Actual Financial Reporting Ending Fund Balance	$ 28,424,483
To correct over accrual of state revenue	(1,500,000)
June 30, 2025 Audited Financial Statements Ending Fund Balance	$ 26,924,483

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

See accompanying notes to supplementary information.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
For the Year Ended June 30, 2025
(UNAUDITED)

	(Adopted Budget) 2025	2025	2024	2023
General Fund				
Revenues and other financing sources	$ 123,516,746	$ 121,932,665	$ 119,432,821	$ 113,383,744
Expenditures	127,072,359	124,229,959	119,674,791	104,612,992
Other uses and transfers out	528,328	543,984	793,028	533,154
Total outgo	127,600,687	124,773,943	120,467,819	105,146,146
Change in fund balance	$ (4,083,941)	$ (2,841,278)	$ (1,034,998)	$ 8,237,598
Ending fund balance	$ 22,840,542	$ 26,924,483	$ 29,765,761	$ 30,800,759
Available reserves	$ 7,649,672	$ 10,058,869	$ 13,547,755	$ 11,456,796
Designated for economic uncertainties	$ 3,820,906	$ 3,737,294	$ 3,609,681	$ 3,192,783
Undesignated fund balance	$ 3,828,766	$ 6,321,575	$ 9,938,074	$ 8,264,013
Available reserves as percentages of total outgo	6.00%	8.06%	11.25%	16.59%
All Funds				
Total long-term liabilities	$ 341,662,811	$ 325,045,227	$ 329,520,423	$ 388,364,504
Average daily attendance at P-2	7,811	7,533	7,533	7,075

The General Fund balance has increased by $4,361,322 over the past three years. The fiscal year 2025-26 budget projects a decrease of $4,083,941. For a district this size, the state recommends available reserves of at least 3% of total General Fund expenditures, transfers out, and other uses. The District met this requirement.

The District has incurred operating surpluses in one of the past three years and anticipates an operating deficit in fiscal year 2025-26.

Total long-term liabilities have decreased by $63,319,277 over the past two years.

Average daily attendance has increased by 458 over the past two years. An increase of 278 of ADA is projected for the 2025-26 fiscal year.

See accompanying notes to supplementary information.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOLS
For the Year Ended June 30, 2025

Charter Schools Chartered by District	Included in District Financial Statements, or Separate Report
0015 - Horizon Charter School	Separate report
1715 - John Adams Academy	Separate report

See accompanying notes to supplementary information.

NOTE 1 – PURPOSE OF SCHEDULES

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

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

Schedule of Expenditures of Federal Awards: The Schedule of Expenditures of Federal Awards includes the federal award activity of Western Placer Unified School District, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Expenditures are recognized following the cost principles in in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements: This schedule provides the information necessary to reconcile the Annual Financial and Budget Report to the audited financial statements.

Schedule of Financial Trends and Analysis – Unaudited: This schedule provides information on the District's financial condition over the past three years and its anticipated condition for the 2025-26 fiscal year, as required by the State Controller's Office. The information in the schedule has been derived from audited information.

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

NOTE 2 – EARLY RETIREMENT INCENTIVE PROGRAM

Education Code Section 14502 requires certain disclosure in the financial statements of districts which adopt Early Retirement Incentive Programs pursuant to Education Code Sections 22714 and 44929. For the fiscal year ended June 30, 2025, the District did not adopt this program.

OTHER INFORMATION

WESTERN PLACER UNIFIED SCHOOL DISTRICT
ORGANIZATION
June 30, 2025

Western Placer Unified School District, a political subdivision of the State of California, was established in 1966 and is comprised of an area of approximately 170 square miles located in Placer County. There were no changes in the boundaries of the District during the year. The District currently operates eight elementary schools, two middle schools, two comprehensive high schools, one continuation high school and one independent study academy.

GOVERNING BOARD

Name	Office	Term Expires
Criste Freymond	President	November 2028
George Dykstra	Vice President	November 2026
Marjorie Proffitt	Clerk	November 2026
April Nitsos	Member	November 2026
Jason Price	Member	November 2028

ADMINISTRATION

Kerry Callahan
Superintendent

Scott Pickett
Assistant Superintendent, Educational Services

Audrey Kilpatrick*
Chief Business Officer

Cliff DeGraw**
Assistant Superintendent of Personnel Services

*Effective July 1, 2025, Audrey Kilpatrick retired and was replaced by Carrie Carlson.
**Effective July 1, 2025, Cliff DeGraw resigned and was replaced by Michael Maul.

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

Board of Trustees
Western Placer Unified School District
Lincoln, California

Report on Compliance

Qualified Opinion on State Compliance

We have audited Western Placer Unified School District's (the District) compliance with the requirements specified in the State of California *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* applicable to the District's state program requirements identified below for the year ended June 30, 2025.

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion section of our report, the District complied, in all material respects, with the compliance requirements that are applicable to the laws and regulations of the state programs noted in the table below for the year ended June 30, 2025.

Basis for Qualified Opinion

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

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

Matters Giving Rise to Qualified Opinion on State Compliance

As described in the accompanying Schedule of Audit Findings and Questioned Costs as items 2025-002, 2025-003, 2025-004, and 2025-005, the District did not comply with requirements regarding Attendance, School Accountability Report Cards, Independent Study, and Transitional Kindergarten. Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements applicable to these programs.

(Continued)

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to below occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to below is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to below and performing such other procedures as we consider necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, but not for the purpose of expressing an opinion on the effectiveness of the District's internal controls over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine the District's compliance with the state laws and regulations applicable to the following items:

2024-25 K-12 Audit Guide Procedures	Procedures Performed
Local Education Agencies Other than Charter Schools:	
A. Attendance	Yes
B. Teacher Certification and Misassignments	Yes
D. Independent Study	Yes
E. Continuation Education	Yes
F. Instructional Time	Yes
G. Instructional Materials	Yes
H. Ratio of Administrative Employees to Teachers	Yes
I. Classroom Teacher Salaries	Yes
J. Early Retirement Incentive	N/A, see below
K. Gann Limit Calculation	Yes
L. School Accountability Report Card	Yes
M. Juvenile Court Schools	N/A, see below
N. Middle or Early College High Schools or Programs	N/A, see below
O. K-3 Grade Span Adjustment	Yes

Procedures

(Continued)

2024-25 K-12 Audit Guide Procedures (continued)	Performed
Q. Apprenticeship: Related and Supplemental Instruction	N/A, see below
R. Comprehensive School Safety Plan	Yes
S. District of Choice	N/A, see below
TT. Home to School Transportation Reimbursement	Yes
School Districts, County Offices of Education, and Charter Schools:	
T. Proposition 28 Arts and Music in Schools	Yes
U. After/Before School Education and Safety Program	Yes
V. Proper Expenditure of Education Protection Account Funds	Yes
W. Unduplicated Local Control Funding Formula Pupil Counts	Yes
X. Local Control and Accountability Plan	Yes
Y. Independent Study – Course-Based	N/A, see below
Z. Immunizations	N/A, see below
AZ. Educator Effectiveness	Yes
BZ. Expanded Learning Opportunities Grant (ELO-G)	N/A, see below
CZ. Career Technical Education Incentive Grant	Yes
DZ. Expanded Learning Opportunities Program	Yes
EZ. Transitional Kindergarten	Yes
FZ. Kindergarten Continuance	Yes
Charter Schools:	
AA. Attendance	N/A, see below
BB. Mode of Instruction	N/A, see below
CC. Nonclassroom-Based Instruction/Independent Study	N/A, see below
DD. Determination of Funding for Nonclassroom-Based Instruction	N/A, see below
EE. Annual Instructional Minutes-Classroom Based	N/A, see below
FF. Charter School Facility Grant Program	N/A, see below

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

We did not perform any procedures related to the Juvenile Court Schools because the District does not offer Juvenile Court Schools.

We did not perform procedures related to Middle or Early College High Schools or Programs because the District does not offer Middle or Early College High Schools or Programs.

We did not perform any procedures related to the Apprenticeship - Related and Supplemental Instruction because the District does not operate an Apprenticeship Program.

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

We did not perform procedures related to Independent Study-Course Based because the District did not report any ADA related to Independent Study-Course Based in the current fiscal year.

We did not perform procedures related to Immunizations because the District did not have any schools on the listing of sites requiring an immunization audit in the current year.

We did not perform any procedures related to the Expanded Learning Opportunities Grant (ELO-G) because the District did receive or expend any Expanded Learning Opportunities Grant (ELO-G) funds in the current fiscal year.

(Continued)

We did not perform procedures for the Charter School section because the charter schools sponsored by the District have separate reports.

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.

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our audit and described in the accompanying Schedule of Audit Findings and Questioned Costs. The District's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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 on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with compliance requirement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our 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.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

Crowe LLP

Crowe LLP

Sacramento, California
January 27, 2026

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*

Board of Trustees
Western Placer Unified School District
Lincoln, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Western Placer Unified School District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Western Placer Unified School District's basic financial statements, and have issued our report thereon dated January 27, 2026.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a deficiency in internal control, as described in Finding 2025-001 in the accompanying Schedule of Audit Findings and Questioned Costs.

(Continued)

Report on Compliance and Other Matters

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

Western Placer Unified School District Response to Finding

Western Placer Unified School District's response to the finding identified in our audit are described in the accompanying schedule of Audit Findings and Questioned Costs. Western Placer Unified School District's responses was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Crowe LLP

Crowe LLP

Sacramento, California
January 27, 2026

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

Board of Trustees
Western Placer Unified School District
Lincoln, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Western Placer Unified School District's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of Western Placer Unified School District's major federal programs for the year ended June 30, 2025. Western Placer Unified School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Western Placer Unified School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

(Continued)

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

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

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

Report on Internal Control Over Compliance

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

(Continued)

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.

Crowe LLP

Crowe LLP

Sacramento, California
January 27, 2026

FINDINGS AND RECOMMENDATIONS

SECTION I – SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	____ Yes	X No
Significant deficiency(ies) identified not considered to be material weakness(es)?	____ Yes	X None reported
Noncompliance material to financial statements noted?	____ Yes	X No

FEDERAL AWARDS

Internal control over major programs:		
Material weakness(es) identified?	____ Yes	X No
Significant deficiency(ies) identified not considered to be material weakness(es)?	____ Yes	X None reported
Type of auditors' report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____ Yes	X No

Identification of major programs:

AL Number(s)	Name of Federal Program or Cluster
10.555	Child Nutrition: School Programs
84.010	Title I Programs

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000	
Auditee qualified as low-risk auditee?	X Yes	____ No

STATE AWARDS

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

(Continued)

SECTION II – FINANCIAL STATEMENT FINDINGS

2025-001 – DEFICIENCY – INTERNAL CONTROL – ASSOCIATED STUDENT BODY (30000)

Criteria: Education Code Section 48930 (and California Department of Education's "Accounting Procedures for Student Organizations Handbook") requires student body organizations to follow the regulations set by the Governing Board of the school district.

Condition:

Lincoln High School

Cash Receipts
- *Cash Deposits* – Cash deposits are not dual counted when cash is collected.

Twelve Bridges High School

Cash Receipts
- *Cash Deposits* – Cash deposits are not being performed on a timely basis.

Sales and Activities
- *Request Forms* – Crowe noted the fundraiser request forms do not require Principal approval and this approval is not obtained for all revenue-producing prior to the activities occurring.

Student Stores
- *Profit and Loss* – The site does not prepare profit and loss statements for the student store.

Context: The deficiencies listed above were identified through our walkthrough of the design effectiveness of internal controls related to Associated Student Body Funds.

Effect: ASB funds could potentially be misappropriated.

Cause: Adequate internal control procedures have not been implemented and enforced.

Fiscal Impact: Not applicable.

Repeat Finding: Yes. See Finding 2024-001

Recommendation: Crowe recommends that the District and school sites implement internal controls to deposit cash on a weekly basis, update forms to include all required signatures for approval, and prepare profit and loss statements for the student stores.

Views of Responsible Officials and Planned Corrective Action: The District will continue to work with the school sites to properly train staff and implement internal controls to deposit cash timely, update forms to include all required signatures for approval, and prepare profit and loss statements for the student store.

(Continued)

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

(Continued)

SECTION IV – STATE AWARD FINDINGS AND QUESTIONED COSTS

2025-002 – DEFICIENCY – STATE COMPLIANCE – ATTENDANCE (10000)

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

Condition: While performing absence testing we noted for one school site, one student was marked absent in the log/notes but was marked present in the attendance report for a total of 1 day claimed in error.

Context: We performed the audit procedures enumerated in the State of California *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* and identified the finding described above.

Effect: The District is not in compliance with Attendance Reporting requirements for the year ended June 30, 2025.

Cause: The error was the result of a clerical error in accounting for attendance.

Fiscal Impact: Fiscal impact was not calculated as the total ADA impact was less than 0.5.

Repeat Finding: No, not a repeat finding.

Recommendation: We recommend that the District ensure that each school site implements and adheres to internal controls to ensure the accuracy of ADA reported.

Views of Responsible Officials and Planned Corrective Action: The District agrees with the recommendation and will work with site administration and staff to implement the recommendations. The District will continue to provide staff training on attendance reporting procedures.

(Continued)

SECTION IV – STATE AWARD FINDINGS AND QUESTIONED COSTS
(Continued)

2025-003 – DEFICIENCY – STATE COMPLIANCE – SCHOOL ACCOUNTABILITY REPORT CARD (72000)

Criteria: Education Code Section 33126(b)(8) requires that the school accountability report card shall include, but is not limited to, assessment of the following school conditions: (8) Safety, cleanliness, and adequacy of school facilities, including any needed maintenance to ensure good repair as specified in Section 17014, Section 17032.5, subdivision (a) of Section 17070.75, and subdivision (b) of Section 17089.

Condition: At one school site selected for testing, external attributes as identified on the site's school accountability report card were not consistent with the supporting documentation provided by management.

Context: We performed the audit procedures enumerated in the State of California *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* and identified the finding described above.

Effect: The District is not in compliance with Education Code 33126(b)(8) due to the inconsistency noted.

Cause: The errors were the result of clerical errors in the preparation of the school accountability report card.

Fiscal Impact: Not applicable.

Repeat Finding: No, not a repeat finding.

Recommendation: The District should ensure that all sites' school accountability report cards are completed appropriately and agree to the supporting information for each relevant reporting area required by Ed Code 33126(b)(8).

Views of Responsible Officials and Planned Corrective Action: The District concurs with the auditor's recommendation and will work to ensure that the school accountability report cards are completed appropriately for future fiscal periods.

(Continued)

SECTION IV – STATE AWARD FINDINGS AND QUESTIONED COSTS
(Continued)

2025-004 – DEFICIENCY – STATE COMPLIANCE – INDEPENDENT STUDY (40000)

Criteria: Pursuant to Education Code Section 51747, no days of attendance are to be reported for students without signed independent study agreements in place with all required criteria. Further, the District is required to maintain work samples from students enrolled in independent study for which attendance is claimed.

Condition: At one school site, Crowe noted three students whose Short-Term Independent Study ADA is disallowed. Two of the students did not have samples of their work retained and one student had one more day of ADA claimed than was documented in their contract.

Additionally, Crowe noted one student who successfully completed the Independent Study contract and ADA was not claimed.

Context: We performed the audit procedures enumerated in the State of California *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* and identified the finding described above.

Effect: The District is out of compliance with independent study attendance requirements.

Cause: The District claimed attendance for students without retaining work samples and for more days than agreed to in the contract. Additionally, the District did not claim ADA for a student who completed the Independent Study contract in compliance.

Fiscal Impact: The effect of this finding is an overstatement of 0.02 Grade Span TK-3 ADA and understatement of 0.09 Grade Span 4-6 ADA for a net understatement of 0.07 ADA, or approximately $713 loss of funding.

Repeat Finding: No, not a repeat finding.

Recommendation: The District should ensure independent Study ADA is not claimed until an independent study contract is completed with all required elements. The agreements and adequate work samples should be maintained in a centralized location that is available for reference and audit.

Views of Responsible Officials and Planned Corrective Action: The District agrees with the recommendation and will continue to provide Independent Study training to ensure everyone follows the process.

(Continued)

SECTION IV – STATE AWARD FINDINGS AND QUESTIONED COSTS
(Continued)

2025-005 – DEFICIENCY – STATE COMPLIANCE – TRANSITIONAL KINDERGARTEN (40000)

Criteria: Education Code section 48000.15(d) requires that if school sites had one or more early enrollment children in transitional kindergarten classes, those classrooms with any early enrollment children must not exceed 20 pupils and must maintain an adult-to-pupil ratio of 1:10.

Condition: One classroom selected for testing included 2 early enrollment students. The classroom did not maintain an appropriate adult-to-pupil average ratio and exceeded a class size of 20 pupils pursuant to the Education Code 48000.15(d)(1) and 48000.15(d)(3).

Context: We performed the audit procedures enumerated in the State of California *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* and identified the finding described above.

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

Cause: The District did not maintain proper supporting documentation to provide evidence of an additional adult presence to meet the adult to pupil average ratio for the site tested. The District did not monitor student birthdays to ensure classes with early enrollment pupils did not exceed 20 pupils.

Fiscal Impact: The school site had a deficit of 0.5 adult-to-pupil ratio and exceeded the class size. The impact of this error is a total of $49,054.

Penalty Calculation for Schoolsite, Average TK Enrollment Exceeding 20. *Education Code* Section		
Line Number	**Calculating the Cost of TK Early Enrollment Audit Finding**	**Penalty Inputs and Penalty Amount**
1	LEA P2 ADA for all classrooms with early enrollment children	19
2	TK/K-3 GSA Rate	1043
3	**Penalty**	**$ 20,130**

Determination of Adult-to-pupil Ratio and Adults Required to Meet 10:1 Ratio Calc *Ed Code* Sec 48000.15(d)(1) Penalty Calc for adult-to-pupil ratio of 10:1 Withholding of Funds, *Ed Code* sec 48000.15(e)(1)(A)		
Line Number	**Calculating the Cost of TK Early Enrollment Audit Finding**	**Classroom 1**
1	Average Pupils Enrolled per Class	23.5
2	Average Number of Adults per Class	2
3	Adult to Pupil Ratio	12
4	Sum of Average Pupils	23.5
5	Required Ratio Divisor	10
6	Adults Needed to meet 10:1	2.5
7	Sum of Average Number of Adults	2
8	**Number of Adults Needed**	**0.5**
9	Average absence rate	6.18%
10	Twenty less the statewide absence rate	19
11	TK Add-On	$ 3,077
12	**Penalty**	**$ 28,924**
13	**Sum of Classroom Penalties**	N/A
TOTAL	SUM OF PENALTIES	$ 49,054

(Continued)

SECTION IV – STATE AWARD FINDINGS AND QUESTIONED COSTS
(Continued)

2025-005 – DEFICIENCY – STATE COMPLIANCE – TRANSITIONAL KINDERGARTEN (40000)
(Continued)

Repeat Finding: No, not a repeat finding.

Recommendation: For classrooms with early enrollment children, the District should implement a process to ensure the classroom does not exceed 20 pupils and maintain the required adult-to-pupil ratio for Transitional Kindergarten.

Views of Responsible Officials and Planned Corrective Action: The District agrees with the recommendation. The District will train principals to verify students' birthdates prior to the start of school. Additionally, the district office has developed a system to monitor the birthdates of all TK students.

SCHEDULE OF PRIOR YEAR
FINDINGS AND RECOMMENDATIONS

2024-001 – DEFICIENCY – INTERNAL CONTROL – ASSOCIATED STUDENT BODY (30000)

Condition:

Glen Edwards Middle School

Cash Receipts
- *Receipts* – Discrepancies were noted on supporting documentation such as tally sheets for cash receipts without explanation. Additionally, tally sheets/sales support are not consistently retained or provided when submitting cash receipts to the ASB office.
- *Cash Deposits* – Cash deposits are not being performed on a timely basis. For one deposit inspected, we noted the funds were collected in November 2023 and December 2023 and not deposited until March 2024.

Bank Reconciliations
- Bank reconciliations were signed as evidence of review; however, were not dated.

Student Stores
- *Inventory Counts* – Documentation over the inventory count including signatures by individuals performing the count is not maintained.
- *Record of Sales* – Store sales are tracked with a tally sheet but they are not retained.

Lincoln High School

Cash Receipts
- *Receipts* –Dual-cash counts were not being performed and documented by both parties upon turning in to the ASB office.
- *Cash Deposits* – Cash deposits are not being performed on a timely basis. For one deposit, we noted the money was collected in March 2024 and not deposited until April 2024.

Cash Disbursements
- *Check Disbursements* – Crowe noted the site did not retain copies of signed checks and do not have access to online banking and so were unable to provide check copies showing the dual signatures.

Bank Reconciliations
- Bank reconciliations were not prepared in a timely manner.

Student Stores –
- *Inventory Counts* – Documentation of signed and dated store inventory counts are not maintained.

(Continued)

2024-001 – DEFICIENCY – INTERNAL CONTROL – ASSOCIATED STUDENT BODY (30000)
(Continued)

Twelve Bridges High School

Cash Receipts

- *Receipts* – Tally sheets/sales supporting documentation are not consistently retained or provided when submitting cash receipts to the ASB office. Crowe noted an instance where a club advisor held a sale in December 2023 however, the funds earned were not turned into the ASB office until February 2024. Additionally, dual-cash counts were not being performed and documented by both parties upon turning into the ASB office
- *Cash Deposits* – Cash deposits are not being performed on a timely basis.

Cash Disbursements

- *Check Disbursements* – Crowe noted the site did not retain copies of signed checks and do not have access to online banking and so were unable to provide check copies showing the dual signatures.
- *Reimbursement Timeliness* – We noted one reimbursement that was approved on 9/14/2023 but the check was not issued until 10/5/2023.

Bank Reconciliations

- Bank reconciliations were not reviewed.

Student Stores

- *Inventory Counts* – Documentation of controls over student store inventory are not performed or maintained.

Cash Receipts

- Evidence of dual-cash counts were not being maintained after turning in funds to the ASB office. Additionally, deposit forms are being disposed of once the deposit is made.

Recommendation: Crowe recommends that the District and school sites implement internal controls to ensure disbursements are appropriately and timely reviewed, maintain copies of checks, deposit cash on a weekly basis, ensure bank reconciliations are prepared and reviewed timely, perform dual cash counts at the time cash is turned in to clerks, maintain adequate record of sales and cash receipts, and perform period inventory counts at student stores.

Current Status: Not Implemented.

District Explanation if Not Implemented: Repeat finding, See Finding 2025-001.

(Continued)

2024-002 DEFICIENCY – STATE COMPLIANCE – IMMUNIZATIONS (40000)

Condition: While performing immunization testing at Sheridan Elementary and First Street Elementary, we identified three students that were admitted and claimed for attendance although they did not receive the required second dose of varicella and measles vaccine.

Recommendation: The District should ensure the Title 17, California Code of Regulations section 6025 requirements are properly followed prior to admission.

Current Status: Implemented.

District Explanation if Not Implemented: N/A