Plumas Lake Elementary School District
County of Yuba
Plumas Lake, California
June 30, 2024

Independent Auditor's Report
and Financial Statements

LPS
Certified Public Accountants

Plumas Lake Elementary School District
Table of Contents
June 30, 2024

LPS
Certified Public Accountants

Independent Auditor's Report

To the Board of Trustees
Plumas Lake Elementary School District
Plumas Lake, California 95961

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 Plumas Lake Elementary 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 Plumas Lake Elementary 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 Plumas Lake Elementary 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 6, 2024 on our consideration of Plumas Lake Elementary 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 Plumas Lake Elementary School District's internal control over financial reporting and compliance.

Respectfully submitted,

Linger, Peterson & Shrum

Linger, Peterson & Shrum
Fresno, California
December 6, 2024

Plumas Lake Elementary School District

Each student will reach their fullest potential as we strive for district excellence through sound leadership, effective communication, accountability, and investment in our staff.

• Cobblestone Elementary (K-5) • Rio Del Oro Elementary (K-5)
• Riverside Meadows Intermediate (6-8)
Dr. Jeff Roberts, Superintendent

Management's Discussion and Analysis
For the year ended June 30, 2024

Introduction

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

Financial Highlights

- Total net position was $30.7 million.
- Overall revenues were $36.0 million, and expenses were $32.7 million.
- The total cost of basic programs was paid for with charges, fees, and intergovernmental aid, the net cost that required general and other revenues was $20.8 million.
- Governmental fund balances increased by a total of $5.0 million.
- General Fund expenditures were over budget by $1.1 million when compared to projections at 2nd Interim.
- Various construction projects and equipment purchases increased capital assets by $0.8 million.
- Overall long-term debt increased by $0.7 million mainly as a result of an increase in net pension liabilities.

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Overview of Financial Statements

Components of the Financials Section

This annual report consists of four parts - management's discussion and analysis (this section), the basic financial statements, required supplementary information, and supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

Figure A-1

Required Components of Plumas Lake Elementary School District's Annual Financial Report

The first two statements are district-wide financial statements that provide both short-term and long-term information about the District's overall financial status. The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.

The government funds statements tell how general government services were financed in the short term as well as what remains for future spending. The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

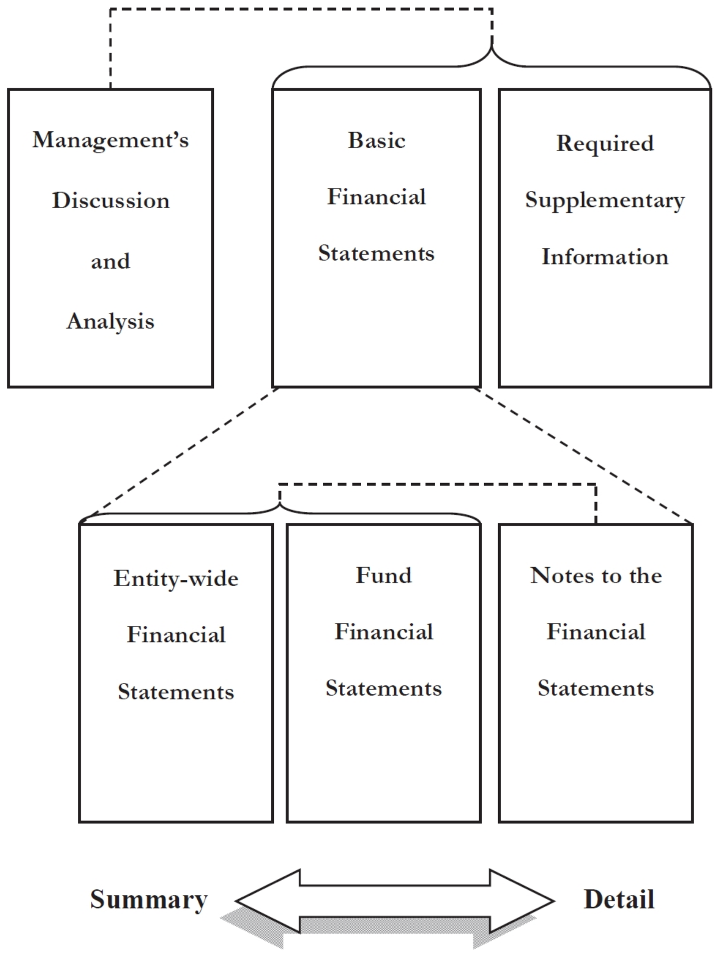


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the type of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Figure A-2

Major Features of Plumas Lake Elementary School District's Government-wide and Fund Financial Statements

	Government-wide Statements	Governmental Funds
Scope	Entire District government (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance
Required financial statements	Statement of net position and Statement of activities	Balance sheet and Statement of revenues, expenditures, and changes in fund balances
Accounting basis and measurement	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter

District-wide Statements

The district-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 District's assets and liabilities. 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 district-wide statements report the District's net position and how they have changed. Net position - the difference between the District's assets and liabilities - 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 position is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds - not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (like repaying its long-term debts) or to show that it is properly using certain revenues (like federal grants).

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 district-wide statements, we provide additional information with the governmental funds statements that explains the relationship (or differences) between them.

Financial Analysis of the District as a Whole

Net position

The District's net position increased as of June 30, 2024 compared to the prior year. (See Table 1.) Most of this improvement in the District's financial position came from an increase in operating performance (adding to the cash balance).

Table 1 - Net Position

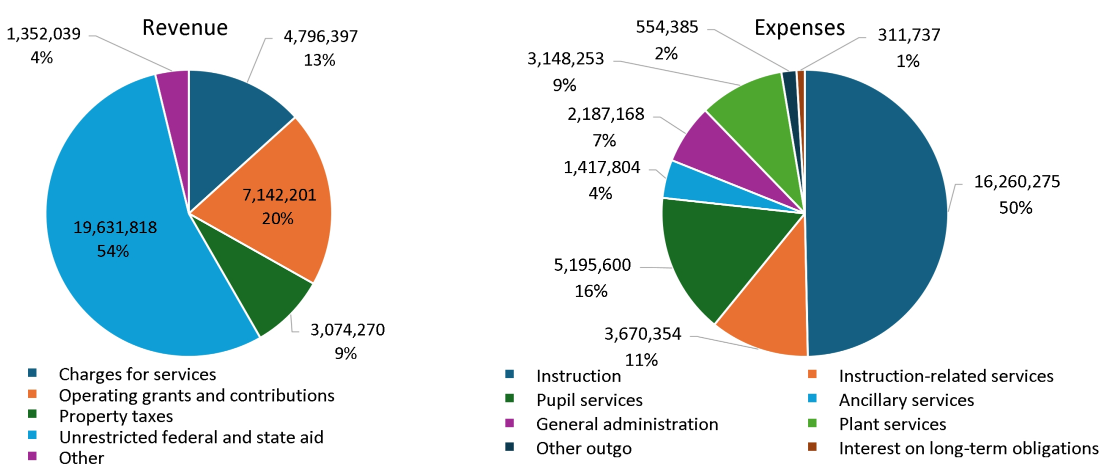
	2024	2023	$ Change	% Change
Current and other assets	$ 25,096,167	$ 20,233,000	4,863,167	24%
Capital assets	33,001,000	34,481,000	(1,480,000)	-4%
Total Assets	58,097,167	54,714,000	3,383,167	6%
Deferred outflows of resources	6,749,445	6,739,000	10,445	0%
Current liabilities	2,476,578	2,541,000	(64,422)	-3%
Non-current liabilities	30,898,240	30,181,000	717,240	2%
Total Liabilities	33,374,818	32,722,000	652,818	2%
Deferred inflows of resources	733,645	1,184,000	(450,355)	-38%
Net position				
Net investment in capital assets	17,885,117	19,578,000	(1,692,883)	-9%
Restricted	17,198,119	13,741,000	3,457,119	25%
Unrestricted	(4,345,087)	(5,832,000)	1,486,913	-25%
Total Net Position	$ 30,738,149	$ 27,487,000	$ 3,251,149	12%

Changes in net position

The District's revenues and expenses are broken out as follows:

Table 2 - Activities

	2024	2023	$ Change	% Change
Program revenue				
Charges for services	$ 4,796,397	$ 2,657,000	$ 2,139,397	81%
Operating grants and contributions	7,142,201	9,580,000	(2,437,799)	-25%
General revenue				
Property taxes	3,074,270	2,871,000	203,270	7%
Unrestricted federal and state aid	19,631,818	15,093,000	4,538,818	30%
Other	1,352,039	148,000	1,204,039	814%
Total revenue	35,996,725	30,349,000	5,647,725	19%
Expenses				
Instruction	16,260,275	13,371,000	2,889,275	22%
Instruction-related services	3,670,354	2,508,000	1,162,354	46%
Pupil services	5,195,600	3,866,000	1,329,600	34%
Ancillary services	1,417,804	799,000	618,804	77%
General administration	2,187,168	1,913,000	274,168	14%
Plant services	3,148,253	2,410,000	738,253	31%
Other outgo	554,385	546,617	7,768	1%
Interest on long-term obligations	311,737	316,383	(4,646)	-1%
Total expenses	32,745,576	25,730,000	7,015,576	27%
Increase in net position	$ 3,251,149	$ 4,619,000	$ (1,367,851)	-30%



Change in net position was a result of the following:

- Housing development growth in the area has resulted in a significant increase in student enrollment and LCFF base grant funding. The District has also received one-time state grants such as the Career Technical Education Incentive Grant and Proposition 28 Arts and Music in Schools Funding.

- The District’s efforts to collect income verification information for purposed of determining the Unduplicated Pupil Percentage has increased Supplemental grant funding.
- The District has experienced a significant increase in student population and has in turn hired staff in all major District activities, including instruction, instruction-related services, ancillary services and plant services.

Table 3 presents the costs of major District activities, including: instruction, instruction-related services, pupil services, general administration, and plant services. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the District's taxpayers and state by each of these functions.

The cost of all activities this year was $32.7 million.

- Some of the cost ($4.8 million) was financed by the users of the District's programs.
- The federal and state governments subsidized certain programs with grants and contributions ($7.1 million).
- Most of the District's net costs ($20.8 million), were financed by District taxpayers and the taxpayers of our state.

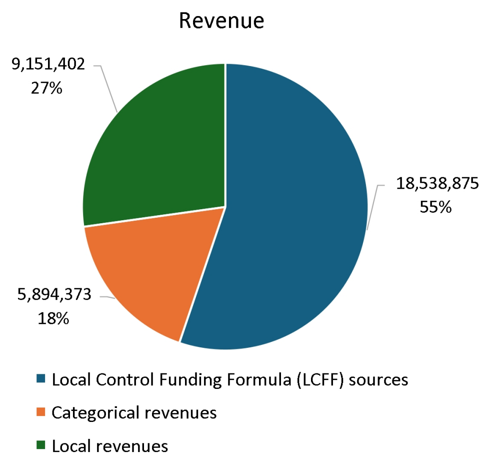
Table 3 - Net Cost of Governmental Activity

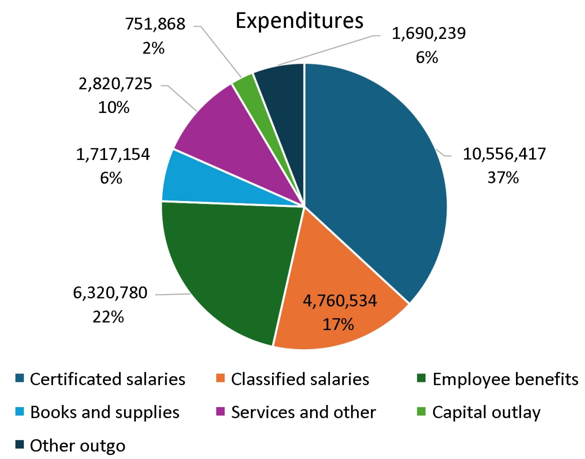
	Total Cost of Services		Net Cost of Services		
	2024	2023	2024	2023	% Change
Instruction	$ 16,260,275	$ 13,371,000	$ 13,899,180	$ 7,583,000	83%
Instruction-related services	3,670,354	2,508,000	3,379,259	1,988,000	70%
Pupil services	5,195,600	3,866,000	1,912,200	751,000	155%
Ancillary services	1,417,804	799,000	319,376	115,000	178%
General administration	2,187,168	1,913,000	636,400	1,407,000	-55%
Plant services	3,148,253	2,410,000	33,480	2,009,000	-98%
Other outgo	554,385	546,617	315,346	(676,383)	-147%
Interest on long-term obligations	311,737	316,383	311,737	316,383	-1%
Total Expenses	$ 32,745,576	$ 25,730,000	$ 20,806,978	$ 13,493,000	54%

As the District completed the year, its governmental funds reported combined fund balances of $23.1 million, above last year's ending fund balances of $18.6 million. The break out of revenue and expenses are as follows:

Table 4 - Governmental Funds Performance

	2024	2023	% Change
Revenues			
LCFF sources	$ 18,538,875	$ 16,403,602	13%
Categorical revenues	5,894,373	8,606,418	-32%
Local revenues	9,151,402	5,338,817	71%
Total Revenues	33,584,650	30,348,837	11%
Expenditures			
Certificated salaries	10,556,417	9,635,735	10%
Classified salaries	4,760,534	3,831,786	24%
Employee benefits	6,320,780	5,407,470	17%
Books and supplies	1,717,154	1,643,196	5%
Services and other	2,820,725	2,608,079	8%
Capital outlay	751,868	1,113,765	-32%
Other outgo	1,690,239	1,675,864	1%
Total Expenditures	$ 28,617,717	$ 25,915,895	10%
Changes in Net Position	$ 4,966,933	$ 4,432,942	12%





Overall, the District's governmental funds had more revenues than expenditures in 2024. The District saw growth in student population resulting in an increase in LCFF funding. The District also received new funding such as the Career Technical Education Incentive Grant and Proposition 28 Arts and Music in Schools funding. The District also experienced an increase in expenditures in all categories except for Capital outlay.

General Fund Budgetary Highlights: Over the course of the year, the District revised the annual budget multiple times during the fiscal year. These budget amendments fall into the following areas:

- Revisions were made in August based on the enacted Budget Act and to reflect adjustments made for staffing, Special Education and classroom expenditures.
- Revisions were made in October to account for Home-to-School reimbursements, bus grant, and Medi-Cal LEA Option billing funds, as well as changes to staffing and Kitchen Infrastructure and Training funds.
- Amendments were approved in December (First Interim) to reflect an increase in ADA, as well one-time Cal-Shape grant funds.
- Revisions were made in January to reflect a seven percentage salary increase to all employee groups.
- Revisions were made in March (Second Interim) to account for an increase in LCFF funding as well as Federal and State categorical funding. Local revenue sources such as facilities rental and interest were increased also. Staffing expenditures were decreased as well.

Table 5 - General Fund and Budget Performance

	General Fund Activity			General Fund Budget		
	2024	2023	% Change	Original Budget	Final Budget	% Change
Revenues						
LCFF sources	$ 18,301,848	$ 16,182,584	13%	$ 16,726,576	$ 16,929,218	-1%
Categorical revenues	3,970,342	6,694,946	-41%	4,484,345	6,034,629	-26%
Local revenues	2,640,801	1,587,286	66%	893,961	1,734,404	-48%
Total Revenues	24,912,991	24,464,816	2%	22,104,882	24,698,251	-11%
Expenses						
Salaries and benefits	20,856,506	18,325,774	14%	16,208,634	16,049,636	1%
Supplies and services	2,952,847	2,946,185	0%	4,427,129	5,632,364	-21%
Other	861,757	829,815	4%	329,487	1,845,952	-82%
Total Expenditures	$ 24,671,110	$ 22,101,774	12%	$ 20,965,250	$ 23,527,952	-11%
Changes in Net Position	$ 241,881	$ 2,363,042	-90%	$ 1,139,632	$ 1,170,299	-3%

Capital Asset and Debt Administration

Capital Assets

By the end of 2024, the District had invested a total of $66.7 million in a broad range of capital assets, including classroom modulars, computer and audiovisual equipment, vehicles and school buses. This amount represents a net increase over the prior year. (More detailed information about capital assets can be found in Note 4 to the financial statements.) Total depreciation expense for the year was $2.2 million. Additions included new construction and serving lines for the kitchens at Rio Del Oro Elementary and Cobblestone Elementary school sites.

Table 6 - Capital Assets

	2024	2023	$ Change	% Change
Land and construction in progress	$ 5,977,000	$ 5,411,000	$ 566,000	10%
Buildings and equipment	60,698,000	60,512,000	186,000	0%
Accumulated depreciation	(33,674,000)	(31,442,000)	(2,232,000)	7%
Total Capital Assets	$ 33,001,000	$ 34,481,000	$ (1,480,000)	-4%

The District's fiscal year 2025 capital budget anticipates spending another $2.1 million for capital projects.

Long-term Debt

The District's long-term liabilities at year-end are shown below in Table 7. (More detailed information about long-term liabilities can be found in Note 7 to the financial statements.)

Table 7 - Long-term Liabilities

	2024	2023	$ Change	% Change
Mello Roos special tax bond	$ 3,371,411	$ 3,621,000	$ (249,589)	-7%
Plumas Lake owner's group	2,673,000	2,673,000	-	0%
Net pension liabilities	16,348,000	14,845,000	1,503,000	10%
Net OPEB	66,447	61,000	5,447	9%
Compensated absences	266,493	236,000	30,493	13%
Certificates of participation	7,426,654	7,834,000	(407,346)	-5%
Capital leases	1,568,000	1,700,000	(132,000)	-8%
Less current portion	(821,765)	(789,000)	(32,765)	4%
Total Capital Assets	$ 30,898,240	$ 30,181,000	$ 717,240	2%

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of three existing circumstances of significance:

- The District has experienced growth in enrollment in recent years, and will need a fourth school.
- The District used 2023-2024 P2 ADA to project revenue for the budget year; however, the District expects growth in the budget year.
- The State provided a 1.07% COLA to the LCFF and special education funding.

These indicators were taken into account when adopting the general fund budget for 2024-25.

Amounts available for appropriation in the General fund budget are $24.3 million, a slight decrease of one percent over the 2023-24 General fund revenue of $24.6 million. The District received one-time funding in 2023-24 that will be used in 2024-25 to maintain programs such as intervention and counseling services and to start new programs such as arts and music and a counseling center at the middle school. The District also has one-time expenditures in the 2024-25 budget that will not carry forward to subsequent years. District staff will continuously monitor the budget throughout the year and make adjustments accordingly.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and 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 Dr. Jeff Roberts, Superintendent or Ajit Kang, Director of Business Services, 2743 Plumas School Road, Plumas Lake, California 95961, (530) 743-4428.

Basic Financial Statements

Plumas Lake Elementary School District
Statement of Net Position
June 30, 2024

		Governmental Activities
Assets:		
Cash and cash equivalents	$	23,561,540
Accounts receivable		1,424,956
Prepaid expenses		109,671
Capital assets not depreciated		5,977,000
Capital assets, net of accumulated depreciation and amortization		27,024,000
Total assets		58,097,167
Deferred Outflows of Resources:		
Deferred outflows of resources - Pensions		6,190,445
Deferred loss on refunding		559,000
Total deferred outflows of resources		6,749,445
Liabilities:		
Accounts payable		1,602,783
Unearned revenue		52,030
Long-term liabilities		
Other than pensions and OPEB due within one year		821,765
Other than pensions and OPEB due after one year		14,483,793
Net pension liability		16,348,000
Other postemployment benefits liability (OPEB)		66,447
Total liabilities		33,374,818
Deferred Inflows of Resources:		
Deferred inflows of resources - Pensions		733,645
Total deferred inflows of resources		733,645
Net Position:		
Net investment in capital assets		17,885,117
Restricted for:		
Debt service		3,267,222
Capital projects		10,627,918
Other purposes		3,302,979
Unrestricted		(4,345,087)
Total net position	$	30,738,149

The accompanying notes are an integral part of this statement.

Plumas Lake Elementary School District
Statement of Activities
Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Primary Government:				
Governmental Activities:				
Instruction	$ 16,260,275	$ -	$ 2,361,095	$ (13,899,180)
Instruction-related services	3,670,354	34,178	256,917	(3,379,259)
Pupil services	5,195,600	495,329	2,788,071	(1,912,200)
Ancillary services	1,417,804	90,097	1,008,331	(319,376)
General administration	2,187,168	1,288,830	261,938	(636,400)
Plant services	3,148,253	2,887,963	226,810	(33,480)
Other outgo	554,385	-	239,039	(315,346)
Interest on long-term obligations	311,737	-	-	(311,737)
Total governmental activities	32,745,576	4,796,397	7,142,201	(20,806,978)
Total primary government	$ 32,745,576	$ 4,796,397	$ 7,142,201	(20,806,978)
	General Revenues:			
	LCFF sources			18,538,875
	Federal revenues			42,511
	State revenues			3,053,640
	Local revenues			2,423,101
	Total general revenues			24,058,127
	Change in Net Position			3,251,149
	Net Position - Beginning			27,487,000
	Net Position - Ending			$ 30,738,149

The accompanying notes are an integral part of this statement.

Plumas Lake Elementary School District
Balance Sheet - Governmental Funds
June 30, 2024

	General Fund	Capital Facilities Fund	Debt Services Fund for Blended Component Units	Other Governmental Funds	Total Governmental Funds
Assets:					
Cash in County Treasury	$ 7,418,374	$11,134,501	$ 3,262,542	$ 1,690,513	$ 23,505,930
Cash on hand and in banks	-	-	-	50,000	50,000
Cash in revolving fund	5,100	-	-	500	5,600
Cash with a fiscal agent/trustee	-	-	10	-	10
Accounts receivable	1,023,644	71,000	21,770	308,542	1,424,956
Due from other funds	204,791	-	-	239,377	444,168
Prepaid expenditures	109,525	-	-	146	109,671
Total assets	8,761,434	11,205,501	3,284,322	2,289,078	25,540,335
Liabilities and Fund Balance:					
Liabilities:					
Accounts payable	$ 1,068,719	$ 437,014	$ -	$ 20,232	$ 1,525,965
Due to other funds	239,377	142,502	17,100	45,189	444,168
Unearned revenue	52,030	-	-	-	52,030
Total liabilities	1,360,126	579,516	17,100	65,421	2,022,163
Fund Balance:					
Nonspendable fund balances:					
Revolving cash	5,100	-	-	500	5,600
Prepaid items	109,525	-	-	146	109,671
Restricted fund balances	1,916,733	10,625,985	3,267,222	1,388,179	17,198,119
Committed fund balances	650,318	-	-	834,832	1,485,150
Assigned fund balances	3,089,200	-	-	-	3,089,200
Reserve for economic uncertainty	1,630,432	-	-	-	1,630,432
Total fund balance	7,401,308	10,625,985	3,267,222	2,223,657	23,518,172
Total liabilities and fund balances	$ 8,761,434	$11,205,501	$ 3,284,322	$ 2,289,078	$ 25,540,335

The accompanying notes are an integral part of this statement.

Total Fund Balances - Balance Sheet, Governmental Funds	$ 23,518,172
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	66,675,000
Accumulated depreciation/amortization	(33,674,000)
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Accrued interest payable	(76,818)
Special tax bonds payable	(3,371,411)
Other post-employment benefits payable (OPEB)	(66,447)
Net pension liability	(16,348,000)
Compensated absences payable	(266,493)
Certificates of participation payable	(7,426,654)
Leases payable	(1,568,000)
Note payable	(2,673,000)
Deferred outflows and inflows of resources are not reported in the funds because they are applicable to future periods:	
Deferred outflows of resources related to pensions	6,190,445
Deferred inflows of resources related to pensions	(733,645)
Deferred loss on debt refunding	559,000
Total Fund Balance of Governmental Activities - Statement of Net Position	$ 30,738,149

The accompanying notes are an integral part of this statement.

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

	General Fund	Capital Facilities Fund	Debt Services Fund for Blended Component Units	Other Governmental Funds	Total Governmental Funds
Revenues:					
LCFF sources:					
State apportionment or State aid	$ 13,810,932	$ -	$ -	$ -	$ 13,810,932
Education protection account funds	2,724,735	-	-	-	2,724,735
Local sources	1,766,181	-	-	237,027	2,003,208
Federal revenue	657,522	-	-	773,411	1,430,933
Other State revenue	3,312,820	-	-	1,150,620	4,463,440
Other local revenue	2,640,801	5,074,114	1,209,461	227,026	9,151,402
Total revenues	24,912,991	5,074,114	1,209,461	2,388,084	33,584,650
Expenditures:					
Current:					
Instruction	13,289,138	-	-	-	13,289,138
Instruction-related services	2,951,373	-	-	-	2,951,373
Pupil services	2,570,820	-	-	1,638,489	4,209,309
Ancillary services	1,055,141	-	-	132,371	1,187,512
General administration	1,489,783	340,905	-	45,189	1,875,877
Plant services	2,407,909	-	-	254,492	2,662,401
Other outgo	554,385	-	-	-	554,385
Capital outlay	185,848	566,020	-	-	751,868
Debt service:					
Principal	113,000	407,346	249,589	-	769,935
Interest and other service charges	53,713	238,078	74,128	-	365,919
Total expenditures	24,671,110	1,552,349	323,717	2,070,541	28,617,717
Excess (Deficiency) of Revenues Over (Under) Expenditures	241,881	3,521,765	885,744	317,543	4,966,933
Other Financing Sources (Uses):					
Transfers in	17,100	645,424	-	-	662,524
Transfers out	-	-	(662,524)	-	(662,524)
Total other financing sources (uses)	17,100	645,424	(662,524)	-	-
Net Change in Fund Balance	258,981	4,167,189	223,220	317,543	4,966,933
Fund Balance, July 1	7,142,327	6,458,796	3,044,002	1,906,114	18,551,239
Fund Balance, June 30	$ 7,401,308	$ 10,625,985	$ 3,267,222	$ 2,223,657	$ 23,518,172

The accompanying notes are an integral part of this statement.

Plumas Lake Elementary 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	$ 4,966,933
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	752,000
Depreciation and amortization expense	(2,232,000)
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:	769,935
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	54,182
Compensated absences	(30,493)
Other post-employment benefits cost in excess of contributions	(5,447)
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.	19,239
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:	(1,043,200)
Change in Net Position of Governmental Activities - Statement of Activities	$ 3,251,149

The accompanying notes are an integral part of this statement.

Note 1 - Summary of Significant Accounting Policies

Plumas Lake Elementary 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 fiduciary 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.

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

Debt Service Fund for Blended Component Units is used to account for the District’s interest in the Debt Service Fund of a Community Facilities District, which is used to account for both the accumulation of resources from ad valorem tax levies and the interest and redemption of principal of the Special Tax Bonds issued by the Community Resource Facilities District for projects at the District.

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.

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

Deferred Maintenance Fund is used to account separately for revenues that are restricted or committed for deferred maintenance purposes.

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.

Capital Projects Fund for Blended Component Units is used to account for the District’s interest in Capital Projects Fund of a Community Facilities 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 Yuba 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 Yuba 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 estimated 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	$ 204,791	$ 239,377
Cafeteria Special Revenue Fund	2,350	45,189
Deferred Maintenance Fund	237,027	-
Capital Facilities Fund	-	142,502
Debt Services Fund for Blended Component Units	-	17,100
Total	$ 444,168	$ 444,168

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

Transfers From	Transfers To	Amount	Reason
Debt Services Fund for Blended Component Units	Capital Facilities Fund	$ 645,424	Certificate of Participation payments
Debt Services Fund for Blended Component Units	General Fund	17,100	Administrative costs for Community Facilities District
		$ 662,524	

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 Yuba 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):	
Certificated Salaries	$ 3,289,804
Employee Benefits	1,554,608
Other Outgo	200,462
Debt Service	8,342
Capital Facilities Fund:	
Capital Outlay	566,020
Debt Service	203,740
Debt Services Fund for Blended Component Units:	
Debt Service	323,717

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

Capital Facilities Fund: The District incurred unanticipated expenditures for capital outlay and debt service.

Debt Services Fund for Blended Component Units: The District incurred unanticipated expenditures for debt service.

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 Yuba County Treasury as part of the common investment pool. The fair value of the District's portion of this pool as of that date, as provided by the pool sponsor, was $23,505,930. 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 ($50,000 as of June 30, 2024) and in the revolving fund of $5,600 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	$ 23,505,930
Cash on hand and in banks	50,000
Cash in revolving fund	5,600
Cash with a fiscal agent/trustee	10
Total cash and cash equivalents	$ 23,561,540

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)	Capital Facilities Fund	Debt Services Fund for Blended Component Units	All Other Governmental Funds	Total Governmental Funds
Federal programs	$ 723,470	$ -	$ -	$ 295,742	$ 1,019,212
State categorical aid programs	201,183	-	-	-	201,183
Other state receivables	9,212	-	-	-	9,212
Interest	50,631	71,000	21,770	12,800	156,201
Other local receivables	39,148	-	-	-	39,148
Total	$ 1,023,644	$ 71,000	$ 21,770	$ 308,542	$ 1,424,956

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	$ 5,411,000	$ -	$ -	$ 5,411,000
Work in progress	-	566,000	-	566,000
Total capital assets not being depreciated	5,411,000	566,000	-	5,977,000
Capital assets being depreciated:				
Buildings	56,013,000	-	-	56,013,000
Improvements of sites	2,430,000	-	-	2,430,000
Equipment	1,975,000	186,000	-	2,161,000
Leased assets	94,000	-	-	94,000
Total capital assets being depreciated	60,512,000	186,000	-	60,698,000
Less: Accumulated depreciation/amortization for:				
Buildings	(29,266,000)	(1,920,000)	-	(31,186,000)
Improvements of sites	(1,005,000)	(160,000)	-	(1,165,000)
Equipment	(1,133,000)	(133,000)	-	(1,266,000)
Leased assets amortization	(38,000)	(19,000)	-	(57,000)
Total accumulated depreciation/amortization	(31,442,000)	(2,232,000)	-	(33,674,000)
Total capital assets being depreciated/amortized, net	29,070,000	(2,046,000)	-	27,024,000
Total governmental activities capital assets, net	$ 34,481,000	$(1,480,000)	$ -	$ 33,001,000

Depreciation/amortization was charged to functions as follows:

Instruction	$	1,233,000
Supervision of instruction		116,000
School site administration		160,000
Food services		85,000
All other pupil services		288,000
Ancillary services		79,000
All other general administration		87,000
Data processing		16,000
Plant services		168,000
Total	$	2,232,000

Note 5 - Accounts Payable

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

	General Fund (Combined)	Capital Facilities Fund	All Other Governmental Funds	Total Governmental Funds
Vendor payables	$ 325,637	$ 437,014	$ 9,363	$ 772,014
Salaries and benefits	449,660	-	10,395	460,055
Other	293,422	-	474	293,896
Total	$ 1,068,719	$ 437,014	$ 20,232	$ 1,525,965

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)
Career Technical Education Incentive Grant Program	$ 51,097
Tobacco-Use Prevention Education: Grades Six Through Twelve	933
Total	$ 52,030

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
Mello Roos special tax bonds	$ 3,621,000	$ -	$ (249,589)	$ 3,371,411	$ 249,442
Other post-employment benefits	61,000	5,447	-	66,447	-
Net pension liability	14,845,000	1,503,000	-	16,348,000	-
Compensated absences	236,000	30,493	-	266,493	-
Certificates of participation	7,834,000	-	(407,346)	7,426,654	433,323
Leases liability	1,700,000	-	(132,000)	1,568,000	139,000
Note payable	2,673,000	-	-	2,673,000	-
Total governmental activities	$ 30,970,000	$ 1,538,940	$ (788,935)	$ 31,720,005	$ 821,765

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

Liability	Activity Type	Fund
Mello Roos special tax bonds	Governmental	Bond Interest and Redemption
Other post-employment benefits	Governmental	General
Net pension liability	Governmental	General
Compensated absences	Governmental	General
Certificates of participation	Governmental	General
Leases liability	Governmental	General
Note payable	Governmental	General

Mello Roos Special Tax Bonds

In March of 2022 the District's CFD numbers one and two refinanced the previously refinanced bonds. The difference in cashflow requirements between these two issues is a reduction of $342,772 for CFD #1 and $102,413 for SFD #2. This resulted in an economic loss, however, of $84,000 which will be amortized over the life of the bonds.

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

Special Tax Bonds	Date of Issue	Maturity Date	Interest Rate %
CFD #1	3/3/22	8/1/35	2.12%
CFD #2	3/3/22	8/1/35	2.12%

Special Tax Bonds	Original Issue	Bond Outstanding 07/01/2023	Issued During Year	Redeemed During Year	Bond Outstanding 06/30/2024
CFD #1	$ 2,979,352	$ 2,788,000	$ -	$ (191,891)	$ 2,596,109
CFD #2	886,954	833,000	-	(57,698)	775,302
	$ 3,866,306	$ 3,621,000	$ -	$ (249,589)	$ 3,371,411

The annual requirements to amortize special tax bonds, payable and outstanding, as of June 30, 2024 are as follows:

	Special Tax Bonds		
Year Ending June 30,	Debt	Interest	Total
2025	$ 249,442	$ 68,838	$ 318,280
2026	259,182	63,447	322,629
2027	264,638	57,894	322,532
2028	272,874	52,196	325,070
2029	270,833	46,433	317,266
2030-2034	1,437,394	142,723	1,580,117
2035-2036	617,048	13,200	630,248
Totals	$ 3,371,411	$ 444,731	$ 3,816,142

Certificates of Participation

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

	Certificate of Participation		
Year Ending June 30,	Debt	Interest	Total
2025	$ 433,323	$ 224,964	$ 658,287
2026	438,962	211,356	650,318
2027	454,227	197,422	651,649
2028	469,239	182,652	651,891
2029	484,016	167,782	651,798
2030-2034	2,661,171	600,814	3,261,985
2035-2039	2,286,958	176,602	2,463,560
2040-2040	198,758	3,108	201,866
Totals	$ 7,426,654	$ 1,764,700	$ 9,191,354

Note Payable

The District's development of the Rio Del Oro Elementary School was funded in part by the Plumas Lake Owners Group (PLOG). Upon completion of the school site, the District acquired a liability in the amount of $7,014,232. The payment terms of the liability are that the District makes payments if there is adequate cash flow in the Capital Facilities Fund from developer fees. This liability is non-interest bearing. The District did not make any payments during the 2023-24 year. The outstanding liability at June 30, 2024 is $2,673,000.

Compensated Absences

Compensated absences at June 30, 2024 consisted of:

	Compensated Absences	Benefits	Total
Classified	$ 200,371	$ 66,122	$ 266,493

All amounts are due after one year.

Leases

On September 1, 2016, the District entered into a site lease agreement with the Public Property Financing Corporation of California (the Corporation) to fund the District's solar projects. The District is leasing District sites to the Corporation. During the lease, the corporation is providing site improvement which consist of solar panels and any construction needed (in association with the solar panels) at the three school sites. The capital lease has been funded by Clean Renewable Energy Bonds that were issued for $2,194,000, with an annual interest rate of 3.33%. The bond debt service payments is the same schedule as the capital lease payment schedule.

In June 2021 the District entered into a five year lease agreement to lease eight copiers, for $94,000 with a 2.18% annual interest rate.

Future lease payment obligations are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 139,000	$ 50,883	$ 189,883
2026	145,000	45,837	190,837
2027	135,000	41,592	176,592
2028	140,000	37,096	177,096
2029	148,000	32,368	180,368
2030-2034	861,000	81,585	942,585
Total	$ 1,568,000	$ 289,361	$ 1,857,361

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%	$ 809,445
2023	10.83%	690,062
2024	10.83%	880,767

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	$ 1,865,448	$ 1,247,816	$ 3,113,264
Contributions - State On Behalf Payments	880,767	-	880,767
Total Contributions	$ 2,746,215	$ 1,247,816	$ 3,994,031

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	$ 11,493,000
CalPERS	7,730,000
Total Net Pension Liability	$ 19,223,000

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	0.012%	0.006%	0.018%	0.018%
Proportion June 30, 2024	0.015%	0.007%	0.022%	0.021%
Change in Proportion	0.003%	0.001%	0.004%	0.003%

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

<u>*Pension Expense*</u>

	CalSTRS	CalPERS	Total
Change in Net Pension Liability (Asset)	$ 2,904,000	$ 1,474,000	$ 4,378,000
On Behalf Contribution Amount	880,767	-	880,767
Employer Contributions to Pension Plan	1,732,927	937,805	2,670,732
Change in Other Outflows/Inflows of Resources	(483,891)	24,091	(459,800)
Total Pension Expense	$ 5,033,803	$ 2,435,896	$ 7,469,699

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	$ 2,460,925	$ 1,247,816	$ 3,708,741
Differences between actual and expected experience	903,154	282,075	1,185,229
Changes in assumptions	66,548	356,100	422,648
Net difference between projected and actual earnings	49,194	825,633	874,827
Total Deferred Outflows of Resources	$ 3,479,821	$ 2,711,624	$ 6,191,445

	Deferred Inflows of Resources		
	CalSTRS	CalPERS	Total
Differences between actual and expected experience	$ (614,930)	$ (118,715)	$ (733,645)
Total Deferred Inflows of Resources	$ (614,930)	$ (118,715)	$ (733,645)

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		
Year Ended June 30	CalSTRS	CalPERS	CalSTRS	CalPERS	Net Effect on Expenses
2025	$ 1,655,059	$ 1,691,506	$ (171,531)	$ (64,098)	$ 3,110,936
2026	(415,466)	359,820	(169,177)	(54,617)	(279,440)
2027	1,082,397	634,604	(129,384)	-	1,587,617
2028	175,229	25,694	(108,711)	-	92,212
2029	129,022	-	(36,127)	-	92,895
Thereafter	853,580	-	-	-	853,580
Total	$ 3,479,821	$ 2,711,624	$ (614,930)	$ (118,715)	$ 5,457,800

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	$ 19,278,462	$ 11,175,018
Current Discount Rate	7.10%	6.90%
Net Pension Liability	$ 11,493,000	$ 7,730,000
1% Increase	8.10%	7.90%
Net Pension Liability	$ 5,026,126	$ 4,882,059

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

Note 9 - Postemployment Benefits other than Pension Benefits (OPEB)

General Information about the OPEB plan

Plan Description

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

Benefits Provided

The MPP Program pays Medicare Part A premiums and Medicare Parts A and B late enrollment surcharges for eligible members of the STRP DB Program who were retired or began receiving a disability allowance prior to July 1, 2012 and were not eligible for premium free Medicare Part A.

Contributions

The MPP Program is funded on a pay-as-you go basis from a portion of monthly contributions, by local education agencies in the retirement system. In accordance with California Education Code §25930, contributions that would otherwise be credited to the DB Program each month are instead credited to the MPP Program to fund monthly program and administrative costs. Total redirections to the MPP Program are monitored to ensure that total incurred costs do not exceed the amount initially identified as the cost of the program. Total contributions directed to the MPP Program for year 2022-23 was $25.8 million. The MPP Program contributions generally being made at the same time and in the same amount as benefit payments and expenses coming due. Any funds within the MPP Program as of June 30, 2023 were to manage differences between estimated and actual amounts to be paid and were invested in the Surplus Money Investment Fund, which is a pooled investment program administered by the California State Treasurer.

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

The calculations contained in this analysis have been performed using the results of the June 30, 2022 Medicare Premium Payment (MPP) Program actuarial funding, with certain revisions to assumptions as required by GASB 74 and 75 and described later in this report. The liabilities have been projected to June 30, 2023 and combined with the actual Teachers' Health Benefit Fund (THBF) assets of June 30, 2023.

At June 30, 2024, the District reported a liability of $2,689 for its proportionate share of the net OPEB liability. The District's proportion was as follows:

	CalSTRS
	District's Proportionate Share
Proportion June 30, 2024	0.01855%
Proportion June 30, 2023	0.02232%
Change in Proportion	0.00377%

For the year ended June 30, 2024, the District recognized pension benefit of $5,447.

Actuarial Methods, Assumptions, and Discount Rate Information

Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date.

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Individual Entry age
Inflation	2.75%
Discount Rate	3.65%
Medicare Part A and B Premium Costs Trend Rate	See Medicare Costs Trend Rate

Discount Rate

The MPP Program benefits are effectively funded on a pay-as-you-go basis through the THBF. As the THBF has effectively been depleted as of the measurement date, the discount rate has been set to the municipal bond index because the expected long-term rate of return of the invested assets is not expected to be materially better than the municipal bond index rate. A discount rate of 3.65% was used for June 30, 2023. The discount rates are based on the municipal bond index previously discussed.

Medicare costs trend rate

The June 30, 2022, valuation uses the 2023 Medicare Part A and Part B premiums as the basis for future premium calculations. Future premiums are assumed to increase with a medical trend rate that varies by year, as shown in the following table:

	Assumed Annual Increase	
Years*	Part A	Part B
2019-2028	4.3%	5.5%
2029-2038	5.0%	5.1%
2039-2048	4.9%	4.5%
2049 & later	4.3%	4.4%

*Trend rates indicate medical inflation in the specific year and therefore affect the premiums for the following year. For example, the projected 2022-2023 premium is the 2021-2022 premium increased by the assumed 2021-2022 trend rate.

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

Presented below is the net OPEB liability of employers using the current discount rate as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	Medicare Costs		
	1% Decrease	Trend Rate	1% Increase
	2.65%	3.65%	4.65%
District's proportionate share of the net OPEB liability	$ 2,979	$ 2,689	$ 2,534

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

Presented below is the net OPEB liability of employers using the current Medicare costs trend rates, as well as what the net OPEB liability would be if it were calculated using Medicare costs trend rates that are 1% lower and 1% higher than the current rate:

	Medicare Costs		
	1% Decrease	Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	$ 2,522	$ 2,689	$ 2,989

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalSTRS Comprehensive Annual Financial Report, but there are effectively no assets in the trust, as noted below.

The components of the net OPEB liability of the MPP Program for participating employers as of June 30, 2023, are as follows:

Total OPEB liability	$	300,566,502
Less: MPP Program fiduciary net position		(2,870,564)
Net OPEB liability of employers	$	303,437,066
MPP Program fiduciary net position as a % of the total OPEB liability		-0.96%

Note 10 - 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.

Note 11 - Restricted Fund Balances

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

Expanded Learning Opportunities Program	$ 50,743
Educator Effectiveness, FY 2021-22	249,788
Lottery: Instructional Materials	357,076
Mental Health-Related Services	22,143
Arts, Music, and Instructional Materials Discretionary Block Grant	433,154
Arts and Music in Schools (AMS)-Funding Guarantee and Accountability Act (Prop 28)	210,969
Child Nutrition: Kitchen Infrastructure and Training Funds - 2022 KIT Funds	83,570
Classified School Employee Summer Assistance Program	2
Other Restricted Local	509,288
Student Body Fund	62,615
Cafeteria Special Revenue Fund	1,323,631
Capital Facilities Fund	10,625,985
Special Reserve Fund for Capital Outlay Projects	1,813
Capital Project Fund for Blended Component Units	120
Debt Services Fund for Blended Component Units	3,267,222
Total	$ 17,198,119

Note 12 - Joint Power Agreements

The District is a member of two joint powers authorities ("JPAs"). The first is the Tri-County Schools Insurance Group ("TCSIG") to provide health, dental, vision, and life insurance, to the District's certificated and classified employees. Additionally, TCSIG provides property and liability insurance up to $5,000,000 and provides workers' compensation insurance. The second is the School Excess Liability Fund ("SELF") to provide liability and property insurance in excess of $5,000,000. The relationships are such that the JPAs are not component units of the District for financial reporting purposes.

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

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.

Tri-County Schools Insurance Group	400 Plumas Blvd. Suite 210 Yuba City, CA 95991
School Excess Liability Fund	1531 I Street Suite 300 Sacramento, CA 95814

Note 13 - Subsequent Events

Subsequent events have been evaluated through December 6, 2024, the date these financial statements were available to be issued.

Required Supplementary Information

Plumas Lake Elementary School District
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	$ 9,363,770	$ 9,467,817	$ 13,810,932	$ 4,343,115
Education protection account funds	3,804,272	3,742,401	2,724,735	(1,017,666)
Local sources	3,558,534	3,719,000	1,766,181	(1,952,819)
Federal revenue	1,525,621	2,056,295	657,522	(1,398,773)
Other State revenue	2,958,724	3,978,334	3,312,820	(665,514)
Other local revenue	893,961	1,734,404	2,640,801	906,397
Total revenues	22,104,882	24,698,251	24,912,991	214,740
Expenditures:				
Current:				
Certificated salaries	7,213,620	7,266,613	10,556,417	3,289,804
Classified salaries	4,327,600	4,248,316	4,210,774	(37,542)
Employee benefits	4,667,414	4,534,707	6,089,315	1,554,608
Books and supplies	1,528,791	2,360,510	871,770	(1,488,740)
Services and other	2,898,338	3,271,854	2,081,077	(1,190,777)
Other outgo	71,116	353,923	554,385	200,462
Direct support / indirect costs	(50,000)	(50,000)	(45,189)	4,811
Capital outlay	150,000	1,383,658	185,848	(1,197,810)
Debt service:				
Principal	-	-	113,000	113,000
Interest and other service charges	158,371	158,371	53,713	(104,658)
Total expenditures	20,965,250	23,527,952	24,671,110	1,143,158
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,139,632	1,170,299	241,881	(928,418)
Other Financing Sources (Uses):				
Transfers in	1,400,000	2,050,000	17,100	(2,032,900)
Transfers out	(1,990,204)	(3,710,204)	-	3,710,204
Total other financing sources (uses)	(590,204)	(1,660,204)	17,100	1,677,304
Net Change in Fund Balance	549,428	(489,905)	258,981	748,886
Fund Balance, July 1	7,142,327	7,142,327	7,142,327	-
Fund Balance, June 30	$ 7,691,755	$ 6,652,422	$ 7,401,308	$ 748,886

Plumas Lake Elementary School District
Capital Facilities Fund
Budgetary Comparison Schedule
June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Other local revenue	$ 1,001,102	$ 5,074,114	$ 4,073,012
Total revenues	1,001,102	5,074,114	4,073,012
Expenditures:			
Current:			
Classified salaries	65,542	-	(65,542)
Employee benefits	29,593	-	(29,593)
Services and other	395,300	340,905	(54,395)
Capital outlay	-	566,020	566,020
Debt service:			
Principal	437,905	407,346	(30,559)
Interest and other service charges	3,779	238,078	234,299
Total expenditures	932,119	1,552,349	620,230
Excess (Deficiency) of Revenues Over (Under) Expenditures	68,983	3,521,765	3,452,782
Other Financing Sources (Uses):			
Transfers in	-	645,424	645,424
Total other financing sources (uses)	-	645,424	645,424
Net Change in Fund Balance	68,983	4,167,189	4,098,206
Fund Balance, July 1	6,458,796	6,458,796	-
Fund Balance, June 30	$ 6,527,779	$ 10,625,985	$ 4,098,206

Plumas Lake Elementary School District
Debt Services Fund for Blended Component Units
Budgetary Comparison Schedule
June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Other local revenue	$ 54,462	$ 1,209,461	$ 1,154,999
Total revenues	54,462	1,209,461	1,154,999
Expenditures:			
Debt service:			
Principal	-	249,589	249,589
Interest and other service charges	-	74,128	74,128
Total expenditures	-	323,717	323,717
Excess (Deficiency) of Revenues Over (Under) Expenditures	54,462	885,744	831,282
Other Financing Sources (Uses):			
Transfers out	-	(662,524)	(662,524)
Total other financing sources (uses)	-	(662,524)	(662,524)
Net Change in Fund Balance	54,462	223,220	168,758
Fund Balance, July 1	3,044,002	3,044,002	-
Fund Balance, June 30	$ 3,098,464	$ 3,267,222	$ 168,758

Plumas Lake Elementary 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)	0.015%	0.012%	0.012%	0.011%	0.011%	0.010%	0.010%	0.009%	0.009%	0.009%
District's proportionate share of the net pension liability (asset)	11,493,000	8,590,000	5,545,000	11,132,000	9,543,000	9,413,000	9,217,000	7,672,000	6,336,000	5,100,000
State's proportionate share of the net pension liability (asset) associated with the District	5,506,618	2,875,000	1,856,000	3,787,000	3,369,000	3,427,000	3,424,000	2,783,000	2,192,000	1,955,000
Total	$16,999,618	$11,465,000	$7,401,000	$14,919,000	$12,912,000	$12,840,000	$12,641,000	$10,455,000	$8,528,000	$7,055,000
District's covered-employee payroll	$10,556,417	$ 9,080,000	$7,247,000	$ 6,519,000	$ 6,131,000	$ 5,823,000	$ 5,358,000	$ 4,758,000	$4,387,000	$3,913,000
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	108.87%	94.60%	76.51%	170.76%	155.65%	161.65%	172.02%	161.24%	144.43%	130.33%
Plan fiduciary net position as a percentage of the total pension liability	81%	81.00%	87.00%	72.00%	73.00%	71.00%	70.00%	74.00%	77.00%	76.00%

Plumas Lake Elementary 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)	0.021%	0.018%	0.017%	0.015%	0.014%	0.014%	0.013%	0.013%	0.013%	0.013%
District's proportionate share of the net pension liability (asset)	$7,730,000	$6,255,000	$3,456,000	$4,597,000	$3,960,000	$3,672,000	$3,112,000	$2,547,000	$1,946,000	$1,484,000
District's covered-employee payroll	$4,791,027	$3,729,000	$2,790,000	$2,450,000	$2,157,000	$1,881,000	$1,817,000	$1,661,000	$1,536,000	$1,462,000
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	161%	168%	124%	188%	184%	195%	171%	153%	127%	102%
Plan fiduciary net position as a percentage of the total pension liability	70%	70%	81%	70%	70%	71%	72%	74%	79%	83%

Plumas Lake Elementary 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	1,732,927	1,735,000	1,226,000	1,053,000	1,048,000	948,000	773,000	672,000	511,000	390,000
Contributions in relation to the contractually required contribution	(1,732,927)	(1,735,000)	(1,226,000)	(1,053,000)	(1,048,000)	(948,000)	(773,000)	(672,000)	(511,000)	(390,000)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$10,556,417	$ 9,080,000	$ 7,247,000	$ 6,519,000	$ 6,131,000	$5,823,000	$5,358,000	$4,758,000	$4,387,000	$3,913,000
Contributions as a percentage of covered-employee payroll	16%	19%	17%	16%	17%	16%	14%	14%	12%	10%

Plumas Lake Elementary 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	937,805	946,000	639,000	507,000	425,000	340,000	282,000	231,000	182,000	172,000
Contributions in relation to the contractually required contribution	(937,805)	(946,000)	(639,000)	(507,000)	(425,000)	(340,000)	(282,000)	(231,000)	(182,000)	(172,000)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$4,791,027	$3,729,000	$2,790,000	$2,450,000	$2,157,000	$1,881,000	$1,817,000	$1,661,000	$1,536,000	$1,462,000
Contributions as a percentage of covered-employee payroll	20%	25%	23%	21%	20%	18%	16%	14%	12%	12%

Plumas Lake Elementary 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:							
Total OPEB liability - beginning	61,000	73,000	62,000	61,000	60,000	66,000	66,000
Total OPEB liability - ending	$ 66,000	$ 61,000	$ 73,000	$ 62,000	$ 61,000	$ 60,000	$ 66,000
Total OPEB liability as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*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 for those years for which information is available.

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Supplementary Information

The Plumas Lake Elementary School District (the “District”) is located in the southwest portion of Yuba County (the “County”) and includes a portion of the incorporated area of the City of Marysville, and a small portion of the town of Arboga, an adjacent unincorporated territory (no changes noted). The District was formed in approximately 1860, and is located approximately 40 miles from downtown Sacramento, and about 85 miles from San Francisco. U.S. Highway 70 passes through the District and is a connector between Sacramento, Yuba, and Butte Counties. U.S. Interstate 5, the principal north-south highway connecting the Pacific coastal states, is located approximately 25 miles west of the District. The District currently operates two elementary schools for grades TK-5 and one intermediate school for grades 6-8.

Governing Board

Name	Office	Term Expiration
David Villanueva	President	2024
Angela Covil	Member	2026
Aaron Cask	Member	2026
Veronica Brown	Member	2026
Cody Hess*	Member	2024

Administration

Jeff Roberts, Ed. D.
Superintendent

Ajit Kang
Director of Business Services

* Michelle Perrault was a board member until March 14, 2024. Cody Hess was selected to replace Ms. Perrault at the District's May 2024 board meeting.

Plumas Lake Elementary School District
Schedule of Average Daily Attendance
Year Ended June 30, 2024

	Second Period Report	Annual Report
Grades TK-3:		
Regular ADA	714.43	719.99
Special Education - Nonpublic, Nonsectarian	-	-
Extended Year Special Education	0.58	0.58
Grades TK-3 Total	715.01	720.57
Grades 4-6:		
Regular ADA	525.72	526.49
Special Education - Nonpublic, Nonsectarian	2.72	2.74
Extended Year Special Education	0.76	0.76
Grades 4-6 Total	529.20	529.99
Grades 7 and 8:		
Regular ADA	314.79	313.37
Special Education - Nonpublic, Nonsectarian	1.00	0.99
Extended Year Special Education	0.13	0.13
Grades 7 and 8 Total	315.92	314.49
ADA Grand Total	1,560.13	1,565.05

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.

Plumas Lake Elementary 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
Transitional Kindergarten	36,000	N/A	57,400	180	N/A	Complied
Kindergarten	36,000	N/A	57,400	180	N/A	Complied
Grade 1	50,400	N/A	57,400	180	N/A	Complied
Grade 2	50,400	N/A	57,400	180	N/A	Complied
Grade 3	50,400	N/A	57,400	180	N/A	Complied
Grade 4	54,000	N/A	57,400	180	N/A	Complied
Grade 5	54,000	N/A	57,400	180	N/A	Complied
Grade 6	54,000	N/A	59,580	180	N/A	Complied
Grade 7	54,000	N/A	59,580	180	N/A	Complied
Grade 8	54,000	N/A	59,580	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.

Plumas Lake Elementary 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	$25,028,203	$24,930,091	$24,480,916	$17,761,674
Expenditures	26,263,363	24,671,110	22,101,774	17,623,931
Other uses and transfers out	-	-	-	-
Total outgo	26,263,363	24,671,110	22,101,774	17,623,931
Change in fund balance (deficit)	(1,235,160)	258,981	2,379,142	137,743
Ending fund balance	$ 6,166,148	$ 7,401,308	$ 7,142,327	$ 4,763,185
Available reserves (see note b)	$ 1,575,802	$ 1,630,432	$ 1,187,261	$ 2,391,124
Available reserves as a percentage of total outgo	6.0%	6.6%	5.4%	13.6%
Total long-term debt	N/A	$31,720,005	$30,970,000	$25,825,000
Average daily attendance at P-2	1,562	1,560	1,459	1,341

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 $2,638,123 (55.4%) over the past two years. The fiscal year 2024-2025 budget projects a decrease of $1,235,160 (16.7%). 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 increased by $5,895,005 over the past two years.

Average daily attendance has increased by 219 over the past two years. The District anticipates average daily attendance to increase by 2 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.

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.

	General Fund	Student Body Fund	Cafeteria Special Revenue Fund	Deferred Maintenance Fund
June 30, 2024, annual financial and budget report fund balances	$ 7,251,145	$ 62,681	$ 1,315,553	$ 822,991
Adjustments and reclassifications:				
To record fair market value of cash in county treasury	150,163	(66)	8,724	11,841
Net adjustments and reclassifications	150,163	(66)	8,724	11,841
June 30, 2024, audited financial statement fund balances	$ 7,401,308	$ 62,615	$ 1,324,277	$ 834,832

	Capital Facilities Fund	Special Reserve Fund for Capital Outlay Projects	Capital Project Fund for Blended Component Units	Debt Services Fund for Blended Component Units
June 30, 2024, annual financial and budget report fund balances	$10,521,747	$ 1,780	$ 118	$ 3,208,348
Adjustments and reclassifications:				
To record fair market value of cash in county treasury	104,238	33	2	58,874
Net adjustments and reclassifications	104,238	33	2	58,874
June 30, 2024, audited financial statement fund balances	$10,625,985	$ 1,813	$ 120	$ 3,267,222

Charter Schools

The following charter schools are chartered by the Plumas Lake Elementary School District.

Charter Schools	Included in Audit
None	Not applicable

Plumas Lake Elementary 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	$ 719,614
Total Child Nutrition Cluster			719,614
CACFP COVID-19 Emergency Operational Costs Reimbursement (ECR)	10.558	15577	53,797
Total U.S. Department of Agriculture			773,411
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	346,004
Special Ed: IDEA Preschool Grants, Part B, Section 619 (Age 3-4-5)	84.173	13430	13,084
Special Ed: IDEA Mental Health Average Daily Attendance (ADA) Allocation, Part B, Sec 611	84.027A	15197	18,612
Special Ed: IDEA Preschool Staff Development, Part B, Sec 619	84.173A	13431	136
Total Special Education Cluster			377,836
ESEA (ESSA): Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	171,580
Federal Impact Aid (ESSA Title VII - Formerly NCLB Title VIII)	84.041	10015	42,511
ESEA (ESSA) : Title III, English Learner Student Program	84.365	14346	27,337
ESEA (ESSA): Title II, Part A, Supporting Effective Instruction Local Grants	84.367	14341	28,258
ESEA (ESSA) Title IV, Part A, Student Support and Academic Enrichment Grants	84.424	15396	10,000
Total U.S. Department of Education			657,522
Total Federal Programs			$ 1,430,933

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 Plumas Lake Elementary 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.

Plumas Lake Elementary 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.

Plumas Lake Elementary School District
Combining Balance Sheet - Nonmajor Funds
June 30, 2024

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Cash in County Treasury	$ 1,688,580	$ 1,933	$ 1,690,513
Cash on hand and in banks	50,000	-	50,000
Cash in revolving fund	500	-	500
Accounts receivable	308,542	-	308,542
Due from other funds	239,377	-	239,377
Prepaid expenditures	146	-	146
Total assets	2,287,145	1,933	2,289,078
Liabilities and Fund Balance:			
Liabilities:			
Accounts payable	$ 20,232	$ -	$ 20,232
Due to other funds	45,189	-	45,189
Total liabilities	65,421	-	65,421
Fund Balance:			
Nonspendable fund balances:			
Revolving cash	500	-	500
Prepaid items	146	-	146
Restricted fund balances	1,386,246	1,933	1,388,179
Committed fund balances	834,832	-	834,832
Total fund balance	2,221,724	1,933	2,223,657
Total liabilities and fund balances	$ 2,287,145	$ 1,933	$ 2,289,078

The accompanying notes are an integral part of this statement.

Plumas Lake Elementary 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	Total Nonmajor Governmental Funds
Revenues:			
LCFF sources:			
Local sources	$ 237,027	$ -	$ 237,027
Federal revenue	773,411	-	773,411
Other State revenue	1,150,620	-	1,150,620
Other local revenue	226,944	82	227,026
Total revenues	2,388,002	82	2,388,084
Expenditures:			
Current:			
Pupil services	1,638,489	-	1,638,489
Ancillary services	132,371	-	132,371
General administration	45,189	-	45,189
Plant services	254,492	-	254,492
Total expenditures	2,070,541	-	2,070,541
Excess (Deficiency) of Revenues Over (Under) Expenditures	317,461	82	317,543
Net Change in Fund Balance	317,461	82	317,543
Fund Balance, July 1	1,904,263	1,851	1,906,114
Fund Balance, June 30	$ 2,221,724	$ 1,933	$ 2,223,657

The accompanying notes are an integral part of this statement.

Plumas Lake Elementary School District
Combining Balance Sheet - Nonmajor Special Revenue Funds
June 30, 2024

	Student Body Fund	Cafeteria Special Revenue Fund	Deferred Maintenance Fund	Total Nonmajor Special Revenue Funds
Assets:				
Cash in County Treasury	$ 12,615	$ 1,083,320	$ 592,645	$ 1,688,580
Cash on hand and in banks	50,000	-	-	50,000
Cash in revolving fund	-	500	-	500
Accounts receivable	-	303,382	5,160	308,542
Due from other funds	-	2,350	237,027	239,377
Prepaid expenditures	-	146	-	146
Total assets	62,615	1,389,698	834,832	2,287,145
Liabilities and Fund Balance:				
Liabilities:				
Accounts payable	$ -	$ 20,232	$ -	$ 20,232
Due to other funds	-	45,189	-	45,189
Total liabilities	-	65,421	-	65,421
Fund Balance:				
Nonspendable fund balances:				
Revolving cash	-	500	-	500
Prepaid items	-	146	-	146
Restricted fund balances	62,615	1,323,631	-	1,386,246
Committed fund balances	-	-	834,832	834,832
Total fund balance	62,615	1,324,277	834,832	2,221,724
Total liabilities and fund balances	$ 62,615	$ 1,389,698	$ 834,832	$ 2,287,145

The accompanying notes are an integral part of this statement.

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

	Student Body Fund	Cafeteria Special Revenue Fund	Deferred Maintenance Fund	Total Nonmajor Special Revenue Funds
Revenues:				
LCFF sources:				
Local sources	$ -	$ -	$ 237,027	$ 237,027
Federal revenue	-	773,411	-	773,411
Other State revenue	-	1,150,620	-	1,150,620
Other local revenue	144,986	52,960	28,998	226,944
Total revenues	144,986	1,976,991	266,025	2,388,002
Expenditures:				
Current:				
Pupil services	-	1,638,489	-	1,638,489
Ancillary services	132,371	-	-	132,371
General administration	-	45,189	-	45,189
Plant services	-	-	254,492	254,492
Total expenditures	132,371	1,683,678	254,492	2,070,541
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,615	293,313	11,533	317,461
Net Change in Fund Balance	12,615	293,313	11,533	317,461
Fund Balance, July 1	50,000	1,030,964	823,299	1,904,263
Fund Balance, June 30	$ 62,615	$ 1,324,277	$ 834,832	$ 2,221,724

The accompanying notes are an integral part of this statement.

Plumas Lake Elementary School District
Combining Balance Sheet - Nonmajor Capital Projects Funds
June 30, 2024

	Special Reserve Fund for Capital Outlay Projects	Capital Project Fund for Blended Component Units	Total Nonmajor Capital Projects Funds
Assets:			
Cash in County Treasury	$ 1,813	$ 120	$ 1,933
Total assets	1,813	120	1,933
Liabilities and Fund Balance:			
Liabilities:			
Total liabilities	-	-	-
Fund Balance:			
Restricted fund balances	1,813	120	1,933
Total fund balance	1,813	120	1,933
Total liabilities and fund balances	$ 1,813	$ 120	$ 1,933

The accompanying notes are an integral part of this statement.

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

	Special Reserve Fund for Capital Outlay Projects	Capital Project Fund for Blended Component Units	Total Nonmajor Capital Projects Funds
Revenues:			
Other local revenue	$ 77	$ 5	$ 82
Total revenues	77	5	82
Expenditures:			
Current:			
Total expenditures	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	77	5	82
Net Change in Fund Balance	77	5	82
Fund Balance, July 1	1,736	115	1,851
Fund Balance, June 30	$ 1,813	$ 120	$ 1,933

The accompanying notes are an integral part of this statement.

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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
Plumas Lake Elementary School District
Plumas Lake, California 95961

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 Plumas Lake Elementary School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Plumas Lake Elementary School District's basic financial statements, and have issued our report thereon dated December 6, 2024.

Report on Internal Control Over Financial Reporting

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

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Plumas Lake Elementary 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 6, 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
Plumas Lake Elementary School District
Plumas Lake, California 95961

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

We have audited Plumas Lake Elementary 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 Plumas Lake Elementary School District's major federal programs for the year ended June 30, 2024**.** Plumas Lake Elementary 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, Plumas Lake Elementary 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 Plumas Lake Elementary 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 Plumas Lake Elementary School District's compliance with the compliance requirements referred to above.

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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 Plumas Lake Elementary 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 Plumas Lake Elementary 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 Plumas Lake Elementary School District's compliance with the requirements of each major federal program as a whole.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Plumas Lake Elementary 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 Plumas Lake Elementary 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 Plumas Lake Elementary 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 6, 2024

LPS
Certified Public Accountants

Independent Auditor's Report on State Compliance

To the Board of Trustees
Plumas Lake Elementary School District
Plumas Lake, California 95961

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, Plumas Lake Elementary 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 Plumas Lake Elementary 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	No
Continuation Education	Not applicable
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	Not applicable
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 did not perform procedures for Independent Study for the District as it was considered immaterial and not required per state testing guidance.

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 6, 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)**
Child Nutrition Cluster	10.555

Dollar threshold used to distinguish between type A and type B programs:	$750,000
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.

Finding/Recommendation	Current Status	Management's Explanation If Not Implemented

There were no prior year findings or questioned costs.

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