

Selma Unified School District
County of Fresno
Selma, California
June 30, 2024

Independent Auditor's Report
and Financial Statements

LPS
Certified Public Accountants

Selma Unified School District
Table of Contents
June 30, 2024

	Page
Independent Auditor's Report	1
Management's Discussion and Analysis	5
Basic Financial Statements	
Statement of Net Position	14
Statement of Activities	15
Balance Sheet - Governmental Funds	16
Reconciliation of the Balance Sheet - Governmental Funds, to the Statement of Net Position	17
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds, to the Statement of Activities	19
Notes to the Financial Statements	20
Required Supplementary Information	
Budgetary Comparison Schedules	54
Schedule of the District's Proportionate Share of the Net Pension Liability	56
Schedule of the District's Contributions	58
Schedule of Changes in the District's OPEB Liability and Related Ratios	60
Other Supplementary Information	
Local Education Agency Organization Structure	62
Schedule of Average Daily Attendance	63
Schedule of Instructional Time	64
Schedule of Financial Trends and Analysis	65
Reconciliation of Annual Financial and Budget Report with Audited Financial Statements	66
Schedule of Charter Schools and Other Information	67
Schedule of Expenditures of Federal Awards	68
Combining Financial Statements	70
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*	80
Report on Compliance For Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance	82
Independent Auditor's Report on State Compliance	85
Schedule of Findings and Questioned Costs and Summary of Prior Year Audit Findings	89

LPS
Certified Public Accountants

Independent Auditor's Report

To the Board of Trustees
Selma Unified School District
Selma, California 93662

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Selma Unified School District as of June 30, 2024, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, schedule of the District's proportionate share of the net pension liability, schedule of District pension contributions, and schedule of changes in the District's OPEB liability and related ratios, identified as Required Supplementary Information in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Selma Unified School District's basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not required parts of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2, *Code of Federal Regulations,* Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Subpart F–Audit Requirements (Uniform Guidance), and is also not a required part of the basic financial statements. The accompanying other supplementary information is presented for purposes of additional analysis as required by the State's audit guide, *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* prescribed in Title 5, California Code of Regulations, Section 19810 and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements and other supplementary information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2024 on our consideration of Selma 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 the District's internal control over financial reporting and compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Selma Unified School District's internal control over financial reporting and compliance.

Respectfully submitted,

Linger, Peterson & Shrum

Linger, Peterson & Shrum
Fresno, California
December 11, 2024

SELMA UNIFIED SCHOOL DISTRICT
3036 THOMPSON AVE., SELMA, CA 93662
(559) 898-6500 FAX (559) 896-7147

Selma Unified School District
Management's Discussion and Analysis (MD&A)
June 30, 2024

INTRODUCTION

Our discussion and analysis of Selma Unified School District's (District) financial performance provides an overview of the District's financial activities for the year ended June 30, 2024. It should be read in conjunction with the District's financial statements, which follow this section.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, Basic Financial Statements- and Management's Discussion and Analysis - for State and Local Governments, issued June 1999; and GASB Statement No. 37, Basic Financial Statement - and Management Discussion and Analysis - for the State and Local Governments: Omnibus, an amendment to GASB Statement No. 21 and No. 34, issued in June 2001.

FINANCIAL HIGHLIGHTS

- The District's total government-wide revenues were $163,995,550 which was more than expenses of $132,478,234 by $31,517,316.
- Long-term debt was $165,049,904 at June 30, 2024.

OVERVIEW OF FINANCIAL STATEMENTS

This annual report consists of three parts – Management's Discussion and Analysis (this section), the basic financial statements, and required supplementary information. The three sections together provide a comprehensive overview of the District. The basic financial statements are comprised of two kinds of statements that present financial information from different perspectives:

- Government-wide financial statements, which comprise the first two statements, provide both short-term and long-term information about the entity's overall financial position.
- Fund financial statements focus on reporting the individual parts of the District operations in more detail. The fund financial statements comprise the remaining statement.
    - o Governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending.

Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net position, assets plus deferred outflows of resources, less liabilities, less deferred inflows of resources, is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, one needs to consider additional nonfinancial factors such as changes in enrollment, changes in the property tax base, changes in program funding by the Federal and State governments, and condition of facilities.

The government-wide financial statements of the District include government activities. Most of the District's basic services are included here, such as regular education, food service, maintenance and general administration. Local Control Funding Formula (LCFF) and Federal and State grants finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds-not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular programs. Some funds are required to be established by State law and by bond covenants. The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that the District is meeting legal responsibilities for using certain revenues. The District has one kind of fund:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information in the reconciliations following each governmental funds statement that explains the relationship (or differences) between them.

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE

Net Position

The District's combined net position was $19,577,330 at June 30, 2024. See Table 1.

Table 1:

Net Position

	2024	2023	
Assets			
Current and other assets	$ 74,217,876	$ 72,430,973	2.47%
Capital assets	100,350,342	87,064,925	15.26%
Total Assets	$ 174,568,218	$ 159,495,898	9.45%
Deferred Outflows of Resources	$ 29,360,751	$ 15,862,776	85.09%
Liabilities			
Current liabilities	$ 13,026,804	$ 23,532,593	-44.64%
Long-term liabilities	165,049,904	154,660,767	6.72%
Total Liabilities	$ 178,076,708	$ 178,193,360	-0.07%
Deferred Inflows of Resources	$ 6,274,931	$ 9,105,300	-31.08%
Net Position			
Net investment in capital assets	$ 33,238,311	$ 27,566,850	20.57%
Restricted	38,129,451	32,741,283	16.46%
Unrestricted	(51,790,432)	(72,248,119)	-28.32%
Total Net Position	$ 19,577,330	$ (11,939,986)	-263.96%

Changes in Net Position

The District's total revenues were $163,995,550. A majority of the revenue comes from General Revenues, which is made up of LCFF and property taxes (57%). Federal and State aid for specific programs accounted for another 10% of total revenues. Local revenues account for 3% of the total revenues. The remaining was received through program revenues made up of charges for services, and operating grants and contributions.

The total cost of all programs and services was $132,478,234. The District's expenses are predominately related to educating and caring for students (75%). Administrative activities accounted for just 7% of total costs. The remaining expenses were for plant services (maintenance and operations), ancillary services, other outgo and interest on long-term obligations.

Table 2:

Changes in Net Position

	2024	2023	
Revenues			
Program revenues:			
Charges for services	$ 785,705	$ 1,653,226	-52.47%
Operating grants and contributions	57,337,588	48,429,268	18.39%
Capital grants and contributions	4,197	3,987,662	-99.89%
General revenues:			
LCFF sources	92,999,075	86,410,903	7.62%
State revenues	5,000,720	11,526,860	-56.62%
Local revenues	7,868,265	5,445,004	44.50%
Total Revenues	$ 163,995,550	$ 157,452,923	4.16%
Expenses			
Program expenses:			
Instruction	$ 68,405,122	$ 81,131,572	-15.69%
Instruction-related services	10,751,487	12,799,474	-16.00%
Pupil services	20,457,724	19,854,514	3.04%
Ancillary services	1,948,769	2,232,058	-12.69%
General administration	9,428,509	8,897,865	5.96%
Plant services	17,428,675	18,385,322	-5.20%
Other	1,521,818	1,477,206	3.02%
Interest on long-term obligations	2,536,130	2,490,523	1.83%
Total Expenses	$ 132,478,234	$ 147,268,534	-10.04%
Changes in Net Position	$ 31,517,316	$ 10,184,389	209.47%

Governmental Activities

The cost of all governmental activities this year was $132,478,234.

Table 3 presents the cost of each of the District's functions as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by charges for services, operating grants and capital grants and contributions.

Table 3:

Net Cost of Governmental Activities

	2024		2023	
	Total Cost of Services	Net Costs of Services	Total Cost of Services	Net Costs of Services
Instruction	$ 68,405,122	$(38,754,300)	$ 81,131,572	$(53,138,099)
Instruction-related services	10,751,487	(8,351,893)	12,799,474	(10,902,389)
Pupil services	20,457,724	(8,758,306)	19,854,514	(9,475,031)
Ancillary services	1,948,769	(1,666,092)	2,232,058	(1,249,709)
General Administration	9,428,509	(7,783,960)	8,897,865	(6,521,745)
Plant Services	17,428,675	(5,019,139)	18,385,322	(8,006,063)
Other outgo	1,521,818	(1,480,924)	1,477,206	(1,414,819)
Interest on Long-Term Debt	2,536,130	(2,536,130)	2,490,523	(2,490,523)
Totals	$132,478,234	$(74,350,744)	$147,268,534	$(93,198,378)

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is reflected in its government funds as well. As the District completed the year, its governmental funds reported a combined fund balance of $61,683,232 compared to last year's ending fund balance of $49,406,259.

General Fund Budgetary Highlights

Over the course of the year, the District revises its annual budget to reflect unexpected changes in revenues and expenditures. A schedule of the District's original and final budget amounts compared with actual revenues and expenditures is provided in the supplemental section of the audited financial report.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2024, the District had invested $100,350,342 in a broad range of capital assets, including land, land improvements, buildings and equipment. See Table 4. More detailed information about the District's capital assets is presented in the notes to the financial statements.

Table 4:

Capital Assets

	2024	2023	Percentage Change
Land	$ 1,843,632	$ 1,843,632	0.00%
Work-in-Progress	12,623,723	8,992,782	40.38%
Land improvements	6,513,218	2,634,434	147.23%
Buildings	74,688,284	70,146,800	6.47%
Subscription assets	280,357	-	0.00%
Equipment	4,401,128	3,447,277	27.67%
Total assets	$ 100,350,342	$ 87,064,925	15.26%

Long-Term Debt

At year-end, the District had $165,049,904 in debt as shown in Table 5. More detailed information about the District's debt is presented in the notes to the financial statements.

Table 5:

Long-Term Debt

	2024	2023	Percentage Change
General obligation bonds payable	$ 53,769,002	$ 45,701,912	17.65%
Accreted interest	6,327,678	5,922,520	6.84%
Qualified zone academic bonds payable	4,821,426	5,785,712	-16.67%
Other post-employment benefits payable	19,412,938	20,693,755	-6.19%
Subscription based liability	280,359	-	0.00%
Compensated absences payable	555,764	364,068	52.65%
Net pension liability	78,718,000	74,434,000	5.76%
Certificates of participation payable	1,141,049	1,493,985	-23.62%
Early retirement incentives-PARS	23,688	178,748	-86.75%
Note payable	-	86,067	-100.00%
Total	$ 165,049,904	$ 154,660,767	6.72%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

At the time these financial statements were prepared and audited, the following factors were taken into consideration.

1. Negotiations are settled for the school year 2024-25.
2. The District strives to provide a safe and nurturing learning environment to support student social, emotional and academic success.
3. The District works hard to protect and preserve the fiscal health of the District through conservative budgeting and has a Board policy of a ten percent reserve. We strive to achieve long-term stability so that our energy can be focused on providing quality education to our students. We are very thankful for the State and Federal one-time funding providing technology, HVAC, Social Emotional Learning and expanded programs for our students.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, parents, participants, 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 Superintendent, Edward Gomes, at (559) 898-6500.

This page is intentionally left blank.

Basic Financial Statements

Selma Unified School District
Statement of Net Position
June 30, 2024

	Governmental Activities
Assets:	
Cash and cash equivalents	$ 65,550,966
Accounts receivable	8,446,466
Stores inventories	121,370
Unamortized issuance costs	99,074
Capital assets not depreciated	14,467,355
Capital assets, net of accumulated depreciation and amortization	85,882,987
Total assets	174,568,218
Deferred Outflows of Resources:	
Deferred outflows of resources - Pensions	24,296,708
Deferred outflows of resources - OPEB	5,064,043
Total deferred outflows of resources	29,360,751
Liabilities:	
Accounts payable	12,012,095
Unearned revenue	1,014,709
Long-term liabilities	
Other than pensions and OPEB due within one year	3,465,562
Other than pensions and OPEB due after one year	63,453,404
Net pension liability	78,718,000
Other postemployment benefits liability (OPEB)	19,412,938
Total liabilities	178,076,708
Deferred Inflows of Resources:	
Deferred inflows of resources - Pensions	2,893,747
Deferred inflows of resources - OPEB	3,381,184
Total deferred inflows of resources	6,274,931
Net Position:	
Net investment in capital assets	33,238,311
Restricted for:	
Debt service	3,860,036
Capital projects	13,776,710
Other purposes	20,492,705
Unrestricted	(51,790,432)
Total net position	$ 19,577,330

The accompanying notes are an integral part of this statement.

Selma Unified School District
Statement of Activities
Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Primary Government:					
Governmental Activities:					
Instruction	$ 68,405,122	$ 342,092	$ 29,308,730	$ -	$ (38,754,300)
Instruction-related services	10,751,487	23,661	2,375,933	-	(8,351,893)
Pupil services	20,457,724	276,484	11,422,934	-	(8,758,306)
Ancillary services	1,948,769	-	282,677	-	(1,666,092)
General administration	9,428,509	(3,597)	1,648,146	-	(7,783,960)
Plant services	17,428,675	147,065	12,258,274	4,197	(5,019,139)
Other outgo	1,521,818	-	40,894	-	(1,480,924)
Interest on long-term obligations	2,536,130	-	-	-	(2,536,130)
Total governmental activities	132,478,234	785,705	57,337,588	4,197	(74,350,744)
Total primary government	$132,478,234	$ 785,705	$ 57,337,588	$ 4,197	(74,350,744)
General Revenues:					
LCFF sources					92,999,075
State revenues					5,000,720
Local revenues					7,868,265
Total general revenues					105,868,060
Change in Net Position					31,517,316
Net Position - Beginning					(11,939,986)
Net Position - Ending					$ 19,577,330

The accompanying notes are an integral part of this statement.

Selma Unified School District
Balance Sheet - Governmental Funds
June 30, 2024

	General Fund (Combined)	Building Fund	Other Governmental Funds	Total Governmental Funds
Assets:				
Cash in County Treasury	$ 43,174,232	$ 12,257,795	$ 9,766,686	$ 65,198,713
Cash on hand and in banks	-	-	347,253	347,253
Cash in revolving fund	5,000	-	-	5,000
Accounts receivable	7,294,186	3,387	1,148,893	8,446,466
Due from other funds	718,517	-	140,193	858,710
Stores inventories	73,085	-	48,285	121,370
Total assets	51,265,020	12,261,182	11,451,310	74,977,512
Liabilities and Fund Balance:				
Liabilities:				
Accounts payable	$ 10,413,074	$ 623,750	$ 384,037	$ 11,420,861
Due to other funds	140,193	3,404	715,113	858,710
Unearned revenue	1,014,709	-	-	1,014,709
Total liabilities	11,567,976	627,154	1,099,150	13,294,280
Fund Balance:				
Nonspendable fund balances:				
Revolving cash	5,000	-	-	5,000
Stores inventories	73,085	-	48,285	121,370
Restricted fund balances	18,412,343	11,634,028	8,083,080	38,129,451
Assigned fund balances	6,607,937	-	2,220,795	8,828,732
Reserve for economic uncertainty	14,598,679	-	-	14,598,679
Total fund balance	39,697,044	11,634,028	10,352,160	61,683,232
Total liabilities and fund balances	$ 51,265,020	$ 12,261,182	$ 11,451,310	$ 74,977,512

The accompanying notes are an integral part of this statement.

Selma Unified School District
Reconciliation of the Balance Sheet - Governmental Funds, to the Statement of Net Position
June 30, 2024

Total Fund Balances - Balance Sheet, Governmental Funds	$ 61,683,232
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	
Capital assets	169,760,150
Accumulated depreciation/amortization	(69,409,808)
Certain debt issue costs are recognized in the funds as expenditures in the period the debt was incurred, whereas in the government-wide statements, they are amortized over the life of the debt:	
Unamortized prepaid insurance related to debt	99,074
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Accrued interest payable	(591,234)
General obligation bonds payable	(53,769,002)
Accreted interest	(6,327,678)
Qualified Zone Academic bonds payable	(4,821,426)
Subscription based liability	(280,359)
Other post-employment benefits payable (OPEB)	(19,412,938)
Net pension liability	(78,718,000)
Compensated absences payable	(555,764)
Certificates of participation payable	(1,141,049)
Early Retirement Incentives-PARS	(23,688)
Deferred outflows of resources related to pensions	24,296,708
Deferred inflows of resources related to pensions	(2,893,747)
Deferred outflows of resources related to OPEB	5,064,043
Deferred inflows of resources related to OPEB	(3,381,184)
Total Fund Balance of Governmental Activities - Statement of Net Position	$ 19,577,330

The accompanying notes are an integral part of this statement.

Selma Unified School District
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
Year Ended June 30, 2024

	General Fund (Combined)	Building Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
LCFF sources:				
State apportionment or State aid	$ 75,596,166	$ -	$ -	$ 75,596,166
Education protection account funds	9,073,135	-	-	9,073,135
Local sources	8,329,774	-	-	8,329,774
Federal revenue	21,734,203	-	5,712,189	27,446,392
Other State revenue	28,404,015	-	3,043,226	31,447,241
Other local revenue	8,938,515	448,878	5,597,448	14,984,841
Total revenues	152,075,808	448,878	14,352,863	166,877,549
Expenditures:				
Current:				
Instruction	81,797,671	-	511,046	82,308,717
Instruction-related services	11,805,757	-	389,510	12,195,267
Pupil services	14,809,404	-	6,480,645	21,290,049
Ancillary services	1,317,434	-	726,842	2,044,276
General administration	6,421,884	-	186,896	6,608,780
Plant services	12,293,956	237,981	19,052	12,550,989
Other outgo	1,521,818	-	-	1,521,818
Capital outlay	13,091,532	6,926,395	424,803	20,442,730
Debt service:				
Principal	1,558,349	-	932,910	2,491,259
Interest and other service charges	327,650	-	1,819,041	2,146,691
Total expenditures	144,945,455	7,164,376	11,490,745	163,600,576
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,130,353	(6,715,498)	2,862,118	3,276,973
Other Financing Sources (Uses):				
Transfers in	500,000	361	500,000	1,000,361
Transfers out	(1,000,000)	(361)	-	(1,000,361)
Proceeds from sale of bonds	-	9,000,000	-	9,000,000
Total other financing sources (uses)	(500,000)	9,000,000	500,000	9,000,000
Net Change in Fund Balance	6,630,353	2,284,502	3,362,118	12,276,973
Fund Balance, July 1	33,066,691	9,349,526	6,990,042	49,406,259
Fund Balance, June 30	$ 39,697,044	$ 11,634,028	$ 10,352,160	$ 61,683,232

The accompanying notes are an integral part of this statement.

Selma Unified School District
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds, to the Statement of Activities
Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds	$12,276,973
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:	
Expenditures for capital outlay	18,153,508
Depreciation and amortization expense	(4,868,091)
Governmental funds report repayments of long-term debt as expenditures. In the Government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were:	2,491,259
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the funds:	
Change in accrued interest payable and accreted interest	(389,439)
Compensated absences	(191,696)
Other post-employment benefits cost in excess of contributions	1,144,849
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Amounts recognized in the funds as proceeds from debt were:	(9,386,475)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	106,116
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:	12,180,312
Change in Net Position of Governmental Activities - Statement of Activities	$31,517,316

The accompanying notes are an integral part of this statement.

Note 1 - Summary of Significant Accounting Policies

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

Reporting Entity

The District's combined financial statements include the accounts of all its operations. The District evaluated whether any other entity should be included in these financial statements. The criteria for including organizations as component units within the District's reporting entity, as set forth in GASB Statement No. 14, "The Financial Reporting Entity," include whether:

- the organization is legally separate (can sue and be sued in its name)
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is fiscal dependency by the organization on the District

The District also evaluated each legally separate, tax-exempt organization whose resources are used principally to provide support to the District to determine if its omission from the reporting entity would result in financial statements which are misleading or incomplete. GASB Statement No. 14 requires inclusion of such an organization as a component unit when: 1) The economic resources received or held by the organization are entirely or almost entirely for the direct benefit of the District, its component units or its constituents; and 2) The District or its component units is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the organization; and 3) Such economic resources are significant to the District.

Based on these criteria, the District has no component units. Additionally, the District is not a component unit of any other reporting entity as defined by the GASB Statement.

Basis of Presentation, Basis of Accounting

Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function, excluding fiducary funds, of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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

The District reports the following major governmental funds:

General Fund is the general operating fund of the District. It is used to account for all financial resources not accounted for and reported in another fund. The General Fund, reported in these financial statements, includes the following Funds maintained by the District:

- Deferred Maintenance Fund (Fund 14)
- Special Revenue Fund for Other Than Capital Outlay Projects (Fund 17)
- Special Reserve Fund for Postemployment Benefits (Fund 20)

Although funds listed above are separate funds authorized in the Education Code, they don't meet the definition of a Special Revenue Fund under accounting principles generally accepted in the United States of America, and have therefore been combined into the General Fund for financial reporting purposes. The beginning fund balances have also been combined.

Building Fund is used to account for the acquisition of major governmental capital facilities and buildings from the sale of bond proceeds.

The District reports the following nonmajor governmental funds:

Student Body Fund is used to account for revenues received and expenditures made related to student activity funds.

Adult Education Fund is used to account separately for federal, state, and local revenues that are restricted or committed for adult education programs.

Cafeteria Fund is used to account for revenues received and expenditures made to operate the District's cafeterias.

Capital Facilities Fund is used to account for resources received from developer impact fees assessed under provisions of the California Environmental Quality Act (CEQA).

County School Facilities Fund is used to account for the accumulation and expenditure of funds for projects funded under the Leroy F. Greene School Facilities Act of 1998, as established by the Board in accordance with Education Code 42840 et seq.

Special Reserve Fund for Capital Projects is used to account for the accumulation and expenditure of funds for capital outlay purposes, as established by the Board in accordance with Education Code 42840 et seq.

Bond Interest and Redemption Fund is maintained by the County Treasurer and is used to account for both the accumulation of resources from ad valorem tax levies and the interest and redemption of principal of bonds issued by the District.

Measurement Focus, Basis of Accounting

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

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

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

Encumbrances

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

Assets, Liabilities, and Equity

Deposits and Investments

Cash balances held in banks and in revolving funds are insured to $250,000 by the Federal Depository Insurance Corporation. All cash held by the financial institutions is fully insured or collateralized.

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

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

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

Stores Inventories and Prepaid Expenditures

Inventories are recorded using the purchases method in that the cost is recorded as an expenditure at the time individual inventory items are purchased. Inventories are valued at average cost and consist of expendable supplies held for consumption. Reported inventories are equally offset by a fund balance reserve, which indicates that these amounts are not "available for appropriation and expenditure" even though they are a component of net current assets.

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

Capital Assets

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

Depreciation is computed using the straight-line method over the following useful lives:

Asset Class	Examples	Estimated Useful Life in Years
Land		N/A
Site improvements	Paving, flagpoles, retaining walls, sidewalks, fencing, outdoor lighting	20
School buildings		50
Portable classrooms		25
HVAC systems	Heating, ventilation, air conditioning systems	20
Roofing		20
Interior construction		25
Carpet replacement		7
Electrical / plumbing		30
Sprinkler / fire system	Fire suppression systems	25
Outdoor equipment	Playground, radio towers, fuel tanks, pumps	20
Machinery and tools	Shop, maintenance equipment, tools	15
Kitchen equipment	Appliance	15
Custodial equipment	Floor scrubbers, vacuums, other	15
Science and engineering	Lab equipment, scientific apparatus	10
Furniture and accessories	Classroom and other furniture	20
Business machines	Fax, duplicating, and printing equipment	10
Copiers		5
Communications equipment	Mobile, portable radios, noncomputerized	10
Computer hardware	PC's, printers, network hardware	5
Computer software	Instructional, other short-term	5 to 20
Computer software	Administrative or long-term	10 to 20
Audiovisual equipment	Projectors, cameras (still and digital)	10
Athletic equipment	Gymnastics, football, weight machines, wrestling mats	10
Musical instruments	Pianos, strings, brass, percussion	10
Library books	Collections	5 to 7
Licensed vehicles	Buses, other on-road vehicles	8
Contractors' equipment	Major off-road vehicles, front-end loaders, large tractors, mobile air compressors	10
Grounds equipment	Mowers, tractors, attachments	15

Receivable and Payable Balances

The District believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of year end.

Compensated Absences

Accumulated unpaid employee vacation benefits are recognized as liabilities of the District. The current portion of the liabilities is recognized in the general fund at year end.

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

Unearned Revenue

Unearned revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

Interfund Activity

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

Amounts due to and due from other funds as of June 30, 2024, consisted of the following:

	Interfund Receivables	Interfund Payables
General Fund	$ 718,517	$ 140,193
Adult Education Fund	115,625	310,569
Cafeteria Special Revenue Fund	24,568	404,544
Building Fund	-	3,404
Total	$ 858,710	$ 858,710

Transfers to and from other funds during the year ended June 30, 2024, consisted of the following:

Transfers From	Transfers To	Amount	Reason
General Fund	Deferred Maintenance Fund	$ 500,000	For future maintenance expenditures
General Fund	Special Reserve Fund for Capital Outlay Projects	500,000	For future capital outlay expenditures
Building Fund	Building Fund	361	For modernization expenditures
		$ 1,000,361	

Property Taxes

Secured property taxes attach as an enforceable lien on property as of March 1. Taxes are payable in two installments on November 15 and March 15. Unsecured property taxes are payable in one installment on or before August 31. The County of Fresno bills and collects the taxes for the District.

Fund Balances - Governmental Funds

Fund balances of the governmental funds are classified as follows.

Nonspendable Fund Balance - represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance - represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

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

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

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

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Deferred Inflows and Deferred Outflows of Resources

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

GASB 54 Fund Presentation

Consistent with fund reporting requirements established by GASB Statement No. 54, Fund 17 (Special Reserve Fund for Other Than Capital Outlay) and Fund 20 (Special Reserve Fund for Postemployment Benefits) are merged with the General Fund for purposes of presentation in the audit report, if applicable.

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

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined time frames. For this report, the following time frames are used:

Valuation Date (VD) (STRS)	June 30, 2022
Valuation Date (VD) (PERS)	June 30, 2022
Measurement Date (MD)	June 30, 2023
Measurement Period (MP)	July 1, 2022 to June 30, 2023

Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates. Actual results could differ from those estimates.

Fair Value Measurements

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

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

For the current fiscal year the District did not have any recurring or nonrecurring fair value measurements.

Excess Sick Leave

The District did not authorize or accrue any excess sick leave as that term is defined in subdivision (c) of Education Code Section 22170.5 for the District's employees who are members of the California State Teachers' Retirement System (CalSTRS).

Excess Expenditures Over Appropriations

As of June 30, 2024, expenditures exceeded appropriations in individual funds as follows:

Appropriations Category	Excess Expenditures
General Fund (Combined):	
Employee Benefits	$ 531,740
Debt Service	1,885,999

General Fund: The District incurred unanticipated expenditures for salaries and debt service payments.

Implementation of New Standards

The following Governmental Accounting Standards Board (GASB) statements are effective for the current fiscal year:

GASB Statement No. 99, Omnibus 2022

The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Some requirements of GASB Statement No. 99 were effective immediately upon issuance, some were effective for fiscal years beginning after June 15, 2022, and the remaining requirements were effective for fiscal years beginning after June 15, 2023.

GASB Statement No. 100, Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62

The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections. Furthermore, this Statement addresses how information that is affected these changes and corrections should be presented in required supplementary information and supplementary information.

Future Standards

The following Governmental Accounting Standards Board (GASB) statements are effective for future years:

GASB Statement No. 101, Compensated Absences

The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. This Statement requires that a liability for certain types of compensated absences - including parental leave, military leave, and jury duty leave, not be recognized until the leave commences. This Statement also establishes guidance for measuring a liability for leave that has not been used.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

GASB Statement No. 102, Certain Risk Disclosures

This Statement requires a government to assess whether a concentration or constraint as they relate to inflows and outflows of resources makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

GASB Statement No. 103, Financial Reporting Model Improvements

This Statement requires that the information presented in management's discussion and analysis (MD&A) be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This Statement emphasizes that the analysis provided in MD&A should avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections and that "boilerplate" discussions should be avoided by presenting only the most relevant information, focused on the primary government.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

Note 2 - Cash and Investments

Cash in County Treasury

In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the Fresno County Treasury as part of the common investment pool ($5,695,480,000 as of June 30, 2024). The fair value of the District's portion of this pool as of that date, as provided by the pool sponsor, was $65,198,713. Assumptions made in determining the fair value of the pooled investment portfolios are available from the County Treasurer.

Cash on hand, in banks, and in revolving fund

Cash balances on hand and in banks ($347,253 as of June 30, 2024) and in the revolving fund $5,000 are insured up to $250,000 by the Federal Depository Insurance Corporation. All cash held by the financial institution is fully insured or collateralized.

The District's cash and investments balances at June 30, 2024 are as follows:

	Fair Value
Cash in County Treasury	$ 65,198,713
Cash on hand and in banks	347,253
Cash in revolving fund	5,000
Total cash and cash equivalents	$ 65,550,966

Analysis of Specific Deposit and Investment Risks

Credit Risk

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

Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the District's name. At year end, the District was not exposed to significant custodial credit risk.

Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District was not exposed to significant concentration of credit risk.

Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District was not exposed to significant interest rate risk.

Foreign Currency Risk

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

Investment Accounting Policy

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

The District's investments in external investment pools are reported in conformity with GASB Statement No. 77 unless the pool is 2a7-like, in which case they are reported at share value. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

Note 3 - Accounts Receivable

Accounts receivable at June 30, 2024 consisted of the following:

	General Fund (Combined)	Building Fund	All Other Governmental Funds	Total Governmental Funds
Federal programs	$ 6,020,693	$ -	$ 1,026,854	$ 7,047,547
State categorical aid programs	492,336	-	4,019	496,355
Interest	-	-	116,271	116,271
Other local receivables	781,157	3,387	1,749	786,293
Total	$ 7,294,186	$ 3,387	$ 1,148,893	$ 8,446,466

Note 4 - Capital Assets

Capital asset activity for the year ended June 30, 2024, was as follows:

Governmental activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 1,843,632	$ -	$ -	$ 1,843,632
Work in progress	8,992,782	6,259,959	(2,629,018)	12,623,723
Total capital assets not being depreciated	10,836,414	6,259,959	(2,629,018)	14,467,355
Capital assets being depreciated:				
Buildings	129,404,893	8,803,453	-	138,208,346
Improvements of sites	2,647,783	4,081,730	-	6,729,513
Equipment	8,717,552	1,250,909	-	9,968,461
Subscription assets	-	386,475	-	386,475
Total capital assets being depreciated	140,770,228	14,522,567	-	155,292,795
Less: Accumulated depreciation/amortization for:				
Buildings	(59,258,093)	(4,261,969)	-	(63,520,062)
Improvements of sites	(13,349)	(202,946)	-	(216,295)
Equipment	(5,270,275)	(297,058)	-	(5,567,333)
Subscription assets amortization	-	(106,118)	-	(106,118)
Total accumulated depreciation/amortization	(64,541,717)	(4,868,091)	-	(69,409,808)
Total capital assets being depreciated/amortized, net	76,228,511	9,654,476	-	85,882,987
Total governmental activities capital assets, net	$ 87,064,925	$15,914,435	$(2,629,018)	$100,350,342

Depreciation/amortization was charged to functions as follows:

Instruction	$ 93,959
Supervision of instruction	6,552
Instructional library, media, and technology	6,157
Home-to-school transportation	28,368
Food services	83,032
All other pupil services	9,609
Ancillary services	20,377
All other general administration	21,281
Data processing	13,727
Plant services	4,585,029
Total	$ 4,868,091

Note 5 - Accounts Payable

Accounts payable at June 30, 2024 consisted of the following:

	General Fund (Combined)	Building Fund	All Other Governmental Funds	Total Governmental Funds
Vendor payables	$ 3,769,233	$ 623,750	$ 353,243	$ 4,746,226
Salaries and benefits	6,643,841	-	30,794	6,674,635
Total	$ 10,413,074	$ 623,750	$ 384,037	$ 11,420,861

Note 6 - Unearned Revenue

The District has received revenues for programs as advances, or before program expenditures were incurred. Such revenues are reported in these statements as "unearned," and will be recognized in subsequent periods as program expenditures are made.

	General Fund (Combined)
ESSA: School Improvement Funding for LEAs	$ 176,076
Special Ed: ARP IDEA Part B, Sec. 611, Local Assistance Private School Individual Service Plans (ISPs)	408
ESSA: Title II, Part A, Supporting Effective Instruction	97,786
ESSA: Title IV, Part A, Student Support and Academic Enrichment	82,129
ESSA: Title III, Immigrant Education Program	7,255
ESSA: Title III, English Learner Student Program	24,657
American Rescue Plan – Homeless Children and Youth II (ARP HCY II)	(1,166)
Child Dev: California Prekindergarten Planning and Implementation Grant Program – California Universal Prekindergarten Planning Grants	302,884
Governor's Career Technical Education (CTE) Initiative: California Partnership Academies	56,619
Career Technical Education Incentive Grant Program	70,100
K–12 Strong Workforce Program	179,667
Special Ed: Project Workability I LEA	13,316
Agricultural Career Technical Education Incentive	4,978
Total	$ 1,014,709

Note 7 - Long-term Obligations other than Pension and OPEB

Long-Term Obligation Activity

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended June 30, 2024, are as follows:

Governmental Activities:	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
General obligation bonds	$ 45,701,912	$ 9,000,000	$ (932,910)	$ 53,769,002	$ 1,785,019
Accreted interest	5,922,520	642,248	(237,090)	6,327,678	219,989
Qualified zone academic bonds	5,785,712	-	(964,286)	4,821,426	964,286
Other post-employment benefits	20,693,755	-	(1,280,817)	19,412,938	-
Net pension liability	74,434,000	4,284,000	-	78,718,000	-
Compensated absences	364,068	191,696	-	555,764	-
Certificates of participation	1,493,985	-	(352,936)	1,141,049	366,464
Note payable	86,067	-	(86,067)	-	-
Subscription based liability	-	386,475	(106,116)	280,359	106,116
Early retirement incentives-PARS	178,748	-	(155,060)	23,688	23,688
Total governmental activities	$ 154,660,767	$ 14,504,419	$ (4,115,282)	$ 165,049,904	$ 3,465,562

The funds typically used to liquidate other long-term liabilities in the past are as follows:

Liability	Activity Type	Fund
General obligation bonds	Governmental	Bond Interest and Redemption
Accreted interest	Governmental	General
Qualified zone academic bonds	Governmental	General
Other post-employment benefits	Governmental	General
Net pension liability	Governmental	General
Compensated absences	Governmental	General
Certificates of participation	Governmental	General
Subscription based liability	Governmental	General
Early retirement incentives-PARS	Governmental	General

General Obligation Bonds and Accreted Interest

The outstanding general obligation bond debt of the District at June 30, 2024, is as follows:

Bond	Date of Issue	Maturity Date	Interest Rate %
2006, Series 2007B General Obligation Bonds	11/20/07	8/1/32	4.00 - 5.00
2006, Series 2009C	9/29/09	8/1/39	4.91 - 7.37
2014 General Obligation Refunding Bonds	12/18/14	8/1/31	4.36 - 10.19
2016, Series 2017A General Obligation Bonds	2/1/17	2/1/42	1.75 - 5.00
2016, Series 2019B General Obligation Bonds	1/16/19	8/1/48	3.00 - 3.38
Election of 2006 Series 2020D	2/25/20	8/1/43	2.15 - 2.95
Election of 2016 Series 2020C	2/25/20	8/1/49	3.00 - 4.00
Election of 2006 Series 2020E	8/25/20	8/1/43	2.11 - 2.81
Election of 2022 Series A	7/11/23	8/1/52	5.00

Bond	Original Issue	Bond Outstanding 07/01/2023	Issued During Year	Redeemed During Year	Bond Outstanding 06/30/2024
2006, Series 2007B General Obligation Bonds	$ 3,772,061	$ 1,584,450	$ -	$ (172,725)	$ 1,411,725
2006, Series 2009C	3,000,008	2,775,000	-	(30,185)	2,744,815
2014 General Obligation Refunding Bonds	10,460,000	7,775,000	-	(595,000)	7,180,000
2016, Series 2017A General Obligation Bonds	10,100,000	8,590,000	-	(65,000)	8,525,000
2016, Series 2019B General Obligation Bonds	7,000,000	6,130,000	-	-	6,130,000
Election of 2006 Series 2020D	4,045,274	4,045,274	-	-	4,045,274
Election of 2016 Series 2020C	13,700,000	13,320,000	-	(70,000)	13,250,000
Election of 2006 Series 2020E	1,482,188	1,482,188	-	-	1,482,188
Election of 2022 Series A	9,000,000	-	9,000,000	-	9,000,000
	$ 62,559,531	$ 45,701,912	$ 9,000,000	$ (932,910)	$ 53,769,002

The annual requirements to amortize general obligation bonds, payable and outstanding, and accreted interest as of June 30, 2024 are as follows:

	General Obligation Bonds		
Year Ending June 30,	Debt	Interest	Total
2025	$ 1,785,019	$ 2,038,740	$ 3,823,759
2026	1,997,723	1,978,534	3,976,257
2027	2,207,185	1,894,924	4,102,109
2028	1,269,136	1,831,271	3,100,407
2029	1,464,915	1,781,817	3,246,732
2030-2034	6,715,648	11,437,616	18,153,264
2035-2039	6,876,539	15,900,312	22,776,851
2040-2044	13,122,837	9,494,192	22,617,029
2045-2049	13,200,000	2,581,518	15,781,518
2050-2053	5,130,000	240,128	5,370,128
Totals	$ 53,769,002	$ 49,179,052	$ 102,948,054

Year Ending June 30,	Accreted Interest
2025	$ 219,989
2026	221,022
2027	211,745
2028	204,603
2029	195,258
2030-2034	1,859,899
2035-2039	3,192,434
2040-2044	222,728
	$ 6,327,678

Qualified Zone Academy Bonds

The outstanding qualified zone academy bond debt of the District at June 30, 2024, is as follows:

Bond	Date of Issue	Maturity Date	Interest Rate %
QZAB	4/26/12	4/26/29	4.66

Bond	Original Issue	Bond Outstanding 07/01/2023	Issued During Year	Redeemed During Year	Bond Outstanding 06/30/2024
QZAB	$ 13,500,000	$ 5,785,712	$ -	$ (964,286)	$ 4,821,426

The annual requirements to amortize qualified zone academy bonds, payable and outstanding, and interest as of June 30, 2024 are as follows:

	Qualified Zone Academy Bonds		
Year Ending June 30,	Debt	Interest	Total
2025	$ 964,286	$ 224,679	$ 1,188,965
2026	964,286	179,743	1,144,029
2027	964,286	134,807	1,099,093
2028	964,286	89,871	1,054,157
2029	964,282	44,936	1,009,218
Totals	$ 4,821,426	$ 674,036	$ 5,495,462

Certificates of Participation

Future commitments for certificates of participation as of June 30, 2024 are as follows:

Bond	Date of Issue	Maturity Date	Interest Rate %
2021 Refunding	9/1/12	8/1/26	3.2

Bond	Original Issue	Bond Outstanding 07/01/2023	Issued During Year	Redeemed During Year	Bond Outstanding 06/30/2024
2021 Refunding	$ 4,488,379	$ 1,493,985	$ -	$ (352,936)	$ 1,141,049

	Certificates of Participation		
Year Ending June 30,	Debt	Interest	Total
2025	$ 366,464	$ 33,582	$ 400,046
2026	379,457	21,751	401,208
2027	395,128	6,322	401,450
Totals	$ 1,141,049	$ 61,655	$ 1,202,704

Early Retirement Incentives - PARS

The District adopted an early retirement incentive program through the PARS Supplementary Retirement Plan. The District entered into contracts with certain eligible employees who will receive supplementary retirement benefits.

The annual requirements to amortize early retirement incentives - PARS as of June 30, 2024 are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 23,688	$ 1,303	$ 24,991

Compensated Absences

Compensated absences at June 30, 2024 consisted of:

	Compensated Absences	Benefits	Total
Certificated	$ 76,706	$ 22,705	$ 99,411
Classified	332,667	123,686	456,353
Total	$ 409,373	$ 146,391	$ 555,764

All amounts are due after one year.

Subscription Based Liability

The District has Subscription Based Liabilities outstanding at year end. Variable payments not included in the measurement of the Subscription Based Liabilities are estimated by the District and payable upon contract expiration.

Future minimum contract payment obligations are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 106,116	$ -	$ 106,116
2026	106,116	-	106,116
2027	68,127	-	68,127
Total	$ 280,359	$ -	$ 280,359

Note 8 - Pension

General Information About the Pension Plans

Plan Descriptions

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

Benefits Paid

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

The Plans' provisions and benefits in effect at June 30, 2024 are summarized as follows:

	CalSTRS	
	Before	On or After
Hire Date	Jan. 1, 2013	Jan. 1, 2013
Benefit Formula	2% at 60	2% at 62*
Benefit Vesting Schedule	5 Years	5 Years
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	55-60	55-62
Monthly benefits, as a % of eligible compensation	1.4-2.4%	1.16-2.4%**
Required Employee Contribution Rates	10.25%	10.21%
Required Employer Contribution Rates	19.10%	19.10%
Required State Contribution Rates	10.83%	10.83%

	CalPERS	
	Before	On or After
Hire Date	Jan. 1, 2013	Jan. 1, 2013
Benefit Formula	2% at 55	2% at 62*
Benefit Vesting Schedule	5 Years	5 Years
Benefit Payments	Monthly for Life	Monthly For Life
Retirement Age	50-62	52-67
Monthly Benefits as a % of Eligible Compensation	1.1-2.5%	1.0-2.5%
Required Employee Contribution Rates	7.00%	8.00%
Required Employer Contribution Rates	26.68%	26.68%

*Amounts are limited to 120% of Social Security Wage Base.
**The contribution rate for CalSTRS 2% at 62 members is based, in part, on the normal cost of benefits and may increase or decrease in future years.

Contributions

CalSTRS

For the fiscal year ended June 30, 2024 (measurement date June 30, 2023), California Education Code Section 22950 requires members to contribute monthly to the system 10.21% (if hired on or after January 1, 2013) or 10.25% (if hired before January 1, 2013) of the creditable compensation upon which members' contributions under this part are based. In addition, the employer required rates established by the CalSTRS Board have been established at 19.10% of creditable compensation for the fiscal year ended June 30, 2024. For fiscal year June 30, 2024 and for each fiscal year thereafter, the CalSTRS Board has the authority to increase or decrease percentages paid specific to reflect the contribution required to eliminate by June 30, 2046, the remaining unfunded actuarial obligation with respect to service credited to members before July 1, 2014, as determined by the Board based upon a recommendation from its actuary. Those adjustments are limited to 1% annually, not to exceed 20.25% of creditable compensation.

CalPERS

California Public Employees' Retirement Law section 20814(c) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. The CalPERS Board retains the authority to amend contribution rates. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of the employees. For the fiscal year ended June 30, 2024 (measurement date June 30, 2023), employees hired prior to January 1, 2013 contributed 7.00%, employees hired on or after January 1, 2013 contributed 8.00% of annual pay, and the contribution rate was 26.68% of covered payroll.

On Behalf Payments

Consistent with California Education Code Section 22955.1, the State of California makes contributions to CalSTRS on behalf of employees working for the District. For the fiscal year ended June 30, 2024 (measurement date June 30, 2023) the State contributed 10.83% of salaries creditable to CalSTRS. Consistent with the requirements of generally accepted accounting principles, the District has recorded these contributions as revenue and expense in the fund financial statements. The government-wide financial statements have recorded revenue and expense for pension expense paid on behalf of the District. Contributions reported for on behalf payments are based on the District's proportionate share of the States contribution for the fiscal year. Contributions made by the state on behalf of the District and the State's pension expense associated with District employees for the past three fiscal years are as follows:

	CalSTRS	
Year Ended June 30,	On Behalf Contribution Rate	On Behalf Contribution Amount
2022	10.83%	$ 3,838,098
2023	10.83%	3,744,120
2024	10.83%	3,384,719

Contributions Recognized

For the fiscal year ended June 30, 2024 (measurement period June 30, 2023), the contributions recognized for each plan were:

	Fund Financial Statements (Current Financial Resources Measurement Focus)		
	CalSTRS	CalPERS	Total
Contributions - Employer	$ 7,761,458	$ 3,788,148	$ 11,549,606
Contributions - State On Behalf Payments	3,384,719	-	3,384,719
Total Contributions	$ 11,146,177	$ 3,788,148	$ 14,934,325

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

As of June 30, 2024 (measured June 30, 2023), the District reported net pension liabilities for its proportionate shares of the net pension liability of each plan as follows:

	Proportionate Share of Net Pension Liability
CalSTRS	$ 44,166,000
CalPERS	34,552,000
Total Net Pension Liability	$ 78,718,000

The District's net pension liability for each Plan is measured as the proportionate share of the total net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2023. The total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 (STRS) and June 30, 2022 (PERS) rolled forward to measurement date June 30, 2023 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, as actuarially determined.

The District's proportionate share of the net pension liability for each Plan as of June 30, 2023 and June 30, 2024 were as follows:

	CalSTRS			CalPERS
	District's Proportionate Share	State's Proportionate Share*	Total For District Employees	District's Proportionate Share
Proportion June 30, 2023	0.067%	0.034%	0.101%	0.081%
Proportion June 30, 2024	0.058%	0.028%	0.086%	0.095%
Change in Proportion	-0.009%	-0.006%	-0.015%	0.014%

*Represents State's Proportionate Share on Behalf of District employees

Pension Expense

	CalSTRS	CalPERS	Total
Change in Net Pension Liability (Asset)	$ (2,439,000)	$ 6,723,000	$ 4,284,000
On Behalf Contribution Amount	3,384,719	-	3,384,719
Employer Contributions to Pension Plan	6,659,376	4,192,042	10,851,418
Change in Other Outflows/Inflows of Resources	(12,813,565)	(3,650,747)	(16,464,312)
Total Pension Expense	$ (5,208,470)	$ 7,264,295	$ 2,055,825

Deferred Outflows and Inflows of Resources

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		
	CalSTRS	CalPERS	Total
Pension contributions subsequent to measurement date	$10,049,785	$ 3,788,148	$13,837,933
Differences between actual and expected experience	3,470,686	1,260,893	4,731,579
Changes in assumptions	255,735	1,591,788	1,847,523
Net difference between projected and actual earnings	189,047	3,690,626	3,879,673
Total Deferred Outflows of Resources	$13,965,253	$10,331,455	$24,296,708

	Deferred Inflows of Resources		
	CalSTRS	CalPERS	Total
Differences between actual and expected experience	$ (2,363,082)	$ (530,665)	$ (2,893,747)
Total Deferred Inflows of Resources	$ (2,363,082)	$ (530,665)	$ (2,893,747)

Pension contributions made subsequent to measurement date reported as deferred outflows of resources will be recognized as a portion of pension expense in the year ended June 30, 2024. The remaining amounts reported as deferred outflows or deferred inflows of resources will be recognized as an increase or decrease to pension expense over a five year period. Pension expense resulting from deferred outflows and deferred inflows of resources will be recognized as follows:

	Deferred Outflows of Resources		Deferred Inflows of Resources		Net Effect
Year Ended June 30	CalSTRS	CalPERS	CalSTRS	CalPERS	on Expenses
2025	$ 6,952,965	$ 5,771,467	$ (659,169)	$ (286,522)	$11,778,741
2026	(1,596,573)	1,608,414	(650,123)	(244,143)	(882,425)
2027	4,159,488	2,836,718	(497,204)	-	6,499,002
2028	673,377	114,856	(417,758)	-	370,475
2029	495,812	-	(138,828)	-	356,984
Thereafter	3,280,184	-	-	-	3,280,184
Total	$ 13,965,253	$10,331,455	$ (2,363,082)	$ (530,665)	$21,402,961

Actuarial Assumptions

Total pension liabilities for the fiscal year ended June 30, 2024 were based on actuarial valuations were determined using the following actuarial assumptions:

	CalSTRS	CalPERS
Fiscal Year	June 30, 2024	June 30, 2024
Measurement Date	June 30, 2023	June 30, 2023
Valuation Date	June 30, 2022	June 30, 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Experience Study Period	2015-2018	2000-2019
Actuarial Assumptions:		
Discount Rate	7.10%	6.90%
Inflation	2.75%	2.30%
Wage Growth	3.50%	(3)
Investment Rate of Return	7.10%	6.80%
Post Retirement Benefit Increase	(1)	(4)
Mortality	(2)	(5)

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

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

(3) Varies by entry age and service.

(4) CalPERS post retirement benefit increases assumes 2.00% until PPPA floor on purchasing power applies, 2.30% thereafter.

(5) CalPERS mortality table was developed based on CalPERS specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using the 80% of Scale MP-2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

Discount Rate

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

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

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

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

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

The tables below reflect the 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. These rates of return are net of administrative expenses.

CalSTRS

Asset Class	Assumed Asset Allocation	Long Term Expected Real Rate of Return*
Public Equity	38.00%	5.25%
Real Estate	15.00%	4.05%
Private Equity	14.00%	6.75%
Fixed Income	14.00%	2.45%
Risk Mitigating Strategies	10.00%	2.25%
Inflation Sensitive	7.00%	3.65%
Cash/Liquidity	2.00%	0.05%

*20 year average

CalPERS

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

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

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

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

	CalSTRS	CalPERS
1% Decrease	6.10%	5.90%
Net Pension Liability	$ 74,084,208	$ 49,952,969
Current Discount Rate	7.10%	6.90%
Net Pension Liability	$ 44,166,000	$ 34,552,000
1% Increase	8.10%	7.90%
Net Pension Liability	$ 19,314,642	$ 21,823,081

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

Note 9 - Other Retirement Plans

Section 403(b) Tax-Sheltered Annuity Plan

Plan Description

The District's Board of Trustees authorized the establishment of a Section 403(b) Tax-Sheltered Annuity Plan. This is a retirement plan funded by elective deferrals made under salary reduction agreements.

Funding Policy

All eligible employees electing to participate in this plan choose the amount of monthly compensation deferrals up to the maximums allowed by the Internal Revenue Code and its regulations and rulings. The District does not contribute to the plan on behalf of participating employees. For the fiscal year ended June 30, 2024, there were 205 employees that had elected to participate, with total compensation deferrals of $880,547.

Section 457 Deferred Compensation Plan

Plan Description

The District's Board of Trustees previously authorized the establishment of a qualified Internal Revenue Code Section 457 deferred compensation plan for the exclusive benefit of all employees of the District.

Funding Policy

All eligible employees electing to participate in this plan choose the amount of monthly compensation deferrals up to the maximums allowed by the Internal Revenue Code and its regulations and rulings. The District does not contribute to the plan on behalf of participating employees. For the fiscal year ended June 30, 2024, there were 748 employees that had elected to participate, with total compensation deferrals of $3,991,976.

Note 10 - Postemployment Benefits other than Pension Benefits (OPEB)

General Information about the OPEB plan

Plan Description

The District administers a single employer defined benefit healthcare plan, which only provides health insurance. All coverages are self-insured on a pooled basis through the Self-Insured Schools of California (SISC).

There are approximately 29 retirees currently receiving benefits, as well as approximately 631 active employees who may become eligible to retire and receive benefits in the future as of June 30, 2024.

The contribution requirements of Plan members and the District are established and amended by the District. The required contribution is based on projected pay-as-you-go financing requirements. No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75.

Eligibility for District-Paid Benefits

The amount and duration of District-paid contributions for retiree health insurance vary by employment classification, age and date of hire.

Benefits provided. All employees may retire with District-paid healthcare benefits after the later of age 55 and 10 years of service immediately prior to retirement, with the most recent 5 years of service as a full time employee, if hired prior to January 1, 1992. If hired on or after January 1, 1992:

Certificated employees may retire with District-paid healthcare benefits after the later of age 55 and 18 years of service immediately prior to retirement, with the most recent 5 years of service as a full-time employee.

Classified employees may retire with District-paid healthcare benefits after the later of age 55 and 15 years of service immediately prior to retirement, with the most recent 2 years of service as a full-time employee.

Employees Covered by Benefit Terms

At June 30, 2024, the following retirees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	29
Inactive employees entitled to but not yet receiving benefit payments	-
Participating active employees	631
Total number of participants	660

The OPEB plan does not issue stand-alone financial reports that are available to the public.

Total OPEB Liability

Actuarial Assumptions and Other Inputs

The total OPEB liability actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Inflation	2.50%	
Salary increases	3.00%	per year
Investment return / discount rate	3.97%	
Healthcare cost trend rates	5.50%	per year
Retirees' share of costs	0.00%	of projected health insurance premiums

The discount rate was based on an index of 20-year general obligation municipal bonds.

Pre-retirement mortality rates were based on the most recent CalPERS Experience Study and active employees from the most recent CalSTRS Experience Analysis, as appropriate, without projection. Post-retirement mortality rates for Healthy Recipients from the most recent CalPERS Experience Study and retired members and beneficiaries from the most recent CalSTRS Experience Analysis, as appropriate, without projection.

Changes in Total OPEB Liability

	Total OPEB liability
Balance at June 30, 2023	$ 20,693,755
Changes for the year:	
Service cost	1,077,556
Interest	738,253
Assumption changes	(1,573,207)
Experience gains/losses	(962,983)
Expected benefit payments	(560,436)
Net changes	$ (1,280,817)
Balance at June 30, 2024	$ 19,412,938

There were no changes in benefit terms for the fiscal year ended June 30, 2024. The inflation assumption changed from 3% to 2.5%, investment return assumption changed from 3.69% to 3.97% and healthcare cost trend rate assumption changed from 5.75% to 5.5%.

As the report date can be within 12 months of the measurement date, the District is reporting the amounts from the 7/01/2023 measurement date as the amounts as of 6/30/2024. Therefore, in the actuary report, the amounts are shown as 7/02/2022 through 7/01/2023, however, the will present these numbers as 7/01/2023 through 6/30/2024.

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

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

	1 % Decrease 2.97%	Valuation discount rate 3.97%	1 % Increase 4.97%
Total OPEB liability	$ 20,972,638	$ 19,412,938	$ 17,928,703

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

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

	1 % Decrease 4.5%	Health care cost valuation trend 5.5%	1 % Increase 6.5%
Total OPEB liability	$ 16,999,641	$ 19,412,938	$ 22,287,096

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

For the fiscal year ended June 30,2024, the District recognized OPEB benefit of $1,144,869.

At June 30, 2024 the District reported the following deferred outflows and inflows of resources related to other postemployment benefits.

	Deferred Inflows of Resources	Deferred Outflows of Resources
Employer contributions subsequent to measurement date	$ -	$ 452,220
Assumption changes	2,064,123	3,730,821
Investment gains/losses	1,317,061	881,022
	$ 3,381,184	$ 5,064,063

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

Year end June 30	Deferred Inflows of Resources	Deferred Outflows of Resources
2025	$ 708,903	$ 1,015,998
2026	708,903	563,778
2027	623,982	559,965
2028	614,542	559,545
2029	486,300	559,545
Thereafter	238,554	1,805,232
	$ 3,381,184	$ 5,064,063

Note 11 - Commitments and Contingencies

State and Federal Allowances, Awards, and Grants

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

Litigation

The District is involved in various litigation. In the opinion of management and legal counsel, the disposition of all litigation pending will not have a material effect on the financial statements.

Note 12 - Restricted Fund Balances

Restricted fund balances at June 30, 2024 are as follows:

Expanded Learning Opportunities Program	$	5,102,834
Child Nutrition: Supply Chain Assistance (SCA) Funds		167,684
Literacy Coaches and Reading Specialists Grant Program		1,339,250
Educator Effectiveness, FY 2021-22		991,138
Lottery: Instructional Materials		992,215
CA Community Schools Partnership Act - Implementation Grant		935,988
Mental Health-Related Services		441,886
Special Education Early Intervention Preschool Grant		69,716
Arts, Music, and Instructional Materials Discretionary Block Grant		923,747
Arts and Music in Schools (AMS)-Funding Guarantee and Accountability Act (Prop 28)		1,081,397
Child Nutrition: Food Service Staff Training Funds		46,835
Child Nutrition: Kitchen Infrastructure and Training Funds - 2022 KIT Funds		411,412
LCFF Equity Multiplier		425,782
Classified School Employee Summer Assistance Program		72,112
Learning Recovery Emergency Block Grant		2,655,904
Other Restricted State		50,212
Ongoing & Major Maintenance Account (RMA: Education Code Section 17070.75)		521,262
Other Restricted Local		2,182,969
Student Body Fund		347,253
Cafeteria Special Revenue Fund		1,733,109
Building Fund		11,634,028
Capital Facilities Fund		850,364
County Schools Facilities Fund		1,292,318
Bond Interest and Redemption Fund		3,860,036
Total	$	38,129,451

Note 13 - Joint Power Agreements

The District participates in two joint ventures under joint powers agreements (JPAs) as follows:

- Organization of Self-Insured Schools (OSS)
  (property and liability insurance)

- Fresno County Self-Insurance Group (FCSIG)
  (workers' compensation insurance)

The relationships between the District and the other JPAs are such that none of the other JPAs are component units of the District for financial reporting purposes.

The JPAs provide insurance and services as noted for member organizations.

Each JPA is governed by a board consisting of a representative from each member organization. Such governing board controls the operations of its JPA, including selection of management and approval of operating budgets, independent of any influence by the member districts beyond representation on the governing board.

Each member organization pays premiums and fees commensurate with the level of coverage or services requested, and shares surpluses and deficits proportionate to its participation in each JPA.

Each JPA is independently accountable for its fiscal matters, and maintains its own accounting records.

The District's share of year-end assets, liabilities, or fund equity has not been calculated by the entities.

Condensed financial information for the above JPAs for the year ended June 30, 2024 was not available as of the audit report date. Complete financial statements for the JPAs may be obtained from the JPAs at the addresses indicated below.

OSS	Tucker-Alexander Insurance
FCSIG	2133 High Street, Suite E
	Selma, CA 93662

Note 14 - Subsequent Events

Subsequent events have been evaluated through December 11, 2024, the date these financial statements were available to be issued.

This page is intentionally left blank.

Required Supplementary Information

General Fund (Combined)
Budgetary Comparison Schedule
June 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
LCFF sources:				
State apportionment or State aid	$ (63,878,124)	$ (75,596,166)	$ 75,596,166	$ 151,192,332
Education protection account funds	(18,167,729)	(9,073,135)	9,073,135	18,146,270
Local sources	(7,522,679)	(8,329,774)	8,329,774	16,659,548
Federal revenue	(6,089,475)	(21,734,202)	21,734,203	43,468,405
Other State revenue	(14,624,565)	(25,019,295)	28,404,015	53,423,310
Other local revenue	(5,732,259)	(8,938,508)	8,938,515	17,877,023
Total revenues	(116,014,831)	(148,691,080)	152,075,808	300,766,888
Expenditures:				
Current:				
Certificated salaries	40,887,745	50,322,095	50,322,095	-
Classified salaries	16,971,363	19,547,082	19,547,082	-
Employee benefits	28,246,347	31,481,492	32,013,232	531,740
Books and supplies	10,752,815	10,810,698	10,810,698	-
Services and other	13,707,883	15,922,850	15,922,850	-
Other outgo	3,480,987	4,237,966	1,521,818	(2,716,148)
Direct support / indirect costs	-	-	(169,851)	(169,851)
Capital outlay	7,121,863	13,091,532	13,091,532	-
Debt service:				
Principal	-	-	1,558,349	1,558,349
Interest and other service charges	-	-	327,650	327,650
Total expenditures	121,169,003	145,413,715	144,945,455	(468,260)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(237,183,834)	(294,104,795)	7,130,353	301,235,148
Other Financing Sources (Uses):				
Transfers in	(500,000)	(500,000)	500,000	1,000,000
Transfers out	-	-	(1,000,000)	(1,000,000)
Total other financing sources (uses)	(500,000)	(500,000)	(500,000)	-
Net Change in Fund Balance	(237,683,834)	(294,604,795)	6,630,353	301,235,148
Fund Balance, July 1	33,066,691	33,066,691	33,066,691	-
Fund Balance, June 30	$ (204,617,143)	$ (261,538,104)	$ 39,697,044	$ 301,235,148

Selma Unified School District
Building Fund
Budgetary Comparison Schedule
June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Other local revenue	$ (448,880)	$ 448,878	$ 897,758
Total revenues	(448,880)	448,878	897,758
Expenditures:			
Current:			
Classified salaries	31,483	31,483	-
Employee benefits	19,430	19,430	-
Books and supplies	10,132	10,132	-
Services and other	176,936	176,936	-
Capital outlay	7,299,637	6,926,395	(373,242)
Total expenditures	7,537,618	7,164,376	(373,242)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,986,498)	(6,715,498)	1,271,000
Other Financing Sources (Uses):			
Transfers in	(361)	361	722
Transfers out	(361)	(361)	-
Proceeds from sale of bonds	(9,000,000)	9,000,000	18,000,000
Total other financing sources (uses)	(9,000,722)	9,000,000	18,000,722
Net Change in Fund Balance	(16,987,220)	2,284,502	19,271,722
Fund Balance, July 1	9,349,526	9,349,526	-
Fund Balance, June 30	$ (7,637,694)	$ 11,634,028	$ 19,271,722

Selma Unified School District
Schedule of the District's Proportionate Share of the Net Pension Liability
California State Teachers' Retirement System
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's portion of the net pension liability (asset)	0.058%	0.067%	0.066%	0.066%	0.066%	0.064%	0.064%	0.062%	0.061%	0.060%
District's proportionate share of the net pension liabiliy (asset)	44,166,000	46,605,000	27,158,719	64,229,347	59,158,920	58,419,763	58,109,964	49,929,386	41,203,421	34,586,665
State's proportionate share of the net pension liability (asset) associated with the District	21,161,168	23,339,606	13,665,499	33,109,968	31,951,705	33,570,868	34,508,078	21,697,000	21,792,009	20,885,131
Total	$65,327,168	$69,944,606	$40,824,218	$97,339,315	$91,110,625	$91,990,631	$92,618,042	$71,626,386	$62,995,430	$55,471,796
District's covered-employee payroll	$43,438,428	$39,348,181	$ 950,084	$ 802,774	$ 866,770	$ 935,529	$ 814,035	$ 756,772	$ 802,389	$ 766,129
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	101.67%	118.44%	2858.56%	8000.93%	6825.22%	6244.57%	7138.51%	6597.68%	5135.09%	4514.47%
Plan fiduciary net position as a percentage of the total pension liability	80.62%	81.20%	87.48%	72.75%	72.56%	70.99%	69.46%	70.00%	74.00%	74.00%

Selma Unified School District
Schedule of the District's Proportionate Share of the Net Pension Liability
California Public Employees' Retirement System
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's portion of the net pension liability (asset)	0.095%	0.081%	0.082%	0.086%	0.089%	0.087%	0.080%	0.080%	0.080%	0.070%
District's proportionate share of the net pension liabiliy (asset)	$34,552,000	$27,829,000	$16,690,502	$26,410,458	$25,989,094	$23,186,008	$16,818,010	$16,818,010	$12,140,000	$8,387,501
District's covered-employee payroll	$16,294,184	$19,906,698	$15,992,013	$13,329,495	$13,688,999	$14,237,410	$11,443,300	$10,984,296	$10,190,960	$9,010,212
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	212.05%	139.80%	104.37%	198.14%	189.85%	162.85%	146.97%	153.11%	119.13%	93.09%
Plan fiduciary net position as a percentage of the total pension liability	69.96%	80.97%	80.97%	69.90%	70.05%	70.85%	71.87%	73.92%	79.43%	79.40%

Selma Unified School District
Schedule of District Contributions
California State Teachers' Retirement System
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	6,659,376	7,429,508	6,383,106	5,090,075	5,968,232	5,739,717	4,945,352	5,709,583	5,096,233	4,321,993
Contributions in relation to the contractually required contribution	(6,659,376)	(7,429,508)	(6,383,106)	(5,090,075)	(5,968,232)	(5,739,717)	(4,945,352)	(5,709,583)	(5,096,233)	(4,321,993)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$43,438,428	$39,348,181	$40,969,929	$35,881,645	$36,779,351	$36,827,969	$34,271,324	$45,386,192	$30,856,440	$28,366,351
Contributions as a percentage of covered-employee payroll	15.33%	18.88%	15.58%	14.19%	16.23%	15.59%	14.43%	12.58%	16.52%	15.24%

Selma Unified School District
Schedule of District Contributions
California Public Employee' Retirement System
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	4,192,042	2,839,893	2,829,402	2,431,181	2,433,873	2,221,542	1,777,259	1,525,499	1,202,342	1,060,592
Contributions in relation to the contractually required contribution	(4,192,042)	(2,839,893)	(2,829,402)	(2,431,181)	(2,433,873)	(2,221,542)	(1,777,259)	(1,525,499)	(1,202,342)	(1,060,592)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$16,294,184	$19,906,698	$15,992,013	$13,329,495	$13,688,999	$14,237,410	$11,443,300	$10,984,296	$10,190,960	$ 9,010,212
Contributions as a percentage of covered-employee payroll	25.73%	14.27%	17.69%	18.24%	17.78%	15.60%	15.53%	13.89%	11.80%	11.77%

Selma Unified School District
Selma Unified School District
Schedule of Changes in the District's Total OPEB Liability and Related Ratios
Single Employer Plan
Last Ten Fiscal Years*

	Fiscal Year						
	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability:							
Service cost	$ 1,077,556	$ -	$ 1,635,494	$ -	$ 993,582	$ 444,020	$ 455,124
Interest	738,253	-	461,922	-	568,591	499,873	495,522
Differences between expected and actual experience	-	-	927,813	-	1,366,529	(34,284)	-
Changes of assumptions or other inputs	(1,573,207)	-	(3,266,876)	-	2,780,119	764,328	-
Other adjustments	(962,983)	-	1,829,070	-	-	-	-
Benefit payments	(560,436)	-	(569,349)	-	(279,266)	(553,436)	(530,726)
Net change in total OPEB liability	(1,280,817)	-	1,018,074	-	5,429,555	1,120,501	419,920
Total OPEB liability - beginning	20,693,755	20,693,755	19,675,681	19,675,681	14,246,126	13,125,625	12,705,705
Total OPEB liability - ending	$ 19,412,938	$ 20,693,755	$ 20,693,755	$ 19,675,681	$ 19,675,681	$ 14,246,126	$ 13,125,625
Covered-employee payroll	73,051,255	59,325,403	56,961,942	49,211,140	51,065,379	47,078,281	47,078,281
Total OPEB liability as a percentage of covered-employee payroll	26.57%	34.88%	36.33%	39.98%	38.53%	30.26%	27.88%

Notes to Schedule: There were no changes in benefit terms or assumptions in 2024. The following are the discount rates used in each period.

2024	3.97%
2023	3.69%
2022	3.69%
2021	2.45%
2020	2.45%
2019	3.13%
2018	3.90%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

Supplementary Information

Selma Unified School District
Local Education Agency Organization Structure
June 30, 2024

The District was originally formed in 1878 and serves approximately 6,000 students with eight elementary schools, one middle school, one high school, one independent study school, one continuation school and one adult education school. There were no changes in the boundaries of the District during the year ended June 30, 2024.

Governing Board

Name	Office	Term Expiration
Narinder Sahota	President	2024
Joel Fedor	Vice-President	2026
Estella Kessler	Clerk	2026
Rosemary Alanis	Member	2024
Mark Medina	Member	2026

Administration

Edward Gomes
Superintendent

Melissa Dutra
Assistant Superintendent CI

Jessica Villarreal
Assistant Superintendent
Business

Adele Nikkel
Interim Director of Fiscal
Services

Wayne Hunt
Director of HR

Selma Unified School District
Schedule of Average Daily Attendance
Year Ended June 30, 2024

	Second Period Report	Annual Report
Grades TK-3:		
Regular ADA	1,664.58	1,671.03
Extended Year Special Education	2.71	2.71
Grades TK-3 Total	1,667.29	1,673.74
Grades 4-6:		
Regular ADA	1,257.62	1,260.66
Extended Year Special Education	1.05	1.05
Grades 4-6 Total	1,258.67	1,261.71
Grades 7 and 8:		
Regular ADA	864.64	865.58
Extended Year Special Education	0.30	0.30
Community Day School	3.18	2.12
Grades 7 and 8 Total	868.12	868.00
Grades 9-12:		
Regular ADA	1,777.38	1,776.10
Extended Year Special Education	2.52	2.52
Community Day School	17.34	9.83
Grades 9-12 Total	1,797.24	1,788.45
ADA Grand Total	5,591.32	5,591.90

There were no audit findings which resulted in necessary revisions to attendance.

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

Selma Unified School District
Schedule of Instructional Time
Year Ended June 30, 2024

Grade Level	Ed. Code 46207 Minutes Requirement	Ed. Code 46207 Adjusted & Reduced	2023-24 Actual Minutes	Number of Days Traditional Calendar	Number of Days Multitrack Calendar	Status
Traditional Kindergarten	36,000	N/A	60,570	180	N/A	Complied
Kindergarten	36,000	N/A	60,570	180	N/A	Complied
Grade 1	50,400	N/A	55,560	180	N/A	Complied
Grade 2	50,400	N/A	55,560	180	N/A	Complied
Grade 3	50,400	N/A	55,560	180	N/A	Complied
Grade 4	54,000	N/A	57,330	180	N/A	Complied
Grade 5	54,000	N/A	57,330	180	N/A	Complied
Grade 6	54,000	N/A	57,330	180	N/A	Complied
Grade 7	54,000	N/A	61,552	180	N/A	Complied
Grade 8	54,000	N/A	61,552	180	N/A	Complied
Grade 9	64,800	N/A	65,415	180	N/A	Complied
Grade 10	64,800	N/A	65,415	180	N/A	Complied
Grade 11	64,800	N/A	65,415	180	N/A	Complied
Grade 12	64,800	N/A	65,415	180	N/A	Complied

School districts and charter schools must maintain their instructional minutes as defined in Education Code Section 46207. This schedule is required of all districts, including basic aid districts.

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 instruction time offered by the District and whether the District complied with the provisions of Education Code Sections 46200 through 46206.

Selma Unified School District
Schedule of Financial Trends and Analysis
Year Ended June 30, 2024

General Fund (Combined)	Budget 2025 (see note a)	2024	2023	2022
Revenue and other financial sources	$127,632,470	$152,575,808	$133,380,081	$116,480,090
Expenditures	144,602,034	144,945,455	124,676,354	102,911,823
Other uses and transfers out	500,000	1,000,000	1,402,264	1,000,000
Total outgo	145,102,034	145,945,455	126,078,618	103,911,823
Change in fund balance (deficit)	(17,469,564)	6,630,353	7,301,463	12,568,267
Ending fund balance	$ 22,227,480	$ 39,697,044	$ 33,066,691	$ 25,765,228
Available reserves (see note b)	$ 14,992,238	$ 14,598,679	$ 14,542,378	$ 18,812,328
Available reserves as a percentage of total outgo	10.3%	10.0%	11.5%	18.1%
Total long-term debt	$155,696,642	$164,943,788	$154,660,767	$171,601,624
Average daily attendance at P-2	5,542	5,591	5,540	5,966

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

The fund balance of the General Fund (combined) has increased by $13,931,816 (54.1%) over the past two years. The fiscal year 2024-2025 budget projects a decrease of $17,469,564 (44.0%). For an organization of this size, the State recommends available reserves of at least 3% of total General Fund expenditures, transfers out, and other uses (total outgo).

The District hasn't incurred an operating deficit in any of the past three years, but projects a decrease during the 2024-2025 fiscal year. Total long-term debt has decreased by $6,657,836 over the past two years.

Average daily attendance has decreased by 375 over the past two years. The District anticipates average daily attendance to decrease by 49 during fiscal year 2024-2025.

Notes:

a. The budget for 2025 is included for analytical purposes only and has not been subjected to audit.
b. Available reserves consist of all unassigned fund balances and all funds reserved for economic uncertainties contained within the General Fund.

Selma Unified School District
Reconciliation of Annual Financial and Budget Report with Audited Financial Statements
Year Ended June 30, 2024

This schedule provides the information necessary to reconcile the fund balances of all funds and the total liabilities balance of the general long-term debt account group as reported on the SACS report to the audited financial statements. Funds that required no adjustment are not presented.

	Student Body Fund
June 30, 2024, annual financial and budget report fund balances	$ 358,626
Adjustments and reclassifications:	
To record current year activity	(11,373)
Net adjustments and reclassifications	(11,373)
June 30, 2024, audited financial statement fund balances	$ 347,253

Selma Unified School District
Schedule of Charter Schools
Year Ended June 30, 2024

Charter Schools

The following charter schools are chartered by the Selma Unified School District.

Charter Schools	Included in Audit
None	Not applicable

Selma Unified School District
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal ALN	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture - passed through California Department of Education			
Child Nutrition Cluster			
Child Nutrition: School Programs	10.555	13523	$ 4,429,438
Supply Chain Assistance (SCA) Funds	10.555	15655	355,129
Total Child Nutrition Cluster			4,784,567
Child Nutrition: CACFP Claims - Centers and Family Day Care	10.558	13393	870,911
Total U.S. Department of Agriculture			5,655,478
U.S. Department of Education - passed through California Department of Education			
Special Education Cluster			
Special Education: IDEA Basic Local Assistance Entitlement, Part B, Section 611	84.027	13379	1,588,339
Special Ed: IDEA Preschool Grants, Part B, Section 619 (Age 3-4-5)	84.173	13430	15,455
Total Special Education Cluster			1,603,794
Adult Education: Adult Secondary Education (Section 231)	84.002	13978	156,735
ESEA (ESSA): Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	4,206,686
ESEA: ESSA School Improvement (CSI) Funding for LEAs	84.010	15438	41,576
ESEA (ESSA): Title I, Part C, Migrant Ed (Regular and Summer Program)	84.011	14326	128,878
ESSA (ESEA): Title I, Migrant Ed Summer Program	84.011	10005	80,908
ESEA (ESSA): Title I, Part C, Migrant Education (MESRP)	84.011	10144	2,949
Strengthening Career and Technical Education for the 21st Century (Perkins V): Secondary, Sec. 131	84.048	14894	84,722
ESEA (ESSA): Title IV, Part B, 21st Century Community Learning Centers Program	84.287	14349	1,313
ESEA (ESSA) : Title III, Immigrant Student Program	84.365	15146	20,373
ESEA (ESSA) : Title III, English Learner Student Program	84.365	14346	202,801
ESEA (ESSA): Title II, Part A, Supporting Effective Instruction Local Grants	84.367	14341	323,868
ESEA (ESSA) Title IV, Part A, Student Support and Academic Enrichment Grants	84.424	15396	352,271
COVID-19: Elementary and Secondary School Emergency Relief II (ESSER II) Fund	84.425D	15547	76,303
COVID-19: Elementary and Secondary School Emergency Relief III (ESSER III) Fund	84.425D	15559	11,244,916
COVID-19: American Rescue Plan - Homeless Children and Youth II (ARP HYC II)	84.425	15566	26,352
Adult Education: Adult Basic Education, English Language Acquisition, and ELCE (Section 231)	84.002A	14508	67,660
COVID-19: Elementary and Secondary School Emergency Relief III (ESSER III) Fund: Learning Loss	84.425U	10155	3,044,496
Total U.S. Department of Education			21,666,601
U.S. Department of Health and Human Services - passed through California Department of Education			
Dept of Health Care Services (DHCS): Medi-Cal Billing Option	93.778	10013	124,313
Total U.S. Department of Health and Human Services			124,313
Total Federal Programs			$ 27,446,392

The accompanying notes are an integral part of this statement.

Basis of Presentation

The accompanying schedule of expenditures of federal awards ("the Schedule") includes the federal grant activity of Selma Unified School District. The information in the Schedule is presented in accordance with the requirements of Title 2, *Code of Federal Regulations,* Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Subpart F–Audit Requirements (Uniform Guidance). Therefore, some amounts may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. These expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Selma Unified School District did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

The District did not participate in any loan or loan guarantee programs as described in Title 2, *Code of Federal Regulations,* Part 200.502(b) during the year ended June 30, 2024.

The District did not provide any awards to subrecipients.

Selma Unified School District
Combining Balance Sheet - All General Funds
June 30, 2024

	General Fund	Deferred Maintenance Fund	Special Revenue Fund for Other Than Capital Outlay Projects	Special Reserve Fund for Post-employment Benefits	General Fund (Combined)
Assets:					
Cash in County Treasury	$ 42,631,565	$ 500,000	$ 24	$ 42,643	$ 43,174,232
Cash in revolving fund	5,000	-	-	-	5,000
Accounts receivable	7,294,174	-	-	12	7,294,186
Due from other funds	718,517	-	-	-	718,517
Stores inventories	73,085	-	-	-	73,085
Total assets	50,722,341	500,000	24	42,655	51,265,020
Liabilities and Fund Balance:					
Liabilities:					
Accounts payable	$ 10,413,074	$ -	$ -	$ -	$ 10,413,074
Due to other funds	140,193	-	-	-	140,193
Unearned revenue	1,014,709	-	-	-	1,014,709
Total liabilities	11,567,976	-	-	-	11,567,976
Fund Balance:					
Nonspendable fund balances:					
Revolving cash	5,000	-	-	-	5,000
Stores inventories	73,085	-	-	-	73,085
Restricted fund balances	18,412,343	-	-	-	18,412,343
Assigned fund balances	6,065,258	500,000	24	42,655	6,607,937
Reserve for economic uncertainty	14,598,679	-	-	-	14,598,679
Total fund balance	39,154,365	500,000	24	42,655	39,697,044
Total liabilities and fund balances	$ 50,722,341	$ 500,000	$ 24	$ 42,655	$ 51,265,020

The accompanying notes are an integral part of this statement.

Selma Unified School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - All General Funds
Year Ended June 30, 2024

	General Fund	Deferred Maintenance Fund	Special Revenue Fund for Other Than Capital Outlay Projects	Special Reserve Fund for Post-employment Benefits	General Fund (Combined)
Revenues:					
LCFF sources:					
State apportionment or State aid	$ 75,596,166	$ -	$ -	$ -	$ 75,596,166
Education protection account funds	9,073,135	-	-	-	9,073,135
Local sources	8,329,774	-	-	-	8,329,774
Federal revenue	21,734,203	-	-	-	21,734,203
Other State revenue	28,404,015	-	-	-	28,404,015
Other local revenue	8,937,360	-	24	1,131	8,938,515
Total revenues	152,074,653	-	24	1,131	152,075,808
Expenditures:					
Current:					
Instruction	81,797,671	-	-	-	81,797,671
Instruction-related services	11,805,757	-	-	-	11,805,757
Pupil services	14,809,404	-	-	-	14,809,404
Ancillary services	1,317,434	-	-	-	1,317,434
General administration	6,421,884	-	-	-	6,421,884
Plant services	12,293,956	-	-	-	12,293,956
Other outgo	1,521,818	-	-	-	1,521,818
Capital outlay	13,091,532	-	-	-	13,091,532
Debt service:					
Principal	1,558,349	-	-	-	1,558,349
Interest and other service charges	327,650	-	-	-	327,650
Total expenditures	144,945,455	-	-	-	144,945,455
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,129,198	-	24	1,131	7,130,353
Other Financing Sources (Uses):					
Transfers in	-	500,000	-	-	500,000
Transfers out	(1,000,000)	-	-	-	(1,000,000)
Total other financing sources (uses)	(1,000,000)	500,000	-	-	(500,000)
Net Change in Fund Balance	6,129,198	500,000	24	1,131	6,630,353
Fund Balance, July 1	33,025,167	-	-	41,524	33,066,691
Fund Balance, June 30	$ 39,154,365	$ 500,000	$ 24	$ 42,655	$ 39,697,044

The accompanying notes are an integral part of this statement.

Selma Unified School District
Combining Balance Sheet - Nonmajor Funds
June 30, 2024

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Debt Service Fund - Bond Interest and Redemption Fund	Total Nonmajor Governmental Funds
Assets:				
Cash in County Treasury	$ 1,571,131	$ 4,336,416	$ 3,859,139	$ 9,766,686
Cash on hand and in banks	347,253	-	-	347,253
Accounts receivable	1,147,411	585	897	1,148,893
Due from other funds	140,193	-	-	140,193
Stores inventories	48,285	-	-	48,285
Total assets	3,254,273	4,337,001	3,860,036	11,451,310
Liabilities and Fund Balance:				
Liabilities:				
Accounts payable	$ 369,287	$ 14,750	$ -	$ 384,037
Due to other funds	715,113	-	-	715,113
Total liabilities	1,084,400	14,750	-	1,099,150
Fund Balance:				
Nonspendable fund balances:				
Stores inventories	48,285	-	-	48,285
Restricted fund balances	2,080,362	2,142,682	3,860,036	8,083,080
Assigned fund balances	41,226	2,179,569	-	2,220,795
Total fund balance	2,169,873	4,322,251	3,860,036	10,352,160
Total liabilities and fund balances	$ 3,254,273	$ 4,337,001	$ 3,860,036	$ 11,451,310

The accompanying notes are an integral part of this statement.

Selma Unified School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Funds
Year Ended June 30, 2024

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Debt Service Fund - Bond Interest and Redemption Fund	Total Nonmajor Governmental Funds
Revenues:				
Federal revenue	$ 5,712,189	$ -	$ -	$ 5,712,189
Other State revenue	1,748,032	1,278,640	16,554	3,043,226
Other local revenue	1,105,768	328,587	4,163,093	5,597,448
Total revenues	8,565,989	1,607,227	4,179,647	14,352,863
Expenditures:				
Current:				
Instruction	511,046	-	-	511,046
Instruction-related services	389,510	-	-	389,510
Pupil services	6,480,645	-	-	6,480,645
Ancillary services	726,842	-	-	726,842
General administration	169,851	17,045	-	186,896
Plant services	18,275	777	-	19,052
Capital outlay	424,459	344	-	424,803
Debt service:				
Principal	-	-	932,910	932,910
Interest and other service charges	-	-	1,819,041	1,819,041
Total expenditures	8,720,628	18,166	2,751,951	11,490,745
Excess (Deficiency) of Revenues Over (Under) Expenditures	(154,639)	1,589,061	1,427,696	2,862,118
Other Financing Sources (Uses):				
Transfers in	-	500,000	-	500,000
Total other financing sources (uses)	-	500,000	-	500,000
Net Change in Fund Balance	(154,639)	2,089,061	1,427,696	3,362,118
Fund Balance, July 1	2,324,512	2,233,190	2,432,340	6,990,042
Fund Balance, June 30	$ 2,169,873	$ 4,322,251	$ 3,860,036	$ 10,352,160

The accompanying notes are an integral part of this statement.

Selma Unified School District
Combining Balance Sheet - Nonmajor Special Revenue Funds
June 30, 2024

	Student Body Fund	Adult Education Fund	Cafeteria Special Revenue Fund	Total Nonmajor Special Revenue Funds
Assets:				
Cash in County Treasury	$ -	$ 70,450	$ 1,500,681	$ 1,571,131
Cash on hand and in banks	347,253	-	-	347,253
Accounts receivable	-	142,125	1,005,286	1,147,411
Due from other funds	-	115,625	24,568	140,193
Stores inventories	-	-	48,285	48,285
Total assets	347,253	328,200	2,578,820	3,254,273
Liabilities and Fund Balance:				
Liabilities:				
Accounts payable	$ -	$ 5,393	$ 363,894	$ 369,287
Due to other funds	-	310,569	404,544	715,113
Total liabilities	-	315,962	768,438	1,084,400
Fund Balance:				
Nonspendable fund balances:				
Stores inventories	-	-	48,285	48,285
Restricted fund balances	347,253	-	1,733,109	2,080,362
Assigned fund balances	-	12,238	28,988	41,226
Total fund balance	347,253	12,238	1,810,382	2,169,873
Total liabilities and fund balances	$ 347,253	$ 328,200	$ 2,578,820	$ 3,254,273

The accompanying notes are an integral part of this statement.

Selma Unified School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Special Revenue Funds
Year Ended June 30, 2024

	Student Body Fund	Adult Education Fund	Cafeteria Special Revenue Fund	Total Nonmajor Special Revenue Funds
Revenues:				
Federal revenue	$ -	$ 224,395	$ 5,487,794	$ 5,712,189
Other State revenue	-	660,956	1,087,076	1,748,032
Other local revenue	715,469	4,319	385,980	1,105,768
Total revenues	715,469	889,670	6,960,850	8,565,989
Expenditures:				
Current:				
Instruction	-	511,046	-	511,046
Instruction-related services	-	389,510	-	389,510
Pupil services	-	-	6,480,645	6,480,645
Ancillary services	726,842	-	-	726,842
General administration	-	-	169,851	169,851
Plant services	-	18,275	-	18,275
Capital outlay	-	(13,096)	437,555	424,459
Total expenditures	726,842	905,735	7,088,051	8,720,628
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,373)	(16,065)	(127,201)	(154,639)
Net Change in Fund Balance	(11,373)	(16,065)	(127,201)	(154,639)
Fund Balance, July 1	358,626	28,303	1,937,583	2,324,512
Fund Balance, June 30	$ 347,253	$ 12,238	$ 1,810,382	$ 2,169,873

The accompanying notes are an integral part of this statement.

Selma Unified School District
Combining Balance Sheet - Nonmajor Capital Projects Funds
June 30, 2024

	Capital Facilities Fund	County Schools Facilities Fund	Special Reserve Fund for Capital Outlay Projects	Total Nonmajor Capital Projects Funds
Assets:				
Cash in County Treasury	$ 864,880	$ 1,291,967	$ 2,179,569	$ 4,336,416
Accounts receivable	234	351	-	585
Total assets	865,114	1,292,318	2,179,569	4,337,001
Liabilities and Fund Balance:				
Liabilities:				
Accounts payable	$ 14,750	$ -	$ -	$ 14,750
Total liabilities	14,750	-	-	14,750
Fund Balance:				
Restricted fund balances	850,364	1,292,318	-	2,142,682
Assigned fund balances	-	-	2,179,569	2,179,569
Total fund balance	850,364	1,292,318	2,179,569	4,322,251
Total liabilities and fund balances	$ 865,114	$ 1,292,318	$ 2,179,569	$ 4,337,001

The accompanying notes are an integral part of this statement.

Selma Unified School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Capital Projects Funds
Year Ended June 30, 2024

	Capital Facilities Fund	County Schools Facilities Fund	Special Reserve Fund for Capital Outlay Projects	Total Nonmajor Capital Projects Funds
Revenues:				
Other State revenue	$ -	$ 1,278,640	$ -	$ 1,278,640
Other local revenue	310,731	17,855	1	328,587
Total revenues	310,731	1,296,495	1	1,607,227
Expenditures:				
Current:				
General administration	17,045	-	-	17,045
Plant services	-	-	777	777
Capital outlay	34,023	35,673	(69,352)	344
Total expenditures	51,068	35,673	(68,575)	18,166
Excess (Deficiency) of Revenues Over (Under) Expenditures	259,663	1,260,822	68,576	1,589,061
Other Financing Sources (Uses):				
Transfers in	-	-	500,000	500,000
Total other financing sources (uses)	-	-	500,000	500,000
Net Change in Fund Balance	259,663	1,260,822	568,576	2,089,061
Fund Balance, July 1	590,701	31,496	1,610,993	2,233,190
Fund Balance, June 30	$ 850,364	$ 1,292,318	$ 2,179,569	$ 4,322,251

The accompanying notes are an integral part of this statement.

This page is intentionally left blank.

Other Auditor's Reports

LPS
Certified Public Accountants

Independent Auditor's Report on Internal Control over Financial Reporting and On Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance With Government Auditing Standards

To the Board of Trustees
Selma Unified School District
Selma, California 93662

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Selma Unified School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Selma Unified School District's basic financial statements, and have issued our report thereon dated December 11, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Selma 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 Selma Unified School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Selma 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 were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

Linger, Peterson & Shrum

Linger, Peterson & Shrum
Fresno, California
December 11, 2024

LPS
Certified Public Accountants

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

To the Board of Trustees
Selma Unified School District
Selma, California 93662

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

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

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2, *Code of Federal Regulations,* Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Subpart F– Audit Requirements (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 Selma 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 Selma 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 Selma Unified School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Selma 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 Selma 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 regardingSelma 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 Selma 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 Selma Unified School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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 requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

Linger, Peterson & Shrum

Linger, Peterson & Shrum
Fresno, California
December 11, 2024

LPS
Certified Public Accountants

Independent Auditor's Report on State Compliance

To the Board of Trustees
Selma Unified School District
Selma, California 93662

Report on Compliance

Opinion

We have audited the District's compliance with the requirements specified in the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting,* (K-12 Audit Guide), published by the Education Audit Appeals Panel, applicable to the District's state program requirements identified below for the year ended June 30, 2024.

In our opinion, Selma Unified School District complied, in all material respects, with the laws and regulations of the state programs noted in the table below for the year ended June 30, 2024.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above performing such other procedures as we consider necessary in the circumstances;
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, but not for the purpose of expressing an opinion on the effectiveness of the District's internal controls over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine the District's compliance with the state laws and regulations applicable to the following items:

2023-24 K-12 Audit Guide Procedures	Procedures Performed?
Local Education Agencies Other Than Charter Schools:	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	Yes
Continuation Education	Yes
Instructional Time	Yes
Instructional Materials	Yes
Ratio of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	Not applicable
GANN Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	Not applicable
Middle or Early College High Schools	Not applicable
K-3 Grade Span Adjustment	Yes
Apprenticeship: Related and Supplemental Instruction	Not applicable
Comprehensive School Safety Plan	Yes
District of Choice	Not applicable
Home to School Transportation Reimbursement	Yes
School Districts, County Offices of Education, and Charter Schools:	
Proposition 28 Arts and Music in Schools	Yes
After/Before School Education and Safety Program	Not applicable
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not applicable
Immunizations	Not applicable
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Not applicable
Career Technical Education Incentive Grant	Not applicable
Expanded Learning Opportunities Program	Yes
Transitional Kindergarten	Yes
Charter Schools:	
Attendance	Not applicable
Mode of Instruction	Not applicable
Nonclassroom-Based Instruction/Independent Study	Not applicable
Determination of Funding for Nonclassroom-Based Instruction	Not applicable
Annual Instructional Minutes - Classroom Based	Not applicable
Charter School Facility Grant Program	Not applicable

The term "Not applicable" is used above to mean either the District did not offer the program during the current fiscal year or the program applies to a different type of local education agency.

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

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

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 *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

Linger, Peterson & Shrum

Linger, Peterson & Shrum
Fresno, California
December 11, 2024

Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
One or more material weaknesses identified?	No
One or more significant deficiencies identified that are not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
One or more material weaknesses identified?	No
One or more significant deficiencies identified that are not considered to be material weaknesses?	No
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2, *Code of Federal Regulations*, Part 200, paragraph 200.516(a)?	No
Identification of major programs:	

Name of federal program or cluster	**Assistance Listing Number (ALN)**
COVID-19: ESF Programs	84.425, 84.425C, 84.425D, 84.425U
Child Nutrition Cluster	10.553, 10.555, 10.556, 10.559
Child & Adult Care Program	10.558

Dollar threshold used to distinguish between type A and type B programs:	$823,392
Auditee qualified as low-risk auditee?	Yes

State Awards

Any audit findings disclosed that are required to be reported in accordance with the state's *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*?	No
Type of auditor's report issued on compliance for state programs:	Unmodified

Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *"Government Auditing Standards."*

There were no financial statement findings or questioned costs.

Federal Award Findings and Questioned Costs

This section identifies the audit findings required to be reported by the Uniform Guidance (e.g., significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs).

There were no federal award findings or questioned costs.

State Award Findings and Questioned Costs

This section identifies the audit findings pertaining to noncompliance with state program rules and regulations.

There were no state award findings or questioned costs.

Selma Unified School District
Summary Schedule of Prior Audit Findings
June 30, 2024

Finding/Recommendation	Current Status	Management's Explanation If Not Implemented
2023-001 Attendance Reporting [10000] The District will prepare the amended P2 and Annual "Attendance School District" Reports.	Implemented	

This page is intentionally left blank.