

**RIPON UNIFIED SCHOOL DISTRICT
OF SAN JOAQUIN COUNTY
RIPON, CALIFORNIA**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT**

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**JAMES MARTA & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS**

**701 HOWE AVENUE, E3
SACRAMENTO, CA**

**(916) 993-9494
(916) 993-9489 FAX
WWW.JPMCPA.COM**

RIPON UNIFIED SCHOOL DISTRICT

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	4
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements:	
Statement of Net Position	13
Statement of Activities	14
Fund Financial Statements:	
Balance Sheet – Governmental Funds	15
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	16
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	17
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	18
Statement of Fiduciary Net Position – Trust Fund	19
Statement of Changes in Fiduciary Net Position – Trust Fund	20
Proprietary Funds – Statement of Net Position	21
Proprietary Funds - Statement of Revenues, Expenses, and Changes in Net Position	22
Proprietary Funds – Statement of Cash Flows	23
Notes to the Basic Financial Statements	24
REQUIRED SUPPLEMENTARY INFORMATION	
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP) and Actual – General Fund	54
Schedule of Changes in the District's Net OPEB Liability and Related Ratios	55
Schedules of Proportionate Share of the Net Pension Liability	56
Schedules of Pension Contributions	57
Notes to Required Supplementary Information	58

RIPON UNIFIED SCHOOL DISTRICT

TABLE OF CONTENTS

SUPPLEMENTARY INFORMATION SECTION

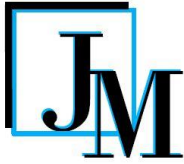
Combining Balance Sheet – All Non-Major Funds	60
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – All Non-Major Funds	61
Organization	62
Schedule of Average Daily Attendance	63
Schedule of Instructional Time	64
Schedule of Charter Schools	65
Reconciliation of Annual Financial and Budget Report with Audited Financial Statements	66
Schedule of Expenditures of Federal Awards	67
Schedule of Financial Trends and Analysis	68
Notes to Supplementary Information	69

OTHER INDEPENDENT AUDITOR'S REPORTS

Independent Auditor's Report on State Compliance	71
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	75
Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	77

FINDINGS AND RECOMMENDATIONS

Schedule of Findings and Questioned Costs	80
Schedule of Prior Audit Findings	84



James Marta & Company LLP

Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Ripon Unified School District
Ripon, CA

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 Ripon Unified School District (the "District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

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

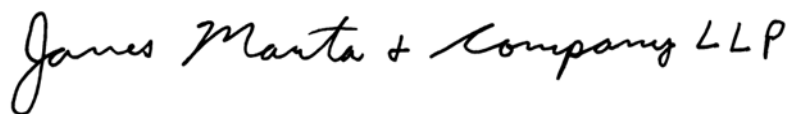
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP) and Actual – General Fund, Schedule of Changes in the District's Net OPEB Liability and Related Ratios, Schedule of Proportionate Share of Net Pension Liability, and Schedule of Pension Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information such as the combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the *supplementary information* is 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 November 12, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



James Marta & Company LLP
Certified Public Accountants
Sacramento, California
November 12, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

RIPON UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

This section of Ripon Unified School District (the "District") annual financial report presents management's 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 Independent Auditor's Report and the District's financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. The Governmental Funds Balance Sheet and the Statement of Revenues, Expenditures and Change in Fund Balances provide information about how District services were financed in the short-term, and how much remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside the District.

FINANCIAL HIGHLIGHTS

- ⇒ Over the course of the year, the District's net position increased by \$9,172,702.
- ⇒ Capital assets, net of depreciation, increased by \$5,492,919. Accumulated depreciation increased by \$3,132,160.
- ⇒ Long-term liabilities increased by \$3,205,843, with bonds payable decreasing by \$770,036, net pension liability increasing by \$3,846,339, net OPEB liability increasing by \$93,045 and compensated absences increasing by \$43,495.
- ⇒ The District maintains the State required minimum reserves for economic uncertainty of 3% of General Fund expenditures, transfers out, and other uses (total outgo). Additionally, the Board has authorized an additional 3% be reserved for economic uncertainties, for a total of 6%. During fiscal year 2023-24, General Fund expenditures, transfers out, and other uses totaled \$56,401,715. As of June 30, 2024, the District had available reserves designated for economic uncertainties of \$3,144,103, representing 6% of General Fund expenditures, transfers out, and other uses.

RIPON UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

THE FINANCIAL REPORT

The full annual financial report consists of three separate parts, including the basic financial statements, supplementary information, and Management's Discussion and Analysis. The three sections together provide a comprehensive overview of the District. The basic financial statements are comprised of two kinds of statements that present financial information from different perspectives, government-wide and funds.

- ⇒ Government-wide financial statements, which comprise the first two statements, provide both short-term and long-term information about the District's overall financial position.

- ⇒ Individual parts of the District, which are reported as fund financial statements, comprise the remaining statements.
 - Basic services funding is described in the governmental funds statements. These statements include short-term financing and identify the balance remaining for future spending.
 - Financial relationships, for which the District acts as an agent or trustee for the benefit of others to whom the resources belong, are presented in the fiduciary fund statements.

Notes to the basic financials, which are included in the financial statements, provide more detailed data and explain some of the information in the statements. They are an integral part of the financial statements. The required supplementary information provides further explanations and provides additional support for the financial statements.

Reporting the District as a Whole

The District as a whole is reported in the Government-wide statements and uses accounting methods similar to those used by companies in the private sector. All of the District's assets and liabilities are included in the Statement of Net Position. The Statement of Activities reports all of the current year's revenues and expenses regardless of when cash is received or paid.

The District's financial health or position (net position) can be measured by the difference between the District's assets and liabilities.

- ⇒ Increases or decreases in the net position of the District over time are indicators of whether its financial health is improving or deteriorating, respectively.

- ⇒ Additional non-financial factors such as the condition of school buildings and other facilities, and changes in the property tax base of the District need to be considered in assessing the overall health of the District.

RIPON UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

Information included in the Statement of Net Position and the Statement of Activities, consists solely of the governmental activities of the District.

Governmental Activities:

The basic services provided by the District, such as regular and special education, administration, and transportation are included here, and are primarily financed by state apportionments, property taxes, impact aid, and other state and federal aid. Non-basic services, such as child nutrition, are also included here, but are financed by a combination of state and federal contract and grants, and local revenues.

Reporting the District's Most Significant Funds:

The District's fund-based financial statements provide detailed information about the District's most significant funds. Some funds are required to be established by State law, while other funds have been established to control and manage money for specific purposes.

Governmental Funds

The major governmental funds of Ripon Unified School District are the General Fund, Deferred Maintenance Fund, and Capital Facilities Fund. Governmental fund reporting focuses on how money flows into and out of the funds and the balances that remain at the end of the year. A modified accrual basis of accounting measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's operations and services. Governmental fund information helps to determine the level of financial resources available in the near future to finance the District's programs.

Fiduciary Funds

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

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared in accordance with California law and is based on the modified accrual basis of accounting. Over the course of the year, the District revised its annual operating budget at various times to reflect the most recent financial information available. The most significant budget adjustments made during the year fall into the following categories:

- ⇒ Budget revisions to the adopted budget required after approval of the State budget.
- ⇒ Budget revisions to adjust program revenues and expenditures to final awards.
- ⇒ Budget revisions to reflect changes in staffing and hiring.

RIPON UNIFIED SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2024

ECONOMIC FACTORS BEARING ON THE DISTRICT’S FUTURE

The District used the following assumptions in constructing the 2023-24 fiscal year budget. The information provided below is current as of July 1, 2023.

- Local Control Fund Formula (LCFF)
- The Local Control Funding Formula (LCFF) is the new finance system for K-12 education.
- The LCFF provides base, supplemental, and concentration grants in place of most previously existing funding sources, including revenue limits and most state categorical programs. As part of the LCFF, the district will be required to develop, adopt, and annually update three-year Local Control and Accountability Plan (LCAP) using a template adopted by the California State Board of Education.

In considering the District Budget for the 2023-24 year, the governing board and management used the following criteria:

Expenditures are based on the following forecasts:

	Staffing Ratio
Grades kindergarten through third	24:1
Grades four through eight	27.7:1
Grades nine through twelve	19.9:1

The District plan is to be fiscally prudent, working with stakeholders on the continued development of the LCAP plan, improving the achievement gap with our subgroups, and maximizing the usage of one-time funding to effectively support learning loss by providing high quality teaching practices and innovative strategies to students across the district. The District’s goal is to continue balancing the annual budget without the dependence on ADA growth.

CONTACTING THE DISTRICT’S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the Chief Business Officer, Michelle Blackwood, at Ripon Unified School District, 304 North Acacia Avenue, Ripon, California 95366, or email at mblackwood@riponusd.net.

RIPON UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

TABLE 01

Financial Analysis of the School District as a Whole

Comparative Statement of Net Position

	2024	2023	Increase/ (Decrease)
<u>Assets</u>			
Cash	\$ 60,178,300	\$ 59,255,579	\$ 922,721
Receivables	5,648,677	4,136,309	1,512,368
Other Assets	18,577	7,391	11,186
Prepaid Expenditures	-	2,289	(2,289)
Capital Assets, Net	56,817,971	51,325,052	5,492,919
Total Assets	<u>122,663,525</u>	<u>114,726,620</u>	<u>7,936,905</u>
<u>Deferred Outflows</u>	<u>20,424,664</u>	<u>18,999,354</u>	<u>1,425,310</u>
<u>Liabilities</u>			
Other Liabilities	7,225,268	7,505,693	(280,425)
Long-term Debt Outstanding			
Due within one year	680,724	618,210	62,514
Due after one year	69,840,243	66,696,914	3,143,329
Total Long-term Debt Outstanding	<u>70,520,967</u>	<u>67,315,124</u>	<u>3,205,843</u>
Total Liabilities	<u>77,746,235</u>	<u>74,820,817</u>	<u>2,925,418</u>
<u>Deferred Inflows</u>	<u>11,392,140</u>	<u>14,128,045</u>	<u>(2,735,905)</u>
<u>Net Position</u>			
Net Investment in Capital Assets			
- Net of Related Debt	23,944,699	17,674,744	6,269,955
Restricted	31,045,076	44,682,886	(13,637,810)
Unrestricted	(1,039,961)	(17,580,518)	16,540,557
Total Net Position	<u>\$ 53,949,814</u>	<u>\$ 44,777,112</u>	<u>\$ 9,172,702</u>

RIPON UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

TABLE 02

Comparative Statement of Activities

	2024	2023	Increase/ (Decrease)
<u>Governmental Activities</u>			
Program Revenues:			
Charges for Services	\$ 222,970	\$ 792,902	\$ (569,932)
Operating Grants and Contributions	17,873,795	17,676,782	197,013
Capital Grants and Contributions	482,829	11,087,705	(10,604,876)
Total Program Revenues	<u>18,579,594</u>	<u>29,557,389</u>	<u>(10,977,795)</u>
General Revenues:			
Taxes Levied	12,712,997	11,731,225	981,772
Federal and State Aid	29,159,840	28,354,025	805,815
Interest and Investment Earnings	2,119,681	(81,482)	2,201,163
Miscellaneous	784,091	906,367	(122,276)
Total General Revenues	<u>44,776,609</u>	<u>40,910,135</u>	<u>3,866,474</u>
Program Expenses:			
Instruction	32,201,678	36,838,522	(4,636,844)
Instruction-Related Services	3,720,635	4,351,244	(630,609)
Pupil Services	6,615,782	7,277,778	(661,996)
General Administration	3,867,483	4,160,638	(293,155)
Community Services	174,643	642,108	(467,465)
Plant Services	4,316,160	6,615,918	(2,299,758)
Ancillary Services	1,377,864	1,332,393	45,471
Interest on Long-Term Debt	1,144,924	1,100,591	44,333
Other Outgo	745,626	701,583	44,043
Total Governmental Expenses	<u>54,164,795</u>	<u>63,020,775</u>	<u>(8,855,980)</u>
Change in Governmental Net Position	<u>\$ 9,191,408</u>	<u>\$ 7,446,749</u>	<u>\$ 1,744,659</u>
<u>Business-Type Activities</u>			
Program Revenues			
Enterprise Activities	\$ 125,410	\$ 265,454	\$ (140,044)
General Revenues			
Interest and Investment Earnings	102,263	17,914	84,349
Total Business-Type Revenues	<u>227,673</u>	<u>283,368</u>	<u>(55,695)</u>
Expenses			
Enterprise Activities	240,556	363,894	(123,338)
Depreciation	5,823	5,823	-
Total Business-Type Expenses	<u>246,379</u>	<u>369,717</u>	<u>(123,338)</u>
Change in Business-Type Net Position	<u>\$ (18,706)</u>	<u>\$ (86,349)</u>	<u>\$ 67,643</u>

RIPON UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

TABLE 03

Summary of Expenses for Governmental Functions

	<u>2024</u>	<u>Percentage of Total</u>
<u>Expenses</u>		
Instruction	\$ 32,201,678	59.45%
Instruction-Related Services	3,720,635	6.87%
Pupil Services	6,615,782	12.21%
General Administration	3,867,483	7.14%
Community Services	174,643	0.32%
Plant Services	4,316,160	7.97%
Ancillary Services	1,377,864	2.54%
Interest on Long-Term Debt	1,144,924	2.11%
Other Outgo	745,626	1.38%
Total Expenses	<u>\$ 54,164,795</u>	<u>100.00%</u>

TABLE 04

Comparative Statement of Capital Assets

	<u>2024</u>	<u>2023</u>
Land	\$ 5,328,657	\$ 5,196,030
Construction in Progress	11,180,581	3,715,172
Land Improvements	9,496,693	9,211,312
Buildings and Improvements	72,670,625	72,670,625
Equipment	5,657,204	4,915,542
Subtotals	104,333,760	95,708,681
Less: Accumulated Depreciation	(47,515,789)	(44,383,629)
Capital Assets, net	<u>\$ 56,817,971</u>	<u>\$ 51,325,052</u>

RIPON UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

TABLE 05

Comparative Statement of Outstanding Long-Term Liabilities

	2024	2023
General Obligation Bonds	\$ 32,873,272	\$ 33,650,308
Net Pension Liability	34,833,187	30,986,848
Net OPEB Liability	2,584,049	2,491,004
Compensated Absences	230,459	186,964
Totals	\$ 70,520,967	\$ 67,315,124

TABLE 06

Summary of Revenues for Governmental Functions

	2024	Percentage of Total
Program Revenues:		
Charges for Services	\$ 222,970	0.35%
Operating Grants and Contributions	17,873,795	28.21%
Capital Grants and Contributions	482,829	0.76%
General Revenues:		
Taxes Levied	12,712,997	20.07%
Federal and State Aid	29,159,840	46.03%
Interest and Investment Earnings	2,119,681	3.35%
Miscellaneous	784,091	1.24%
Total Revenues	\$ 63,356,203	100.00%

RIPON UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

TABLE 07

Comparative Statement of Governmental Fund Balances/Proprietary Net Position

	June 30, 2024	June 30, 2023	Increase/ (Decrease)
<u>Governmental Funds</u>			
General	\$ 22,680,008	\$ 22,547,653	\$ 132,355
Building	42,468	192,106	(149,638)
Bond Interest and Redemption	2,188,464	2,044,766	143,698
Cafeteria	2,102,241	1,441,198	661,043
Deferred Maintenance	5,691,986	5,297,465	394,521
Capital Facilities	1,376,561	2,511,928	(1,135,367)
Special Reserve for Capital Outlay Projects	10,408,975	8,207,048	2,201,927
County School Facilities	11,637,563	11,154,957	482,606
Student Activity Fund	1,026,621	1,018,056	8,565
Total	<u>\$ 57,154,887</u>	<u>\$ 54,415,177</u>	<u>\$ 2,739,710</u>
<u>Proprietary Funds</u>			
Farm Fund	\$ 1,834,545	\$ 1,842,063	\$ (7,518)
Insurance Fund	25,899	37,087	(11,188)
Total	<u>\$ 1,860,444</u>	<u>\$ 1,879,150</u>	<u>\$ (18,706)</u>

BASIC FINANCIAL STATEMENTS

RIPON UNIFIED SCHOOL DISTRICT

STATEMENT OF NET POSITION

JUNE 30, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash (Note 2)	\$ 58,381,893	\$ 1,796,407	\$ 60,178,300
Receivables	5,628,332	20,345	5,648,677
Other assets	18,577	-	18,577
Capital Assets, net of accumulated depreciation (Note 4)	56,756,737	61,234	56,817,971
Total Assets	<u>120,785,539</u>	<u>1,877,986</u>	<u>122,663,525</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on refunding bonds	1,894,197	-	1,894,197
Deferred outflows on OPEB (Note 7)	519,621	-	519,621
Deferred outflows on pensions (Note 6)	18,010,846	-	18,010,846
Total Deferred Outflows	<u>20,424,664</u>	<u>-</u>	<u>20,424,664</u>
LIABILITIES			
Accounts payable and other current liabilities	6,684,513	17,542	6,702,055
Unearned revenue	523,213	-	523,213
Long-term liabilities (Note 5)			
Due within one year	680,724	-	680,724
Due after one year	69,840,243	-	69,840,243
Total Liabilities	<u>77,728,693</u>	<u>17,542</u>	<u>77,746,235</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred bond premium (Note 5)	424,117	-	424,117
Deferred inflows on OPEB (Note 7)	1,629,959	-	1,629,959
Deferred inflows on pensions (Note 6)	9,338,064	-	9,338,064
Total Deferred Inflows	<u>11,392,140</u>	<u>-</u>	<u>11,392,140</u>
NET POSITION			
Net investment in capital assets	23,883,465	61,234	23,944,699
Restricted	29,245,866	1,799,210	31,045,076
Unrestricted	(1,039,961)	-	(1,039,961)
Total Net position	<u>\$ 52,089,370</u>	<u>\$ 1,860,444</u>	<u>\$ 53,949,814</u>

RIPON UNIFIED SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Functions	Program Revenues				Net (Expense) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
Instruction	\$ 32,201,678	\$ 99,777	\$ 11,699,428	\$ 482,829	\$ (19,919,644)	\$ -	\$ (19,919,644)
Instruction - related services:							
Supervision of instruction	221,149	-	10,407	-	(210,742)	-	(210,742)
Instructional library and technology	425,848	479	2,485	-	(422,884)	-	(422,884)
School site administration	3,073,638	580	143,503	-	(2,929,555)	-	(2,929,555)
Pupil Services:							
Home-to-school transportation	745,720	-	10,276	-	(735,444)	-	(735,444)
Food services	1,639,282	-	2,334,008	-	694,726	-	694,726
All other pupil services	4,230,780	6,762	1,743,082	-	(2,480,936)	-	(2,480,936)
General administration:							
All other general administration	3,867,483	16	202,004	-	(3,665,463)	-	(3,665,463)
Plant services	4,316,160	1,419	116,034	-	(4,198,707)	-	(4,198,707)
Ancillary services	1,377,864	468	1,022,025	-	(355,371)	-	(355,371)
Community services	174,643	413	4,439	-	(169,791)	-	(169,791)
Interest on long-term debt	1,144,924	-	-	-	(1,144,924)	-	(1,144,924)
Other outgo	745,626	113,056	586,104	-	(46,466)	-	(46,466)
Business-type Activities							
Enterprise activities	240,556	-	125,410	-	-	(115,146)	(115,146)
Depreciation (unallocated)	-	-	-	-	-	(5,823)	(5,823)
Total	\$ 54,405,351	\$ 222,970	\$ 17,999,205	\$ 482,829	(35,585,201)	(120,969)	(35,706,170)

General Revenues

Taxes and subventions:

Taxes levied for general purposes	10,545,758	-	10,545,758
Taxes levied for debt service	1,865,240	-	1,865,240
Taxes levied for other specific purposes	301,999	-	301,999
Federal and state aid not restricted to specific purposes	29,159,840	-	29,159,840
Interest and investment earnings	2,119,681	102,263	2,221,944
Miscellaneous	784,091	-	784,091
Total general revenues	44,776,609	102,263	44,878,872

Change in net position	9,191,408	(18,706)	9,172,702
Net position - July 1, 2023	42,897,962	1,879,150	44,777,112
Net position - June 30, 2024	\$ 52,089,370	\$ 1,860,444	\$ 53,949,814

See accompanying notes to the basic financial statements.

RIPON UNIFIED SCHOOL DISTRICT

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2024

	General Fund	County School Facilities Fund	Special Reserve Fund for Capital Outlay Projects	All Non-Major Funds	Total
ASSETS					
Cash and cash equivalents	\$ 27,783,461	\$ 11,508,676	\$ 6,900,688	\$ 12,189,068	\$ 58,381,893
Accounts receivable	5,094,963	128,887	63,444	341,038	5,628,332
Stores	-	-	-	18,577	18,577
Due from other funds	-	-	4,000,000	-	4,000,000
Total assets	<u>\$ 32,878,424</u>	<u>\$ 11,637,563</u>	<u>\$ 10,964,132</u>	<u>\$ 12,548,683</u>	<u>\$ 68,028,802</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 5,675,203	\$ -	\$ 555,157	\$ 120,342	\$ 6,350,702
Due to other funds	4,000,000	-	-	-	4,000,000
Unearned revenue	523,213	-	-	-	523,213
Total liabilities	<u>10,198,416</u>	<u>-</u>	<u>555,157</u>	<u>120,342</u>	<u>10,873,915</u>
Fund balances					
Nonspendable	5,000	-	-	18,577	23,577
Restricted	10,898,394	11,637,563	-	6,709,909	29,245,866
Committed	7,925,110	-	-	-	7,925,110
Assigned	707,403	-	10,408,975	5,699,855	16,816,233
Unassigned	3,144,101	-	-	-	3,144,101
Total fund balances	<u>22,680,008</u>	<u>11,637,563</u>	<u>10,408,975</u>	<u>12,428,341</u>	<u>57,154,887</u>
Total liabilities and fund balances	<u>\$ 32,878,424</u>	<u>\$ 11,637,563</u>	<u>\$ 10,964,132</u>	<u>\$ 12,548,683</u>	<u>\$ 68,028,802</u>

RIPON UNIFIED SCHOOL DISTRICT

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Governmental Activities	Business-type Activities
Total fund balances:	\$ 57,154,887	\$ -
<p>Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:</p>		
<p>Capital assets: In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation.</p>		
Capital assets at historical cost:	\$ 104,247,551	
Accumulated depreciation:	(47,490,814)	
Net:	56,756,737	-
<p>Unamortized premiums: In governmental funds, bond premiums are recognized as revenues in the period they are received while bond discounts are recognized as expenditures in the period they are incurred. In the government-wide statements, premiums and discounts are amortized over the life of the debt. Unamortized premiums and discounts at year-end consist of:</p>		
Unamortized portion of bond premiums	(424,117)	-
Unamortized portion of loss on refunding	1,894,197	-
<p>Unmatured interest on long-term debt: In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred. The additional liability for unamortized interest owing at the end of the period was:</p>		
	(333,811)	-
<p>Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:</p>		
General obligation bonds payable	\$ 32,873,272	
Net Pension Liability	34,833,187	
Net OPEB Liability	2,584,049	
Compensated absences payable	230,459	
	(70,520,967)	-
<p>Deferred outflows and inflows of resources relating to other postemployment benefits (OPEB): In governmental funds, deferred outflows and inflows of resources relating to OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to OPEB are reported.</p>		
Deferred outflows of resources relating to OPEB	519,621	-
Deferred inflows of resources relating to OPEB	(1,629,959)	-
<p>Deferred outflows and inflows of resources relating to pensions: In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pension are reported.</p>		
Deferred outflows of resources relating to pensions	18,010,846	-
Deferred inflows of resources relating to pensions	(9,338,064)	-
<p>Internal service funds: Internal service funds are used to conduct certain activities for which costs are charged to other funds on a full cost-recovery bases. Because internal service funds are presumed to operate for the benefit of governmental activities, assets and liabilities of internal service funds are reported with governmental activities in the statement of net position. Net position for internal service funds are:</p>		
	-	1,860,444
Total net position:	\$ 52,089,370	\$ 1,860,444

RIPON UNIFIED SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

JUNE 30, 2024

	General Fund	County School Facilities Fund	Special Reserve Fund for Capital Outlay Projects	All Non-Major Funds	Total
REVENUES					
LCFF sources	\$ 38,640,222	\$ -	\$ -	\$ -	\$ 38,640,222
Federal revenue	7,101,859	-	-	947,820	8,049,679
Other state revenues	5,811,367	-	-	1,303,437	7,114,804
Other local revenues	4,933,411	634,687	305,088	3,678,312	9,551,498
Total revenues	<u>56,486,859</u>	<u>634,687</u>	<u>305,088</u>	<u>5,929,569</u>	<u>63,356,203</u>
EXPENDITURES					
Certificated salaries	20,782,023	-	-	-	20,782,023
Classified salaries	7,388,109	-	-	635,170	8,023,279
Employee benefits	11,136,021	-	-	242,103	11,378,124
Books and supplies	1,988,112	-	-	1,661,000	3,649,112
Services and other operating expenditures	5,136,435	152,081	-	252,904	5,541,420
Capital outlay	5,178,178	-	2,103,161	1,405,666	8,687,005
Other outgo	745,626	-	-	-	745,626
Debt service expenditures	-	-	-	1,809,904	1,809,904
Total expenditures	<u>52,354,504</u>	<u>152,081</u>	<u>2,103,161</u>	<u>6,006,747</u>	<u>60,616,493</u>
Excess of revenues over expenditures	<u>4,132,355</u>	<u>482,606</u>	<u>(1,798,073)</u>	<u>(77,178)</u>	<u>2,739,710</u>
OTHER FINANCING SOURCES/(USES)					
Operating transfers in	-	-	4,000,000	-	4,000,000
Operating transfers out	(4,000,000)	-	-	-	(4,000,000)
Total other financing sources (uses)	<u>(4,000,000)</u>	<u>-</u>	<u>4,000,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances	132,355	482,606	2,201,927	(77,178)	2,739,710
Fund balances, July 1, 2023	22,547,653	11,154,957	8,207,048	12,505,519	54,415,177
Fund balances, June 30, 2024	<u>\$ 22,680,008</u>	<u>\$ 11,637,563</u>	<u>\$ 10,408,975</u>	<u>\$ 12,428,341</u>	<u>\$ 57,154,887</u>

RIPON UNIFIED SCHOOL DISTRICT

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES**

JUNE 30, 2024

	Governmental Activities	Business-type Activities
Total net change in fund balances:	\$ 2,739,710	\$ -
<p>Amounts reported for revenues and expenses for governmental activities in the statement of activities are different from amounts reported in governmental funds because:</p>		
<p>Capital outlay: In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:</p>		
Expenditures for capital outlay:	\$ 8,625,079	
Depreciation expense:	(3,126,337)	5,498,742
<p>Debt service: In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were:</p>		
		618,209
<p>Unmatured interest on long-term debt: In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period was:</p>		
		(2,416)
<p>Accreted interest on capital appreciation bonds is not recognized as an expenditure in the governmental fund financial statements until paid. In the statement of activities, however, accreted interest is recognized as an expense as the capital appreciation bonds accrete in value. The amount of accreted interest recognized in the current year was:</p>		
		158,827
<p>Other postemployment benefits (OPEB): In government funds, OPEB expenses are recognized when employer OPEB contributions are made in the statement of activities, OPEB expenses are recognized on the accrual basis. This year, the difference between OPEB expenses and actual employer OPEB contributions was:</p>		
		(2,219)
<p>Pensions: In government 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:</p>		
		307,820
<p>Amortization of debt issue premium or discount or deferred gain or loss from debt refunding: In governmental funds, if debt is issued at a premium or at a discount, the premium or discount is recognized as an Other Financing Source or an Other Financing Use in the period it is incurred. In the government-wide statements, the premium or discount, plus any deferred gain or loss from debt refunding, is amortized as interest over the life of the debt. Amortization of premium or discount, or deferred gain or loss from debt refunding, for the period is:</p>		
		(83,770)
<p>Internal Service Funds: Internal service funds are used to conduct certain activities for which costs are charged to other funds on a full cost-recovery basis. Because internal service funds are presumed to benefit governmental activities, internal service activities are reported as governmental in the statement of activities. The net increase or decrease in internal service funds was:</p>		
		-
<p>Compensated absences: In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measure by the amounts earned. The difference between compensated absences paid and compensated absences earned was:</p>		
	(43,495)	-
Total change in net position:	\$ 9,191,408	\$ (18,706)

RIPON UNIFIED SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
TRUST FUND
JUNE 30, 2024

	Private-Purpose Trust Fund
	Scholarship
ASSETS	
Cash held in banks	\$ 238,313
Accounts Receivable	2,717
Total assets	\$ 241,030
LIABILITIES	
Liabilities	
Accounts payable	\$ -
Total Liabilities	-
NET POSITION	
Fund balances	
Held in Trust	241,030
Total liabilities and fund balances	\$ 241,030

RIPON UNIFIED SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Private-Purpose Trust Fund
	Scholarship
REVENUES	
Donations	\$ 20,145
Total revenues	20,145
EXPENSES	
Scholarships Awarded	9,800
Total expenditures	9,800
Change in Net Position	10,345
Net Position, July 1, 2023	230,685
Net Position, June 30, 2024	\$ 241,030

RIPON UNIFIED SCHOOL DISTRICT

PROPRIETARY FUNDS – STATEMENT OF NET POSITION

JUNE 30, 2024

	Farm Fund	Insurance Fund	Total
ASSETS			
Cash and cash equivalents	\$ 1,770,797	\$ 25,610	\$ 1,796,407
Accounts receivable	20,056	289	20,345
Capital assets, net	61,234	-	61,234
Total assets	\$ 1,852,087	\$ 25,899	\$ 1,877,986
LIABILITIES AND NET POSITION			
Liabilities			
Accounts payable	\$ 17,542	\$ -	\$ 17,542
Total liabilities	17,542	-	17,542
Net Position			
Net investment in capital assets	61,234	-	61,234
Restricted	1,773,311	25,899	1,799,210
Total net position	1,834,545	25,899	1,860,444
Total liabilities and net position	\$ 1,852,087	\$ 25,899	\$ 1,877,986

RIPON UNIFIED SCHOOL DISTRICT

**PROPRIETARY FUNDS – STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Farm Fund	Insurance Fund	Total
REVENUES			
Other local revenues	\$ 225,693	\$ 1,920	\$ 227,613
Total revenues	<u>225,753</u>	<u>1,920</u>	<u>227,673</u>
EXPENDITURES			
Books and supplies	43,741	-	43,741
Services and other operating expenditures	181,805	13,108	194,913
Total expenditures	<u>233,271</u>	<u>13,108</u>	<u>246,379</u>
Net change in net position	(7,518)	(11,188)	(18,706)
Net position, July 1, 2023	<u>1,842,063</u>	<u>37,087</u>	<u>1,879,150</u>
Net position, June 30, 2024	<u>\$ 1,834,545</u>	<u>\$ 25,899</u>	<u>\$ 1,860,444</u>

RIPON UNIFIED SCHOOL DISTRICT
PROPRIETARY FUNDS - STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Farm Fund	Insurance Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from local revenues	\$ 221,760	\$ 1,952	\$ 223,712
Cash paid for services and other operating expenses	(225,093)	(13,108)	(238,201)
Net Cash Provided (Used) by Operating Activities	(3,333)	(11,156)	(14,489)
Cash and Cash Equivalents - Beginning	1,774,130	36,766	1,810,896
Cash and Cash Equivalents - Ending	<u>\$ 1,770,797</u>	<u>\$ 25,610</u>	<u>\$ 1,796,407</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income	\$ (7,518)	\$ (11,188)	\$ (18,706)
Adjustments to reconcile net income to net cash			
Depreciation expense	5,823	-	5,823
(Increase)/Decrease in:			
Receivables	(3,993)	32	(3,961)
Increase/(Decrease) in:			
Accounts Payable	2,355	-	2,355
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (3,333)</u>	<u>\$ (11,156)</u>	<u>\$ (14,489)</u>

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ACCOUNTING POLICIES

The 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 as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

B. REPORTING ENTITY

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments, boards and agencies that are not legally separate from the District. For Ripon Unified School District, this includes general operations, food service and student related activities of the District. The District has considered all potential component units in determining how to define the reporting entity, using criteria set forth in generally accepted accounting principles generally accepted in the United States of America. The District and the Mello-Roos Community Facilities District #1 (the Facilities District) have a financial and operational relationship, which meets the reporting entity definition criteria of the GASB Statement No. 14, The Financial Reporting Entity for inclusion of the Facilities District as a component unit of the District. Accordingly, the financial activities of the Agency are reported as a non-major debt service fund in the financial statements of the District.

Manifestation of Oversight

- A. The Facilities District's Board of Directors are the same as the District's Governing Board.

Accounting for Fiscal Matters

- A. The District is able to impose its will upon the Facilities District, based on the following:
- All major financing arrangements, contracts, and other transactions of the Facilities District must have the consent of the District.
 - The District exercises significant influence over operations of the Facilities District as it is anticipated that the District will be the sole lessee of all facilities owned by the Facilities District.

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. REPORTING ENTITY (CONTINUED)

B. The Facilities District provides specific financial benefits or imposes specific financial burdens on the District based upon the following:

- Any deficits incurred by the Facilities District will be reflected in the lease payments of the District.
- Any surpluses of the Facilities District will be reflected in the lease payments of the District.
- The District has assumed a "moral obligation", and potentially a legal obligation, of any debt incurred by the Facilities District.

Scope of Public Service and Financial Presentation

- A. The Facilities District was formed for the sole purpose of providing financing assistance to the District for construction and acquisition of major capital facilities.
- B. The Facilities District is a community facilities district pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended by Chapter 2.5 Part I, Division 2, Title 5 of the government code of the State of California on March 30, 1989.
- C. The Facilities District's financial activity is presented in the financial statements as the Mello-Roos Community Facilities District #1 Fund.

C. BASIS OF PRESENTATION

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities.

The government-wide statement of net position presents information on all of the District's assets and liabilities, with the difference between the two presented as net position. Net position is reported as one of three categories: invested in capital assets, net of related debt; restricted or unrestricted.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are, therefore, clearly identifiable to a particular function. The District does not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipients of goods or services offered by a program, as well as grants and

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. BASIS OF PRESENTATION (CONTINUED)

contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the District, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

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

Fund Financial Statements

Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column, and all non-major funds are aggregated into one column. Fiduciary funds are reported by fund type.

Program revenues include charges paid by the recipients of goods or services offered by a program, as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements are met.

Governmental Fund Financial Statements

Governmental fund financial statements (i.e., balance sheet and statement of revenues, expenditures, and changes in fund balances) are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis,

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

revenue is recorded in the fiscal year in which the resources are measurable and become available. “Available” means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, “available” means collectible within the current period or within 60 days after year-end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are to be used, or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

E. FUND ACCOUNTING

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

Governmental Funds

General Fund is the general operating fund of the District. It is used to account for all transactions except those required or permitted by law to be accounted for in another fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The District maintains one special revenue fund:

Student Activity Funds are used to account for the raising and expending of money to promote the general welfare, morale and educational experience of the student body.

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

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. FUND ACCOUNTING (CONTINUED)

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

Capital Projects Funds are used to account for the acquisition and/or construction of all major governmental general fixed assets. The District maintains four capital projects funds:

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

The *Capital Facilities Fund* is used to account for community redevelopment agency revenues and capital outlay expenditures.

The *County School Facilities Fund* is used to account for new school facilities construction funded by state school facilities funding sources.

The *Special Reserve Fund for Capital Outlay Projects* is used to provide for the accumulation of general fund moneys for capital outlay purposes.

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs. The District maintains one debt service fund:

The *Bond Interest and Redemption Fund* is used to account for District taxes received and expended to pay bond interest and redeem bond principal.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The *Private Purpose Trust Funds* are used to account for assets held by the District as trustee.

Proprietary Funds

Proprietary funds are used to account for activities that are more business-like than government-like in nature, which a fee is charged to external users or to other organizational units of the LEA, normally on a full cost-recovery basis. Proprietary funds are generally intended to be self-supporting.

The *Farm Fund* is used to operate and maintain an agricultural education area for the students. The principal revenue sources in this fund are the revenues from the sale of agricultural produce.

The *Self-Insurance Fund* is used to pay for property and liability claims for the District.

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. FUND ACCOUNTING (CONTINUED)

These funds' activities are reported in a separate statement of fiduciary net position. These funds are custodial in nature and do not involve measurement of results of operations. Accordingly, the District presents only a statement of fiduciary net position and does not present a statement of changes in fiduciary net position. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. Fiduciary funds are presented on an economic resources measurement focus and the accrual basis of accounting, similar to the government-wide financial statements.

F. BUDGETS AND BUDGETARY ACCOUNTING

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

These budgets are revised by the District's Board of Trustees and District Superintendent during the year to give consideration to unanticipated income and expenditures. The original and final revised budgets are presented for the General Fund and Major Special Revenue Funds as required supplementary information in the financial statements.

Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

G. INVENTORY

Inventory in the Cafeteria fund consists mainly of consumable supplies held for future use and are valued at average cost. Inventories are recorded as expenditures at the time individual inventory items are transferred from the warehouse to schools. Maintenance and other supplies held for physical plant repair, transportation supplies, and operating supplies are not included in inventories; rather, these amounts are recorded as expenditures when purchased.

The cafeteria fund records supplies expense which includes a handling charge for the delivery of government surplus food commodities. The state does not require the Cafeteria Fund to record the fair market value of these commodities. The supplies expenditures would have been greater had the District paid fair market value for the government surplus commodities.

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. CAPITAL ASSETS

Capital assets are those purchased or acquired with an original cost of \$5,000 or more and are reported at historical cost or estimated historical cost and capital improvement, acquisition or construction with an original cost of \$50,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the asset's lives are not capitalized, but are expenses as incurred. Depreciation on all capital assets is computed using the straight-line basis over the following estimated useful lives:

<u>Asset Class</u>	<u>Years</u>
Sites and Improvements	10-36
Buildings and Improvements	7-40
Furniture and Equipment	5-15

I. COMPENSATED ABSENCES

All vacation pay plus related payroll taxes are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

J. ACCUMULATED SICK LEAVE

Sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expenditure 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.

K. RESTRICTED NET POSITION

Restrictions of the ending net position indicate the portions of net position not appropriate for expenditure or amounts legally segregated for specific future use. These amounts are not available for appropriation and expenditure at the balance sheet date.

L. UNEARNED REVENUE

Cash received for federal and state special projects and programs is recognized as revenue to the extent that the qualified expenditures have been incurred. Unearned revenue is recorded to the extent cash received on specific projects and programs exceed qualified expenditures.

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. PROPERTY TAX

The District's local control funding formula is received from a combination of local property taxes, state apportionments, and other local sources.

Secured property taxes are levied as an enforceable lien on property as of January 1. Taxes are payable in two installments, on December 10 and April 10. Unsecured property taxes are payable in one installment on or before August 31. The County of San Joaquin bills and collects the taxes for the District.

Tax revenues are recognized by the District when received.

The County Auditor reports the amount of the District's allocated property tax revenue to the California Department of Education. Property taxes are recorded as local control funding formula (LCFF) sources by the District.

The California Department of Education reduces the District's entitlement by the District's local property tax revenue. The balance is paid from the State General Fund, and is known as the state apportionment.

N. FUND BALANCE RESERVES AND DESIGNATIONS

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", the District is required to report fund balances in the following categories: Nonspendable, Restricted, Committed, Assigned and/or Unassigned.

Nonspendable Fund Balance reflects assets not in spendable form, either because they will never convert to cash (e.g., prepaid expense) or must remain intact pursuant to legal or contractual requirements.

Restricted Fund Balance reflects amounts that can be spent only for the *specific purposes* stipulated by constitution, external resource providers, or through enabling legislation.

Committed Fund Balance reflects amounts that can be used only for the *specific purposes* determined by a formal action of the government's highest level of decision-making authority: the Board of Trustees. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of Trustees.

Assigned Fund Balance reflects amounts intended to be used by the government for *specific purposes* but do not meet the criteria to be classified as restricted or committed. Under the District's adopted policy, only the Board of Trustees is authorized to assign amounts for specific purposes.

Unassigned Fund Balance represents the residual classification for the government's General Fund and includes all spendable amounts not contained in the other classifications.

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. FUND BALANCE RESERVES AND DESIGNATIONS (CONTINUED)

When expenditures are incurred for purposes of which restricted, committed, assigned and unassigned fund balances are available, the District considers restricted funds to have been spent first, followed by committed, assigned and unassigned, respectively.

O. 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 at June 30.

P. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Q. ELIMINATIONS AND RECLASSIFICATIONS

In the process of aggregating data for the government-wide statements, some amounts reported as interfund activity and balances in the fund financial statements were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

R. DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s), and as such will not be recognized as an outflow of resources (expense/expenditures) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and as such, will not be recognized as an inflow of resources (revenue) until that time.

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. PENSIONS

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Ripon Unified School District's California Public Employees' Retirement System (CalPERS) and California State Teachers Retirement System (CalSTRS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS and CalSTRS, respectively. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

T. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

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

U. FINANCING LEASES

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. The long-term liability and corresponding asset for financial leases are recorded in the financial statements to the extent that the District's lease capitalization threshold is met, \$750,000. Amortization of related assets using the straight-line method over the life of the contract. As of June 30, 2024, the District did not have any financing leases that met the threshold.

T. SUBSCRIPTION BASED INFORMATION TECHNOLOGY AGREEMENTS (SBITA)

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) IT software, alone or in combination with tangible capital assets (the underlying IT assets) as specified in the contract for a period of time in an exchange or exchange-like transaction. The long-term liability and corresponding asset for SBITAs are recorded in the financial statements to the extent that the District's capitalization threshold is met, \$750,000. Amortization of related assets using the straight-line method over the life of the contract. As of June 30, 2024, the District did not have any subscription based information technology agreements that met the threshold.

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

2. CASH AND INVESTMENTS

Cash and Investments as of June 30, 2024 consist of the following:

	Governmental	Proprietary	Governmental Activities	Fiduciary	Total
	Funds	Funds	Total	Activities	
Cash in County Treasury	\$ 57,262,348	\$ 1,796,407	\$ 59,058,755	\$ 238,313	\$ 59,297,068
Cash on hand and in banks	1,114,545	-	1,114,545	-	1,114,545
Cash in revolving fund	5,000	-	5,000	-	5,000
Totals	\$ 58,381,893	\$ 1,796,407	\$ 60,178,300	\$ 238,313	\$ 60,416,613

A. CASH IN COUNTY TREASURY

The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statement at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

Cash in County Treasury consists of District cash held by the San Joaquin County Treasury that is invested in the county investment pool. The Treasury permits negative cash balances so long as the District's total cash in county treasury has a positive balance.

The fair value of the District's investment in the pool is reported in the financial statements at amounts that are based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The weighted average maturity of the pool is 748 days. The pool is rated AAA by Standard and Poor's.

B. CASH IN REVOLVING FUNDS AND IN BANKS

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

Interest Rate Risk. The District does not have a formal investment policy that limits cash and investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2024, the District had no significant interest rate risk related to cash and investments held.

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

3. INTERFUND TRANSACTIONS

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

Interfund Receivables/Payables

Individual fund interfund receivable and payable balances at June 30, 2024 were as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ -	\$ 4,000,000
Special Reserve Fund	4,000,000	-
	<u>\$ 4,000,000</u>	<u>\$ 4,000,000</u>

Interfund Transfers

Interfund transfers consist of operating transfers from funds receiving resources to funds through which the resources are to be expended. Interfund transfers for the year ended June 30, 2024 were as follows:

Transfer from General Fund to Special Reserve Fund for upcoming new construction projects.	<u>\$ 4,000,000</u>
Total Transfers	<u>\$ 4,000,000</u>

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

4. CAPITAL ASSETS AND DEPRECIATION

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

Business-Type Activities	Balance			Balance
	July 1, 2023	Additions	Deletions	June 30, 2024
Depreciable:				
Buildings	\$ 55,928	\$ -	\$ -	\$ 55,928
Equipment	30,281	-	-	30,281
Totals, at cost	<u>86,209</u>	<u>-</u>	<u>-</u>	<u>86,209</u>
Less accumulated depreciation:				
Buildings	(9,321)	(2,797)	-	(12,118)
Equipment	<u>(9,831)</u>	<u>(3,026)</u>	<u>-</u>	<u>(12,857)</u>
Total accumulated depreciation	<u>(19,152)</u>	<u>(5,823)</u>	<u>-</u>	<u>(24,975)</u>
Business-type activities capital assets, net	<u>\$ 67,057</u>	<u>\$ (5,823)</u>	<u>\$ -</u>	<u>\$ 61,234</u>

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

4. CAPITAL ASSETS AND DEPRECIATION (CONTINUED)

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

Governmental Activities	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024
Non-depreciable:				
Land	\$ 5,196,030	\$ 132,627		\$ 5,328,657
Work-in-Process	3,715,172	7,465,409		11,180,581
Depreciable:				
Land improvements	9,211,312	285,381	-	9,496,693
Buildings and improvements	72,614,697	-	-	72,614,697
Equipment	4,885,261	741,662	-	5,626,923
Totals, at cost	<u>95,622,472</u>	<u>8,625,079</u>	<u>-</u>	<u>104,247,551</u>
Less accumulated depreciation:				
Land improvements	(4,787,725)	(385,080)	-	(5,172,805)
Buildings and improvements	(35,777,502)	(2,587,289)	-	(38,364,791)
Equipment	(3,799,250)	(153,968)	-	(3,953,218)
Total accumulated depreciation	<u>(44,364,477)</u>	<u>(3,126,337)</u>	<u>-</u>	<u>(47,490,814)</u>
Governmental activities capital assets, net	<u>\$ 51,257,995</u>	<u>\$ 5,498,742</u>	<u>\$ -</u>	<u>\$ 56,756,737</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 2,401,742
School Site Administration	13,196
Home-to-School Transportation	131,964
Food Services	18,476
All other administration	15,836
Plant Services	<u>545,123</u>
Total depreciation expense	<u>\$ 3,126,337</u>

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

5. LONG-TERM LIABILITIES

A. GENERAL OBLIGATION BONDS

The District’s outstanding general obligation bonded debt as of June 30, 2024 is as follows:

Description	Date Of Issue	Interest Rates	Maturity Date	Amount of Original Issue	Outstanding July 1, 2023	Issued Current Year	Redeemed Current Year	Outstanding June 30, 2024
<i>Current Interest:</i>								
2012 GO Refunding	2012	2.65%	2028	\$ 5,145,000	\$ 1,750,000	\$ -	\$ 370,000	\$ 1,380,000
2012 Series 2013A	2013	4.50% - 5.00%	2043	11,176,522	705,275	-	113,209	592,066
2012 Series 2015B	2015	4.50% - 5.00%	2043	9,920,000	5,855,000	-	90,000	5,765,000
2017 GO Refunding	2017	3.00% - 4.00%	2042	16,420,000	16,420,000	-	-	16,420,000
2019 GO Refunding	2019	2.06% - 3.64%	2043	8,830,000	8,585,000	-	45,000	8,540,000
<i>Accreted Interest:</i>								
2012 Series 2013A	2013	2.95% - 5.56%	2043	4,135,862	335,033	-	158,827	176,206
Totals				<u>\$ 55,627,384</u>	<u>\$ 33,650,308</u>	<u>\$ -</u>	<u>\$ 777,036</u>	<u>\$ 32,873,272</u>

On May 23, 2012, the 2012 General Obligation Refunding Bonds were issued in the amount of \$5,145,000. The bonds were issued to refinance prior issuance June 2012 Series B bonds. The bonds were issued with an interest rate of 2.65 percent and mature in 2028.

On March 28, 2013, the Series 2013A General Obligation Bonds were issued by the District in the amount of \$15,312,384. The bonds were issued to finance new construction and additions and modernization of school facilities. The bonds were issued with interest rates varying from 2.95 percent to 5.56 percent and a scheduled maturity date of 2043.

On June 15, 2015, the Series 2015B General Obligation Bonds were issued by the District in the amount of \$9,920,000. The bonds were issued to finance renovation, construction and improvement of school facilities. The bonds were issued with interest rates varying from 4.50 percent to 5.00 percent and a scheduled maturity date of 2043.

On September 14, 2017, the 2017 General Obligation Refunding Bonds were issued by the District in the amount of \$16,420,000. The bonds were issued to refinance the prior issuance Series 2013A and 2015B bonds. The bonds were issued with interest rates ranging from 3.00 percent to 4.00 percent and a scheduled maturity date of 2042.

On December 27, 2019, the 2019 General Obligation Refunding Bonds were issued by the District in the amount of \$8,830,000. The bonds were issued to advance refund certain maturities of the District’s General Obligation Bonds, Election of 2012, Series 2013A and General Obligation Bonds, Election 2012, Series 2015B, and to pay costs of issuance. The bonds were issued with interest rates ranging from 2.06 percent to 3.64 percent and a scheduled maturity date of 2043.

Payment of the general obligation bonds will be made by the Bond Interest and Redemption Fund. The Bond Interest and Redemption Fund receives property tax revenues which are used solely to repay the principal and interest due on these obligations.

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

5. LONG-TERM LIABILITIES (CONTINUED)

A. GENERAL OBLIGATION BONDS (CONTINUED)

The annual requirements to amortize the refunding bonds as of June 30, 2024 are as follows:

Year Ended June 30	Principal	Interest	Total
2025	\$ 680,724	\$ 1,351,608	\$ 2,032,332
2026	757,036	1,340,634	2,097,670
2027	855,000	1,289,303	2,144,303
2028	732,017	1,279,026	2,011,042
2029	999,033	1,264,638	2,263,671
2030-2034	6,768,257	5,524,772	12,293,029
2035-2039	10,260,000	3,971,466	14,231,466
2040-2044	11,645,000	997,597	12,642,597
Totals	<u>\$ 32,697,066</u>	<u>\$ 17,019,045</u>	<u>\$ 49,716,111</u>
Accreted Interest	176,206		
	<u>\$ 32,873,272</u>		

B. SCHEDULE OF CHANGES IN LONG-TERM LIABILITIES

A schedule of changes in long-term liabilities for the fiscal year ended June 30, 2024, is shown below:

	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Balance Due In One Year
General Obligation Bonds	\$ 33,315,275	\$ -	\$ 618,209	\$ 32,697,066	\$ 680,724
Accreted interest	335,033	-	158,827	176,206	-
Net pension liability (Note 6)	30,986,848	3,846,339	-	34,833,187	-
Net OPEB liability (Note 7)	2,491,004	93,045	-	2,584,049	-
Compensated Absences	186,964	43,495	-	230,459	-
Totals	<u>\$ 67,315,124</u>	<u>\$ 3,982,879</u>	<u>\$ 777,036</u>	<u>\$ 70,520,967</u>	<u>\$ 680,724</u>

Payments on the compensated absences, pensions and other postemployment benefits are made from the fund for which the related employee worked.

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

6. EMPLOYEE RETIREMENT SYSTEMS

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 State Teachers' Retirement System (STRS), and classified employees are members of the California Public Employees' Retirement System (CalPERS).

Plan Description

California Public Employees' Retirement System (CalPERS)

The District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Headquarters, 400 Q Street, Sacramento, California 95811.

State Teachers' Retirement System (STRS)

The District contributes to the State Teachers' Retirement System (STRS), a cost-sharing, multiple-employer, public employee retirement system defined benefit pension plan administered by STRS. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. STRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from the STRS Headquarters, 100 Waterfront Place, West Sacramento, California 95605.

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

	CalPERS		CalSTRS	
	Prior to January 1, 2013	On or after January 1, 2013	Prior to January 1, 2013	On or after January 1, 2013
Hire date				
Benefit formula	2% @ 55	2% @ 62	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	55	62	60	62
Monthly benefits, as a % of eligible compensation	2.0%	2.0%	2.0%	2.0%
Required employee contribution rates	7%	8%	10.25%	10.21%
Required employer contribution rates	26.680%	26.680%	19.10%	19.10%

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Contributions

CalPERS

Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

STRS

Required member, employer and state contribution rates are set by the California Legislature and Governor and detailed in Teachers’ Retirement Law. Contribution rates are expressed as a level percentage of payroll using the entry age normal actuarial cost method.

For the year ended June 30, 2024, the contributions reported as deferred outflows of resources related to pensions recognized as part of pension expense for each Plan were as follows:

	CalPERS	STRS	Total
Contributions - employer	\$ 1,809,426	\$ 3,762,714	\$ 5,572,140
On behalf contributions - state	-	1,691,018	1,691,018
Total	\$ 1,809,426	\$ 5,453,732	\$ 7,263,158

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

As of June 30, 2024, the District’s reported net pension liabilities for its proportionate share of the net pension liability of the Plans’ of:

	Proportionate Share of Net Pension Liability
CalPERS	\$ 12,767,742
STRS	22,065,445
Total Net Pension Liability	\$ 34,833,187

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

The District’s net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2023, and 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 rolled forward to 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 plan relative to the projected contributions of all participating employers, actuarially determined. The District’s proportionate share of the net pension liability for the Plan as of June 30, 2022 and 2023 was as follows:

Measurement	Dates	Fiscal Year	CalPERS	STRS
	June 30, 2022	2022-23	0.03343%	0.02804%
	June 30, 2023	2023-24	0.03527%	0.02897%
	Change - Increase (Decrease)		<u>0.00185%</u>	<u>0.00093%</u>

For the year ended June 30, 2024, the District recognized pension expense of \$307,820. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>CalPERS</u>		<u>STRS</u>		<u>Total</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 1,809,426	\$ -	\$ 5,453,732	\$ -	\$ 7,263,158	\$ -
Difference between proportionate share of aggregate employer contributions and actual contributions for 2022-23	6,209	230,358	138,590	694,968	144,799	925,326
Changes of Assumptions	848,818	-	4,311,486	-	5,160,304	-
Differences between Expected and Actual Experience	431,434	287,891	1,563,385	3,380,569	1,994,819	3,668,460
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	443,442	-	2,094,410	375,908	2,537,852	375,908
Net differences between projected and actual investment earnings on pension plan investments	909,914	-	-	4,368,370	909,914	4,368,370
Total	<u>\$ 4,449,243</u>	<u>\$ 518,249</u>	<u>\$ 13,561,603</u>	<u>\$ 8,819,815</u>	<u>\$ 18,010,846</u>	<u>\$ 9,338,064</u>

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

The amounts reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2025. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	CalPERS	STRS	Total Deferred Outflows/ (Inflows) of Resources
2025	\$ 545,458	\$ (289,133)	\$ 256,325
2026	462,166	(1,359,818)	(897,652)
2027	841,186	542,511	1,383,697
2028	272,758	207,904	480,662
2029	-	53,924	53,924
Thereafter	-	132,668	132,668
Total	\$ 2,121,568	\$ (711,944)	\$ 1,409,624

Actuarial Assumptions

The total pension liabilities in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

	CalPERS	STRS
Valuation Date	June 30, 2022	June 30, 2022
Measurement Date	June 30, 2023	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost	Entry-Age Normal Cost
Actuarial Assumptions		
Discount Rate	6.90%	7.10%
Inflation	2.30%	2.75%
Payroll Growth Rate	2.80%	3.50%
Projected Salary Increase	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return ⁽¹⁾	6.90%	7.10%
Mortality	Derived using CalPERS' Membership Data for all Funds	Derived using STRS' Membership Data for all Funds

⁽¹⁾ Net of pension plan investment expenses, including inflation.

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

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

STRS changed the mortality assumptions based on the July 1, 2015 through June 30, 2018, experience study adopted by the board in January 2020. STRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among our members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table issued by the Society of Actuaries.

Discount Rate

CalPERS

The discount rate used to measure the total pension liability for the Plan was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. These discount rates are equal to the long-term expected rate of return of the respective plan assets and are net of investment expense but not reduced for administrative expenses.

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

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class are on the following table:

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Asset Class	CalPERS	
	Assumed Asset Allocation	Real Return ^{(a)(b)}
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
	100.0%	

^(a) An expected inflation of 2.30% used for this period.

^(b) Figures are based on the 2021-22 Asset Liability Management study.

Discount Rate

STRS

The discount rate used to measure the total pension liability was 7.10%, which was unchanged from prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers are made at statutory contribution rates in accordance with the rate increases actuarially determined. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return of 7.10% and assume that contributions, benefit payments and administrative expenses occur midyear. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term investment rate of return assumption was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best-estimate ranges were developed using capital market assumptions from STRS investment staff and investment consultants as inputs to the process.

The actuarial investment rate of return assumption was adopted by the board in January 2020 in conjunction with the most recent experience study. For each current and future valuation, STRS’ independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of expected 20-year geometrically linked real rates of return and the assumed asset allocation for each major asset class as of the June 30, 2023 measurement date, are summarized in the following table:

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Asset Class	STRS	
	Assumed Asset Allocation	Long-Term Expected Real Rate of Return ^(a)
Public Equity	38.0%	5.25%
Real Estate	15.0%	4.05%
Private Equity	14.0%	6.75%
Fixed Income	14.0%	2.45%
Risk Mitigating Strategies	10.0%	2.25%
Inflation Sensitive	7.0%	3.65%
Cash/Liquidity	2.0%	0.05%
Total	100%	

^(a) 20-year average.

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

The following presents the District’s proportionate share of the net pension liability 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:

	CalPERS		
	Discount Rate - 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Plan's Net Pension Liability/(Asset)	\$ 17,492,827	\$ 12,767,742	\$ 7,642,136

	STRS		
	Discount Rate - 1% (6.10%)	Current Discount Rate (7.10%)	Discount Rate + 1% (8.10%)
Plan's Net Pension Liability/(Asset)	\$ 35,825,284	\$ 22,065,445	\$ 9,340,081

Pension Plan Fiduciary Net Position

Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS and STRS comprehensive annual financial reports available on the CalPERS’ and STRS’ websites.

Payable to the Pension Plan

As of June 30, 2024, the District had no outstanding required contributions to the pension plans.

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

7. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan description. The District’s other postemployment benefits plan (the Plan) is a single-employer defined benefit plan that provides medical, dental and vision coverage for all employees who have completed 10 or more years with the District. Coverage under the health plan ends when the retiree reaches the age of 65. The District administers the Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. The Plan does not issue financial statements.

Benefits provided. The District reported the following OPEB: medical, dental and vision coverage. Coverage is available for employees who retire from the District under the applicable retirement system (CalPERS or CalSTRS) provided they have completed 10 or more years of service to the District. Employees who retire prior to completing the age and service requirements may not continue health coverage on any District-sponsored plan. Coverage under a District healthcare plan ends for all retirees when the retiree reaches age 65, except for Board Policy members hired before January 1, 2004. Coverage is available for a retiree’s dependents, though the retiree is responsible for the additional cost of their coverage.

Retirees with less than 10 years of District service and/or those whose District-paid benefits have ended may choose coverage provided through the HIC San Joaquin group retiree plan. Coverage under this plan is not expected to create any OPEB liability to the District.

The postretirement health plans and the District’s obligation vary by employee group as described below.

Group	RUDTA	CSEA	Board Policy	Unrepresented
Qualification	Teacher/RUDTA Member Must have 10+ YOS	CSEA Member Must have 10+ YOS	Hired before 1/1/2004 in Management, Supervisory, or Confidential position	Hired after 1/1/2004 in Management, Supervisory, or Confidential position or anyone else Unrepresented Must have 10+ YOS
Duration of Benefits	Medical to age 65 Dental & Vision for life at retiree cost	Medical to age 65 Dental & Vision for life at retiree cost	Two years of coverage for every year worked	Medical to age 65 Dental & Vision for life at retiree cost
District Contribution	Medical: Ages 55-60: 100% of Cap Ages 61-64: 50% of Employee only Cap Dental & Vision: \$0	Medical: Ages 55-60: 100% of Cap Ages 61-64: 50% of Employee only Cap Dental & Vision: \$0	Medical, dental & vision: District pays 50% of premium, but not less than \$318.85	Medical: Ages 55-60: 100% of Cap Ages 61-64: 50% of Employee only Cap Dental & Vision: \$0
Cap	Varies by group, age, and coverage level			

Contributions: The contribution requirements of Plan member and the District are established and may be amended by the District and the Ripon Unified District Teachers Association (RUDTA) and the local CSEA chapter. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2023-24, the District did not make any contributions to the Plan.

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

7. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Employees covered by benefit terms. As of the June 30, 2024 valuation, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	19
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	278
Total	297

Net OPEB Liability

The District’s net OPEB liability was measured as of June 30, 2024, and the total OPEB liability was used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2024 date.

Actuarial Assumptions: The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2024
Measurement date	June 30, 2024
Funding method	Entry Age Normal Cost, level percent of pay
Asset valuation method	N/A; the plan is not being funded through a trust
Discount rates	4.21% as of June 30, 2024 4.13% as of June 30, 2023
Municipal Bond Index	S&P General Obligation 20-Year High Grade Municipal Bond Index
Participants valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered.
Salary increase	3.0% per year. Since benefits do not depend on salary, this is used to allocate the cost of benefits between service years.
General inflation rate	2.5% per year
Mortality Improvement	MacLeod Watts Scale 2022 applied generationally, from 2017 for CalPERS members and from 2016 for CalSTRS members

Demographic actuarial assumptions used in this valuation are based on the following two studies:

For CalPERS members: On the December 2021 experience study of the California Public Employees Retirement System, except for a different basis used to project future mortality improvements. The representative mortality rates were those published by CalPERS adjusted to back out 15 years of Scale MP 2016 to central year 2015 before being projected forward as described below.

For CalSTRS members: On the December 2020 CalSTRS experience study report. The representative mortality rates were those published by CalSTRS in the 2024 study before projection.

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

7. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balances at June 30, 2023, Measurement Date	\$ 2,491,004	\$ -	\$ 2,491,004
Changes for the year:			
Service cost	133,613	-	133,613
Interest	105,819	-	105,819
Differences between expected and actual experience	(249,020)	-	(249,020)
Changes of benefit terms	630	-	630
Contributions - employer	-	119,437	(119,437)
Changes of assumptions	221,440	-	221,440
Net investment income	-	-	-
Benefit payments	(119,437)	(119,437)	-
Administrative expense	-	-	-
Net changes	93,045	-	93,045
Balances at June 30, 2024, Measurement Date	<u>\$ 2,584,049</u>	<u>\$ -</u>	<u>\$ 2,584,049</u>

The Plan has no assets, does not issue financial statements and is not a Trust.

Sensitivity of the net OPEB liability to changes in the discount rate: The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.21 percent) or 1-percentage point higher (5.21 percent) than the current healthcare cost trend rates:

	1% Decrease (3.21%)	Discount Rate (4.21%)	1% Increase (5.21%)
Net OPEB liability (asset)	\$ 2,801,941	\$ 2,584,049	\$ 2,386,468

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend	1% Increase
Net OPEB liability (asset)	\$ 2,325,879	\$ 2,584,049	\$ 2,885,432

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

7. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

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

For the year ended June 30, 2024, the District recognized OPEB expense of \$2,219. Certain types of TOL changes are subject to deferral, as are investment gains/losses. To qualify for deferral, gains and losses must be based on GASB 74/75 compliance valuations. At June 30, 2024, the District had the following deferred outflows and inflows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 170,272	\$ 953,005
Changes of assumptions	349,349	676,954
Total	\$ 519,621	\$ 1,629,959

The District will recognize the contributions made subsequent to the measurement date in the next fiscal year. In addition, future recognition of these deferred resources is shown below:

Year Ended June 30	Total Deferred Outflows/(Inflows) of Resources
2025	\$ (118,406)
2026	(118,406)
2027	(118,406)
2028	(118,406)
2029	(118,406)
Thereafter	(518,308)
Total	\$ (1,110,338)

Payable to the OPEB Plan

At June 30, 2024, the District had no outstanding amount of contributions to the OPEB plan required.

8. FUND BALANCES

The District reports fund balances in accordance with Governmental Accounting Standards Board Statement No. 54. All fund balance categories are reported in the aggregate on the face of the balance sheet. All components of those fund balances and specific purposes are identified on the following page:

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

8. FUND BALANCES (CONTINUED)

	General Fund	County School Facilities Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Funds	Total
Nonspendable:					
Revolving Cash	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
Stores	-	-	-	18,577	18,577
Total Nonspendable	5,000	-	-	18,577	23,577
Restricted:					
Educator Effectiveness, FY 2021-22	531,855	-	-	-	531,855
Expanded Learning Opportunities Program	88,111	-	-	-	88,111
Lottery: Instructional Materials	1,500,175	-	-	-	1,500,175
Special Education Early Intervention Preschool Grant	107,028	-	-	-	107,028
Arts, Music, and Instructional Materials Discretionary Block Grant	708,809	-	-	-	708,809
Arts and Music in Schools (AMS)-Funding Guarantee and Accountability Act (Prop 28)	309,419	-	-	-	309,419
Child Nutrition: Kitchen Infrastructure and Training Funds - 2022 KIT Funds	300,572	-	-	-	300,572
Classified School Employee Professional Development Block Grant	11,932	-	-	-	11,932
College Readiness Block Grant	6,173	-	-	-	6,173
LCFF Equity Multiplier	50,000	-	-	-	50,000
A-G Access/Success Grant	87,434	-	-	-	87,434
A-G Learning Loss Mitigation Grant	36,292	-	-	-	36,292
Classified School Employee Summer Assistance Program	132,355	-	-	-	132,355
Learning Recovery Emergency Block Grant	1,640,051	-	-	-	1,640,051
Ongoing & Major Maintenance Account	2,252,457	-	-	-	2,252,457
Other Restricted Local	3,108,401	-	-	3,565,025	6,673,426
Other Restricted State	27,330	-	-	-	27,330
Student Activity Funds	-	-	-	1,026,621	1,026,621
Child Nutrition: Supply Chain Assistance (SCA) Funds	-	-	-	194,226	194,226
Child Nutrition: School Programs	-	-	-	1,887,970	1,887,970
Child Nutrition: SNP COVID-19 Emergency Operational Costs Reimbursement	-	-	-	1,468	1,468
State School Facilities Projects	-	11,637,563	-	34,599	11,672,162
Total Restricted	10,898,394	11,637,563	-	6,709,909	29,245,866
Committed:					
Committed Fund Balance Resolution	7,925,110	-	-	-	7,925,110
Total Committed	7,925,110	-	-	-	7,925,110
Assigned:					
Other Assignments	707,403	-	10,408,975	5,699,855	16,816,233
Total Assigned	707,403	-	10,408,975	5,699,855	16,816,233
Unassigned:					
Reserve for Economic Uncertainties	3,144,101	-	-	-	3,144,101
Total Unassigned	3,144,101	-	-	-	3,144,101
Total Fund Balances	\$ 22,680,008	\$ 11,637,563	\$ 10,408,975	\$ 12,428,341	\$ 57,154,887

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

9. JOINT POWERS AGREEMENTS

The District is a member with other school districts in Joint Powers Authorities (JPAs). San Joaquin County Schools Workers' Compensation Insurance Group (SJCSWCIG) and San Joaquin County Schools Property and Liability Group (SJCSPLIG) provide workers compensation coverage and property and liability coverage, respectively. San Joaquin County Schools Data Processing Center provides accounting, personnel and student attendance accounting, scheduling, and testing services to the District.

The following is a summary of latest financial information available for the JPAs:

	San Joaquin County Schools Workers' Compensation Insurance Group June 30, 2023*	San Joaquin County Schools Property and Liability Insurance Group June 30, 2023*
Total Assets	\$ 16,609,653	\$ 2,214,588
Total Liabilities	1,861,624	469,012
Net Position	<u>\$ 14,748,029</u>	<u>\$ 1,745,576</u>
Revenues	\$ 11,673,718	\$ 3,313,398
Expenditures	11,472,235	3,162,564
Change in Net Position	<u>\$ 201,483</u>	<u>\$ 150,834</u>

**Latest available audited reports*

Each member of the JPAs has an ongoing financial responsibility in the event of the JPA's total liabilities exceed its total assets.

The relationship between the District and the Joint Powers Authorities is such that they are not a component unit of the District for financial reporting purposes. Financial statements for the JPAs are available from the individual JPAs.

10. COMMITMENTS AND CONTINGENCIES

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

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

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

11. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The District incurred unanticipated expenditures in excess of appropriations in expenditure classifications for which the budget was not revised.

Excess of expenditures over appropriations for the year ended June 30, 2024 were as follows:

<u>General Fund</u>	<u>Excess Expenditures</u>
Certificated Salaries	\$ 6,866,604
Other Outgo	26,652

The excess is not in accordance with Education Code 42600. The excess expenditures for certificated salaries are primarily due to step and column increase from negotiations and settlement. The excess expenditures for other outgo are due to SPED billback from San Joaquin COE being higher than expected.

12. SUBSEQUENT EVENTS

The District's management evaluated its June 30, 2024 financial statements for subsequent events through November 12, 2024, the date the financial statements were available to be issued. Management is not aware of any subsequent events, other than those discussed above, that would require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

RIPON UNIFIED SCHOOL DISTRICT

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET (NON-GAAP) AND ACTUAL**

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Budget</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		(Unfavorable)
REVENUES				
LCFF sources	\$ 38,974,587	\$ 32,420,770	\$ 38,640,222	\$ 6,219,452
Federal revenue	1,564,913	7,351,528	7,101,859	(249,669)
Other state revenues	4,169,408	5,722,104	5,811,367	89,263
Other local revenues	2,979,998	3,845,620	4,933,411	1,087,791
Total revenues	<u>47,688,906</u>	<u>49,340,022</u>	<u>56,486,859</u>	<u>7,146,837</u>
EXPENDITURES				
Certificated salaries	19,768,368	13,915,419	20,782,023	(6,866,604)
Classified salaries	6,710,805	7,624,037	7,388,109	235,928
Employee benefits	11,011,476	12,347,199	11,136,021	1,211,178
Books and supplies	6,645,874	4,629,315	1,988,112	2,641,203
Services and other operating expenditures	6,415,791	6,907,136	5,136,435	1,770,701
Capital outlay	300,478	5,385,572	5,178,178	207,394
Other outgo	879,073	718,974	745,626	(26,652)
Total expenditures	<u>51,731,865</u>	<u>51,527,652</u>	<u>52,354,504</u>	<u>(826,852)</u>
Excess (deficiency) of revenues over expenditures	<u>(4,042,959)</u>	<u>(2,187,630)</u>	<u>4,132,355</u>	<u>6,319,985</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers out	-	-	(4,000,000)	(4,000,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(4,000,000)</u>	<u>(4,000,000)</u>
Net change in fund balances	(4,042,959)	(2,187,630)	132,355	2,319,985
Fund balances, July 1, 2023	<u>22,547,653</u>	<u>22,547,653</u>	<u>22,547,653</u>	-
Fund balances, June 30, 2024	<u>\$ 18,504,694</u>	<u>\$ 20,360,023</u>	<u>\$ 22,680,008</u>	<u>\$ 2,319,985</u>

RIPON UNIFIED SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Fiscal Year Ending June 30	2024*	2023*	2022*	2021*	2020*	2019*	2018*
<i>Measurement Date</i>	<i>6/30/2024</i>	<i>6/30/2023</i>	<i>6/30/2022</i>	<i>6/30/2021</i>	<i>6/30/2020</i>	<i>6/30/2019</i>	<i>6/30/2018</i>
Total OPEB liability							
Service cost	\$ 133,613	\$ 130,455	\$ 156,326	\$ 140,802	\$ 184,535	\$ 176,513	\$ 164,926
Interest	105,819	100,921	78,331	89,853	107,372	103,667	105,068
Changes of benefit terms	630	-	-	-	-	126,482	-
Differences between expected and actual experience	(249,020)	-	(537,413)	-	(240,173)	-	-
Changes of assumptions	221,440	(6,477)	(646,390)	138,759	(302,660)	44,060	67,706
Benefit payments, including refunds of member contributions	(119,437)	(141,841)	(159,471)	(179,951)	(171,747)	(149,381)	(162,282)
Net change in total OPEB liability	93,045	83,058	(1,108,617)	189,463	(422,673)	301,341	175,418
Total OPEB liability - beginning	2,491,004	2,407,946	3,516,563	3,327,100	3,749,773	3,448,432	3,273,014
Total OPEB liability - ending (a)	\$ 2,584,049	\$ 2,491,004	\$ 2,407,946	\$ 3,516,563	\$ 3,327,100	\$ 3,749,773	\$ 3,448,432
Plan fiduciary net position							
Contributions - employer	\$ 119,437	\$ 141,841	\$ 159,471	\$ 179,951	\$ 171,747	\$ 149,381	\$ 162,282
Net investment income	-	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(119,437)	(141,841)	(159,471)	(179,951)	(171,747)	(149,381)	(162,282)
Administrative expense	-	-	-	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-	-	-
Plan fiduciary net position - ending (b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's net OPEB liability - ending (a) - (b)	\$ 2,584,049	\$ 2,491,004	\$ 2,407,946	\$ 3,516,563	\$ 3,327,100	\$ 3,749,773	\$ 3,448,432
Plan fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	\$24,322,811	\$21,316,780	\$17,865,992	\$17,885,958	\$18,010,227	\$15,703,784	\$15,018,311
District's net OPEB liability as a percentage of covered-employee payroll	10.6%	11.7%	13.5%	19.7%	18.5%	23.9%	23.0%

* GASB 75 requires presentation of the 10-year history of changes in the Net OPEB Liability. Only results for years since GASB 75 was implemented (fiscal years 2018 through 2024) are shown in the table.

RIPON UNIFIED SCHOOL DISTRICT

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	June 30, 2014 ⁽¹⁾	June 30, 2015 ⁽¹⁾	June 30, 2016 ⁽¹⁾	June 30, 2017 ⁽¹⁾	June 30, 2018 ⁽¹⁾	June 30, 2019 ⁽¹⁾	June 30, 2020 ⁽¹⁾	June 30, 2021 ⁽¹⁾	June 30, 2022 ⁽¹⁾	June 30, 2023 ⁽¹⁾
CalPERS										
Proportion of the net pension liability (asset)	0.02559%	0.02909%	0.03004%	0.02936%	0.03017%	0.03198%	0.03318%	0.03326%	0.03343%	0.03527%
Proportionate share of the net pension liability (asset)	\$ 2,904,778	\$ 4,287,377	\$ 5,933,195	\$ 7,009,967	\$ 8,043,024	\$ 9,320,901	\$ 10,179,756	\$ 6,763,716	\$ 11,501,308	\$ 12,767,742
Covered payroll ⁽²⁾	\$ 2,610,951	\$ 3,199,494	\$ 3,074,417	\$ 3,348,368	\$ 3,421,249	\$ 4,057,173	\$ 6,001,894	\$ 4,311,768	\$ 4,626,220	\$ 5,806,083
Proportionate Share of the net pension liability (asset) as a percentage of covered payroll	111.25%	134.00%	192.99%	209.35%	235.09%	229.74%	169.61%	156.87%	248.61%	219.90%
Plan fiduciary net position as a percentage of the total pension liability (asset)	83.38%	79.43%	73.90%	71.87%	70.85%	70.05%	70.00%	80.97%	69.76%	69.96%
Proportionate share of aggregate employer contributions ⁽³⁾	\$ 307,335	\$ 379,044	\$ 426,975	\$ 520,035	\$ 617,946	\$ 800,115	\$ 1,242,392	\$ 987,826	\$ 1,173,672	\$ 1,549,063
STRS										
Proportion of the net pension liability (asset)	0.02307%	0.02394%	0.02624%	0.02309%	0.02703%	0.02547%	0.02731%	0.02777%	0.02804%	0.02897%
Proportionate share of the net pension liability (asset)	\$ 13,478,792	\$ 16,117,044	\$ 21,223,587	\$ 21,349,820	\$ 24,838,234	\$ 23,005,164	\$ 26,467,762	\$ 12,635,320	\$ 19,485,540	\$ 22,065,445
Covered payroll ⁽²⁾	\$ 9,544,583	\$ 9,195,685	\$ 11,154,364	\$ 10,666,729	\$ 12,751,229	\$ 13,034,749	\$ 16,555,053	\$ 16,833,889	\$ 16,263,330	\$ 17,419,236
Proportionate Share of the net pension liability (asset) as a percentage of covered payroll	141.22%	175.27%	190.27%	200.15%	194.79%	176.49%	159.88%	75.06%	119.81%	126.67%
Plan fiduciary net position as a percentage of the total pension liability (asset)	76.52%	74.02%	70.04%	69.46%	70.99%	72.56%	71.82%	87.21%	81.20%	80.62%
Proportionate share of aggregate employer contributions ⁽³⁾	\$ 847,559	\$ 986,697	\$ 1,403,219	\$ 1,539,209	\$ 2,075,900	\$ 2,228,942	\$ 2,673,641	\$ 2,848,294	\$ 3,106,296	\$ 3,327,074

⁽¹⁾ Historical information is required only for measurement periods for which GASB 68 is applicable. This is the measurement date of the actuary report.

⁽²⁾ Covered payroll is the payroll on which contributions to a pension plan are based.

⁽³⁾ The Plan's proportionate share of aggregate contributions may not match the actual contributions made by the employer during the measurement period. The Plan's proportionate share of aggregate contributions is based on the Plan's proportion of fiduciary net position as well as any additional side fund (or unfunded liability) contributions made by the employer during the measurement period.

RIPON UNIFIED SCHOOL DISTRICT
SCHEDULE OF PENSION CONTRIBUTIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
CalPERS	2014-15 ⁽¹⁾	2015-16 ⁽¹⁾	2016-17 ⁽¹⁾	2017-18 ⁽¹⁾	2018-19 ⁽¹⁾	2019-20 ⁽¹⁾	2020-21 ⁽¹⁾	2021-22 ⁽¹⁾	2022-23 ⁽¹⁾	2023-24 ⁽¹⁾
Contractually required contribution ⁽²⁾	\$ 307,335	\$ 379,044	\$ 426,975	\$ 520,035	\$ 617,946	\$ 800,115	\$ 1,242,392	\$ 987,826	\$ 1,173,672	\$ 1,549,063
Contributions in relation to the contractually required contribution ⁽²⁾	(364,122)	(442,553)	(515,192)	(619,164)	(821,290)	(942,521)	(987,826)	(1,173,830)	(1,551,063)	(1,809,426)
Contribution deficiency (excess)	\$ (56,787)	\$ (63,509)	\$ (88,217)	\$ (99,129)	\$ (203,344)	\$ (142,406)	\$ 254,566	\$ (186,004)	\$ (377,391)	\$ (260,363)
Covered payroll ⁽³⁾	\$ 2,610,951	\$ 3,199,494	\$ 3,074,417	\$ 3,348,368	\$ 3,421,249	\$ 4,057,173	\$ 6,001,894	\$ 4,311,768	\$ 4,626,220	\$ 5,806,083
Contributions as a percentage of covered payroll ⁽³⁾	11.771%	11.847%	13.888%	15.531%	18.062%	19.721%	20.700%	22.910%	25.370%	26.680%
STRS	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
	2014-15 ⁽¹⁾	2015-16 ⁽¹⁾	2016-17 ⁽¹⁾	2017-18 ⁽¹⁾	2018-19 ⁽¹⁾	2019-20 ⁽¹⁾	2020-21 ⁽¹⁾	2021-22 ⁽¹⁾	2022-23 ⁽¹⁾	2023-24 ⁽¹⁾
Contractually required contribution ⁽²⁾	\$ 847,559	\$ 986,697	\$ 1,403,219	\$ 1,539,209	\$ 2,075,900	\$ 2,228,942	\$ 2,673,641	\$ 2,848,294	\$ 3,106,296	\$ 3,327,074
Contributions in relation to the contractually required contribution ⁽²⁾	(1,033,043)	(1,367,389)	(1,546,416)	(1,957,621)	(2,275,227)	(2,556,228)	(2,492,740)	(2,741,437)	(3,385,703)	(3,762,714)
Contribution deficiency (excess)	\$ (185,484)	\$ (380,692)	\$ (143,197)	\$ (418,412)	\$ (199,327)	\$ (327,286)	\$ 180,901	\$ 106,857	\$ (279,407)	\$ (435,640)
Covered payroll ⁽³⁾	\$ 9,544,583	\$ 9,195,685	\$ 11,154,364	\$ 10,666,729	\$ 12,751,229	\$ 13,034,749	\$ 16,555,053	\$ 16,833,889	\$ 16,263,330	\$ 17,419,236
Contributions as a percentage of covered payroll ⁽³⁾	8.880%	10.730%	12.580%	14.430%	16.280%	17.100%	16.150%	16.920%	19.100%	19.100%

⁽¹⁾ Historical information is required only for measurement periods for which GASB 68 is applicable.

⁽²⁾ Employers are assumed to make contributions equal to the contractually required contributions. However, some employers may choose to make additional contributions towards their side fund or their unfunded liability. Employer contributions for such plans exceed the contractually required contributions. CalPERS has determined that employer obligations referred to as "side funds" do not conform to the circumstances described in paragraph 120 of GASB 68, therefore are not considered separately financed specific liabilities.

⁽³⁾ Covered payroll is the payroll on which contributions to a pension plan are based.

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

1. PURPOSE OF SCHEDULES

A - Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP) and Actual – General Fund

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

B - Schedule of the Changes in the District’s Net OPEB Liability and Related Ratios

Benefit changes: There were no changes to benefits.

Changes of assumptions: The discount rate increased from 4.13% from the June 30, 2023 measurement date to 4.21% as of June 30, 2024 measurement date.

Fiscal year 2018 was the first year of implementation, therefore only seven years are shown.

Actuarial cost method	Entry Age Normal Cost
Amortization method	Level percent of pay
Amortization period	13.83 years, excluding those due to investment performance being different from the assumed earnings rate, which are always recognized over 5 years
Asset valuation method	N/A; the plan is not being funded through a trust
Inflation	2.5% per year
Healthcare cost trend rates	6.5% in 2024, fluctuating down to 3.9% by 2075
Retirement Age	50-75
Salary increases	3.0% per year
Discount Rates	4.21% as of June 30, 2024 4.13% as of June 30, 2023
Municipal Bond Index	S&P General Obligation 20-Year High Grade Municipal Bond Index
Mortality	MacLeod Watts Scale 2022 applied generationally from 2017 for CalPERS members and from 2016 for CalSTRS members

RIPON UNIFIED SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

1. PURPOSE OF SCHEDULES (CONTINUED)

C - Schedule of Proportionate Share of the Net Pension Liability

This schedule presents information on the District's proportionate share of the net pension liability (NPL), the Plans' fiduciary net position and, when applicable, the State's proportionate share of the NPL associated with the District. In the future, as data becomes available, ten years of information will be presented.

Changes in Assumptions

There were no changes in assumptions for CalPERS and CalSTRS.

Changes in Benefit Terms

There were no changes in benefit terms since the previous valuations for both CalPERS and CalSTRS.

D - Schedule of Pension Contributions

If an employer's contributions to the plans are actuarially determined or based on statutory or contractual requirements, the employer's actuarially determined contribution to the pension plans (or, if applicable, its statutorily or contractually required contribution), the employer's actual contributions, the difference between the actual and actuarially determined contributions (or statutorily or contractually required), and a ratio of the actual contributions divided by covered-employee payroll. In the future, as data becomes available, ten years of information will be presented.

	CalPERS	STRS
Valuation Date	June 30, 2022	June 30, 2022
Measurement Date	June 30, 2023	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost	Entry-Age Normal Cost
Actuarial Assumptions		
Discount Rate	6.90%	7.10%
Inflation	2.30%	2.75%
Payroll Growth Rate	2.80%	3.50%
Projected Salary Increase	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return ⁽¹⁾	6.90%	7.10%
Mortality	Derived using CalPERS' Membership Data for all Funds	Derived using STRS' Membership Data for all Funds

⁽¹⁾ Net of pension plan investment expenses, including inflation.

SUPPLEMENTARY INFORMATION

RIPON UNIFIED SCHOOL DISTRICT

COMBINING BALANCE SHEET

ALL NON-MAJOR FUNDS

JUNE 30, 2024

	Student Activity Fund	Cafeteria Fund	Deferred Maintenance Fund	Building Fund	Capital Facilities Fund	Bond Interest and Redemption Fund	Total
ASSETS							
Cash and cash equivalents	\$ 1,026,621	\$ 1,828,022	\$ 5,628,953	\$ 41,074	\$ 1,475,934	\$ 2,188,464	\$ 12,189,068
Accounts receivable	-	261,166	63,033	1,394	15,445	-	341,038
Stores	-	18,577	-	-	-	-	18,577
Total assets	\$ 1,026,621	\$ 2,107,765	\$ 5,691,986	\$ 42,468	\$ 1,491,379	\$ 2,188,464	\$ 12,548,683
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ 5,524	\$ -	\$ -	\$ 114,818	\$ -	\$ 120,342
Total liabilities	-	5,524	-	-	114,818	-	120,342
Fund balances							
Nonspendable	-	18,577	-	-	-	-	18,577
Restricted	1,026,621	2,083,664	-	34,599	1,376,561	2,188,464	6,709,909
Assigned	-	-	5,691,986	7,869	-	-	5,699,855
Total fund balances	1,026,621	2,102,241	5,691,986	42,468	1,376,561	2,188,464	12,428,341
Total liabilities and fund balances	\$ 1,026,621	\$ 2,107,765	\$ 5,691,986	\$ 42,468	\$ 1,491,379	\$ 2,188,464	\$ 12,548,683

RIPON UNIFIED SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

ALL NON-MAJOR FUNDS

JUNE 30, 2024

	Student Activity Fund	Cafeteria Fund	Deferred Maintenance Fund	Building Fund	Capital Facilities Fund	Bond Interest and Redemption Fund	Total
REVENUES							
Federal revenue	\$ -	\$ 947,820	\$ -	\$ -	\$ -	\$ -	\$ 947,820
Other state revenues	-	1,295,682	-	-	-	7,755	1,303,437
Other local revenues	1,008,127	98,357	423,542	10,790	191,649	1,945,847	3,678,312
Total revenues	<u>1,008,127</u>	<u>2,341,859</u>	<u>423,542</u>	<u>10,790</u>	<u>191,649</u>	<u>1,953,602</u>	<u>5,929,569</u>
EXPENDITURES							
Classified salaries	-	635,170	-	-	-	-	635,170
Employee benefits	-	242,103	-	-	-	-	242,103
Books and supplies	996,148	664,852	-	-	-	-	1,661,000
Services and other operating expenditures	3,414	43,337	-	-	206,153	-	252,904
Capital outlay	-	95,354	29,021	160,428	1,120,863	-	1,405,666
Debt service expenditures	-	-	-	-	-	1,809,904	1,809,904
Total expenditures	<u>999,562</u>	<u>1,680,816</u>	<u>29,021</u>	<u>160,428</u>	<u>1,327,016</u>	<u>1,809,904</u>	<u>6,006,747</u>
Net change in fund balances	8,565	661,043	394,521	(149,638)	(1,135,367)	143,698	(77,178)
Fund balances, July 1, 2023	1,018,056	1,441,198	5,297,465	192,106	2,511,928	2,044,766	12,505,519
Fund balances, June 30, 2024	<u>\$ 1,026,621</u>	<u>\$ 2,102,241</u>	<u>\$ 5,691,986</u>	<u>\$ 42,468</u>	<u>\$ 1,376,561</u>	<u>\$ 2,188,464</u>	<u>\$ 12,428,341</u>

RIPON UNIFIED SCHOOL DISTRICT

ORGANIZATION

JUNE 30, 2024

The Ripon Unified School District was established in 1966 in the County of San Joaquin, California. There were no changes in the boundaries of the District during the current year. The District operates five elementary schools, one alternative school and one high school.

GOVERNING BOARD

<u>Name</u>	<u>Office</u>	<u>Term Expires November</u>
Caroline Hutto	President	2028
Kit Oase	Vice President	2026
Vince Hobbs	Member	2026
Harpal Chandar	Member	2028
Jason Winter	Clerk	2026

ADMINISTRATION

Dr. Ziggy Robeson, Ed. E.
Superintendent

Dana Phelps
Director of Curriculum and Categorical Programs

Lisa Mazza
Director of Student Services

Michelle Blackwood
Chief Business Officer

RIPON UNIFIED SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Second Period Report	Revised Second Period Report*	Annual Report
<u>Elementary</u>			
TK through Third	981.50	982.22	984.14
Fourth through Sixth	725.45	725.82	726.10
Seventh through Eighth	474.84	475.36	475.35
Special Education	4.94	4.94	4.89
Subtotal	<u>2,186.73</u>	<u>2,188.34</u>	<u>2,190.48</u>
<u>Secondary</u>			
Ninth through Twelfth	1,002.94	1,003.58	1,004.42
Continuation Education	20.78	20.78	19.40
Special Education	0.33	0.33	0.33
Subtotal	<u>1,024.05</u>	<u>1,024.69</u>	<u>1,024.15</u>
Total	<u><u>3,210.78</u></u>	<u><u>3,213.03</u></u>	<u><u>3,214.63</u></u>

* Revision not a result of an audit finding.

RIPON UNIFIED SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Grade Level	Standard Minutes Requirement	2023-24 Actual Minutes	2023-24 Instructional Days	Status
Kindergarten	36,000	50,400	180	In compliance
Grade 1	50,400	50,400	180	In compliance
Grade 2	50,400	50,400	180	In compliance
Grade 3	50,400	50,400	180	In compliance
Grade 4	54,000	56,650	180	In compliance
Grade 5	54,000	56,650	180	In compliance
Grade 6	54,000	56,650	180	In compliance
Grade 7	54,000	56,650	180	In compliance
Grade 8	54,000	56,650	180	In compliance
Grade 9	64,800	66,600	180	In compliance
Grade 10	64,800	66,600	180	In compliance
Grade 11	64,800	66,600	180	In compliance
Grade 12	64,800	65,053	180	In compliance

RIPON UNIFIED SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOLS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Charter School ID Number	Charter Schools Chartered by the District	Included in the District Financial Statements or Separately Reported
1398	California Connections Academy Northern California (formerly California Connections Academy @ Ripon)	Separately Reported

RIPON UNIFIED SCHOOL DISTRICT

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Cafeteria Fund	Special Reserve Fund for Capital Outlay Projects	Farm Fund
FUND BALANCE			
Balance, June 30, 2024, Unaudited Actuals	\$ 2,102,277	10,964,132	1,846,190
Increase in:			
Accumulated Depreciation	-	-	(11,645)
Accounts Payable	-	(555,157)	-
Decrease in:			
Cash in County Treasury	(36)	-	-
Balance, June 30, 2024, Audited Financial Statements	\$ 2,102,241	\$ 10,408,975	\$ 1,834,545

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

RIPON UNIFIED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Assistance Listing Number	Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Federal Expenditures
<u>U.S. Department of Education</u>			
<i>Passed through California Department of Education</i>			
<u>Special Education Cluster (IDEA)</u>			
84.027	Special Ed: IDEA Basic Local Assistance Entitlement, Part B, Sec 611	13379	* \$ 522,159
84.027	Special Ed: IDEA Local Assistance, Part B, Sec 611, Private School ISPs	10115	* 54,137
84.173	Special Ed: IDEA Preschool Grants, Part B, Sec 619	13430	* 10,978
84.027A	Special Ed: IDEA Mental Health Average Daily Attendance (ADA) Allocation, Part B, Sec 611	15197	* 39,838
	Subtotal Special Education Cluster (IDEA)		<u>627,112</u>
<u>Education Stabilization Fund (ESF) Cluster</u>			
84.425	Elementary and Secondary School Emergency Relief III (ESSER III) Fund	15547	* 4,351,232
84.425U	Elementary and Secondary School Emergency Relief III (ESSER III) Fund: Learning Loss	10155	* 919,131
84.425	After School Education and Safety (ASES) Rate Increase: ESSER III State Reserve Summer Learning Prog	15652	* 54,361
84.425	American Rescue Plan - Homeless Children and Youth II (ARP HYC II)	15566	* 29,190
	Subtotal Education Stabilization Fund (ESF) Cluster		<u>5,353,914</u>
84.010	ESSA: Title I, Part A, Basic Grants Low-Income and Neglected	14329	729,430
84.330B	ESSA: Title II, Part A, Supporting Effective Instruction	14341	83,388
84.010	ESEA: ESSA School Improvement (CSI) Funding for LEAs	15438	111,000
84.048	Carl D. Perkins Career and Technical Education: Secondary, Section 131	14891	26,767
84.365	ESEA (ESSA): Title III, English Learner Student Program	14346	67,931
84.424	ESEA (ESSA) Title IV, Part A, Student Support and Academic Enrichment Grants	15396	40,833
	Total U.S. Department of Education		<u>7,040,375</u>
<u>U.S. Department of Agriculture</u>			
<i>Passed through California Department of Education</i>			
<u>Child Nutrition Cluster</u>			
10.555	Child Nutrition: School Programs (NSL Sec 4)	13391	731,843
10.555	Supply Chain Assistance (SCA) Funds	15655	32,582
	Total Cash Assistance Subtotal		<u>764,425</u>
10.555	School Lunch Program - Nonmonetary Assistance	13391	120,323
	Total Non-Cash Assistance Subtotal		<u>120,323</u>
	Subtotal Child Nutrition Cluster		<u>884,748</u>
	Total U.S. Department of Agriculture		<u>884,748</u>
<u>U.S. Department of Defense</u>			
<i>Direct Payments</i>			
12.U00	JROTC program	N/A	61,484
	Total U.S. Department of Defense		<u>61,484</u>
	Total Federal Programs		<u>\$ 7,986,607</u>

* Tested as a major program.

RIPON UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Adopted Budget 2024/2025	Actuals 2023/2024	Actuals 2022/2023	Actuals 2021/2022
<u>General Fund</u>				
Revenues and Other Financial Sources	\$ 47,675,022	\$ 56,486,859	\$ 54,322,436	\$ 42,530,743
Expenditures	49,832,978	52,354,504	45,144,706	38,750,401
Other Uses and Transfers Out	-	4,000,000	4,000,000	2,250,000
Total Outgo	49,832,978	56,354,504	49,144,706	41,000,401
Change in Fund Balance	(2,157,956)	132,355	5,177,730	1,530,342
Ending Fund Balance	<u>\$ 20,522,052</u>	<u>\$ 22,680,008</u>	<u>\$ 22,547,653</u>	<u>\$ 17,369,923</u>
Available Reserves	<u>\$ 2,989,979</u>	<u>\$ 3,144,101</u>	<u>\$ 2,707,730</u>	<u>\$ 2,325,024</u>
Reserve for Economic Uncertainties	<u>\$ 2,989,979</u>	<u>\$ 3,144,101</u>	<u>\$ 2,707,730</u>	<u>\$ 2,325,024</u>
Unassigned Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Available Reserves as a Percentage of Total Outgo	6.0%	5.6%	5.5%	5.7%
Total Long-Term Debt	\$ 69,840,243	\$ 70,520,967	\$ 67,315,124	\$ 56,308,987
Average Daily Attendance at P-2	3,250	3,213	3,144	3,150

The General Fund balance has increased by \$6,840,427 over the past three years. The fiscal year 2024-25 budget projects a decrease of \$2,157,956. For a District this size, the State of California recommends available reserves of at least 3 percent of total General Fund expenditures, transfers out, and other uses (total outgo). The District met this requirement.

The District has incurred an operating surplus in each of the past three fiscal years and anticipates a deficit in 2024-25.

Total long-term liabilities have increased by \$14,211,980 over the past two years due to increases in the net pension liability and increases in the net OPEB liability.

Average Daily Attendance (ADA) has increased by 63 over the past two years and attendance is budgeted to increase in fiscal year 2024-25.

RIPON UNIFIED SCHOOL DISTRICT
NOTES TO SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

1. PURPOSE OF SCHEDULES

A. Schedule Of Average Daily Attendance

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

B. Schedule of Instructional Time

This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of Education Code Sections 46201 through 46206. Districts must maintain their instructional minutes at the State's standard requirements as required by Education Code Section 46201(b).

C. Schedule of Charter Schools

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

D. Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

This schedule provides information necessary to reconcile the Annual Financial and Budget Report to the audited financial statements.

E. Schedule of Expenditures of Federal Awards

The accompanying schedule of expenditures of federal awards includes federal grant activity of the District and is presented under the modified accrual basis of accounting. Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance) require a disclosure of the financial activities of all federally funded programs. This schedule was prepared to comply with the Uniform Guidance and state requirements. Therefore, some amounts presented in this schedule may differ from amounts used in the preparation of the general purpose financial statements. The District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

The schedule on the following page provides a reconciliation between revenues reported on the Statement of Revenues, Expenditures and Changes in Fund Balances, and the related expenditures reported on the Schedule of Expenditures of Federal Awards.

RIPON UNIFIED SCHOOL DISTRICT
NOTES TO SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

1. PURPOSE OF SCHEDULES (CONTINUED)

E. Schedule of Expenditures of Federal Awards (continued)

	Assistance Listing Number	Amount
Total Federal Revenues From the Statement of Revenues, Expenditures, and Changes in Fund Balance		\$ 8,049,679
Reconciling items		
Supply Chain Assistance (SCA) Funds	10.555	(63,072)
Total Schedule of Expenditures of Federal Awards		\$ 7,986,607

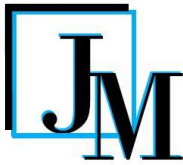
F. Schedule of Financial Trends and Analysis

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

2. EARLY RETIREMENT INCENTIVE PROGRAM

Education Code Section 14502 requires certain disclosure in the financial statements of districts which adopt Early Retirement Incentive Programs pursuant to Education Code Section 22714 and 44929. For the fiscal year ended June 30, 2024, the District did not adopt such a program.

OTHER INDEPENDENT AUDITOR'S REPORTS



James Marta & Company LLP

Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

Board of Trustees
Ripon Unified School District
Ripon, CA

Report on Compliance

Opinion

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

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

Basis for Opinion

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

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above, and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the 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 and performing such other procedures as we consider necessary in the circumstances;
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *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:

Local Education Agencies Other Than Charter Schools	
Description	Procedures Performed
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	No, see below
Independent Study	No, see below
Continuation Education	No, see below
Instructional Time	Yes
Instructional Materials	
General Requirements	Yes
Ratio of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive Program	No, see below
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	No, see below
Middle or Early College High Schools	No, see below
K-3 Grade Span Adjustment	Yes
Apprenticeship: Related and Supplemental Instruction	No, see below
Comprehensive School Safety Plan	Yes
District of Choice	No, see below
Home to School Transportation Reimbursement	Yes

School Districts, County Offices of Education and Charter Schools

Description	Procedures Performed
Arts and Music in Schools	Yes
After/Before Schools Education and Safety Program	
General Requirements	Yes
After School	Yes
Before School	No, see below
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	No, see below
Immunizations	No, see below
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	No, see below
Career Technical Education Incentive Grant	Yes
Expanded Learning Opportunities Program	Yes
Transitional Kindergarten	Yes

Charter Schools

Description	Procedures Performed
Attendance	No, see below
Mode of Instruction	No, see below
Nonclassroom-Based Instruction/Independent Study	No, see below
Determination of Funding for Nonclassroom-Based Instruction	No, see below
Annual Instructional Minutes - Classroom Based	No, see below
Charter School Facility Grant Program	No, see below

We did not perform any procedures related to Kindergarten Continuance because there were no repeating kindergarten students.

We did not perform any procedures related to Independent Study and Continuation Education because the ADA reported was below the materiality threshold in the current year.

We did not perform any procedures related to Early Retirement Incentive, Juvenile Court Schools, Middle or Early College High Schools, Apprenticeship: Related and Supplemental Instruction, District of Choice, the Before School portion of the After/Before School Education and Safety Program, and Independent Study-Course Based because the District did not offer these programs in the current year.

We did not perform any procedures related to Immunizations as none of the District's schools appeared on the lists of schools that did not submit immunization assessment reports to the California Department of Public Health or those that reported combined conditional admission and overdue rates greater than 10 percent in kindergarten and in 7th grade.

We did not perform any procedures related to Expanded Learning Opportunities Grant (ELO-G) as the District fully spent the funding in the prior year.

We did not perform any procedures related to Charter Schools Attendance, Mode of Instruction, Nonclassroom-Based Instruction/Independent Study, Determination of Funding for Nonclassroom-Based Instruction, Annual Instructional Minutes – Classroom-Based, and Charter School Facility Grant Program because the District did not have any charter schools.

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.

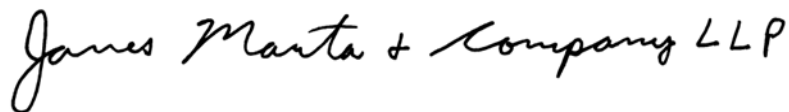
Report on Internal Control over Compliance

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.

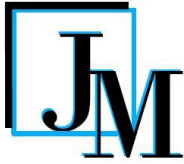
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant 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.

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.



James Marta & Company LLP
Certified Public Accountants
Sacramento, California
November 12, 2024



James Marta & Company LLP

Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

**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**

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Ripon Unified School District
Ripon, CA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Ripon Unified School District (the "District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 12, 2024.

Report on Internal Control Over Financial Reporting

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

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

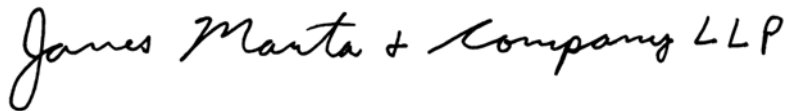
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

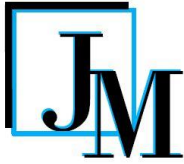
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

Purpose of This Report

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

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
November 12, 2024



James Marta & Company LLP

Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON
INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

INDEPENDENT AUDITOR'S REPORT

Board of Education
Ripon Unified School District
Ripon, CA

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Ripon Unified School District's (the "District") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 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 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

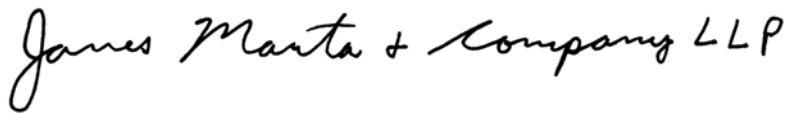
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of Ripon Unified School District as of and for the year ended June 30, 2024, and have issued our report thereon dated November 12, 2024, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



James Marta & Company LLP
Certified Public Accountants
Sacramento, California
November 12, 2024

FINDINGS AND RECOMMENDATIONS

RIPON UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:
Material weakness(es) identified? _____ Yes X No
Significant deficiency(ies) identified not
considered to be material weakness(es)? _____ Yes X None reported

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

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

Internal control over major programs:
Material weakness(es) identified? _____ Yes X No
Significant deficiency(ies) identified not
considered to be material weaknesses? _____ Yes X None reported

Any audit findings disclosed that are required to
be reported in accordance with Uniform Guidance,
Section 200.516(a)? _____ Yes X No

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster
84.425, 84.425U	Education Stabilization Fund (ESF) Cluster
84.027, 84.027A, 84.173	Special Education Cluster

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

Auditee qualified as low-risk auditee? X Yes _____ No

State Awards

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

Internal control over state programs:
Material weakness(es) identified? _____ Yes X No
Significant deficiency(ies) identified not
considered to be material weaknesses? _____ Yes X None reported

RIPON UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Section II – Financial Statement Findings

No matters were reported.

RIPON UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Section III – Federal Award Findings and Questioned Costs

No matters were reported.

RIPON UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Section IV – State Award Findings and Questioned Costs

No matters were reported.

RIPON UNIFIED SCHOOL DISTRICT
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

No matters were reported.