

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT  
COUNTY OF SIERRA  
LOYALTON, CALIFORNIA**

**AUDIT REPORT**

**JUNE 30, 2024**



Sierra-Plumas Joint Unified School District  
Audit Report  
For The Year Ended June 30, 2024

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Sierra-Plumas Joint Unified School District  
Audit Report  
For The Year Ended June 30, 2024

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## **Independent Auditor's Report**

To the Board of Trustees  
Sierra-Plumas Joint Unified School District  
Loyalton, California 96118

### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Sierra-Plumas Joint 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 Sierra-Plumas Joint Unified School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Sierra-Plumas Joint Unified School District, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

#### **Responsibilities of Management for the Financial Statements**

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and budgetary comparison information and schedule of the District's proportionate share of the net pension liability and schedule of District pension contributions, and Schedule of Changes in the District's Total OPEB Liability And Related Ratios be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## **Supplementary Information**

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

## **Other Information Included in the Annual Report**

Management is responsible for the other information included in the annual report. The other information as identified in the table of contents comprises the information included in the annual report but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2025 on our consideration of Sierra-Plumas Joint Unified School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 Sierra-Plumas Joint Unified School District's internal control over financial reporting and compliance.

Respectfully submitted,

SingletonAuman PC

Susanville, CA  
February 28, 2025

**SIERRA PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**Management's Discussion and Analysis (MD&A)**  
**June 30, 2024**

**INTRODUCTION**

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

**FINANCIAL HIGHLIGHTS**

- ❑ Total net position was \$6,632,046 at June 30, 2024. This was an increase of \$59,550 from the prior year, after the prior period adjustment.
- ❑ Overall revenues were \$10,096,779, which are more than expenses of \$8,942,392 by \$1,155,239.
- ❑ The General Fund reported a fund balance this year of \$5,705,118, an increase of \$747,133 from last year, after the prior period adjustment.
- ❑ The total cost of the District's programs was \$8,942,392, an increase of \$790,992 from the prior year.

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

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

**Government-Wide Statements**

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

The two government-wide statements report the District's net position and how it has changed. Net position, the difference between the assets and liabilities, is one way to measure the District's financial health or position.

- ❑ Over time, increases or decreases in the District's net position is an indicator of whether its financial health is improving or deteriorating, respectively.



- ❑ To assess the overall health of the District, one needs to consider additional nonfinancial factors such as changes in enrollment, changes in the property tax base, changes in program funding by the Federal and State governments, and condition of facilities.

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

### **Fund Financial Statements**

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

- ❑ Governmental funds - Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the government funds statements which explains the relationship (or differences) between them.
- ❑ Fiduciary funds — the District is the trustee, or fiduciary, for assets that belong to others; for the District, the Warrant Pass Through Fund is the only fiduciary fund. The District is responsible for ensuring that assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the District-wide financial statements because the District cannot use the assets to finance its operations.

## **FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE**

### **Net Position**

The District's combined net position was \$6,632,046 at June 30, 2024. See Table 1.

The significant changes in Table 1 line items for fiscal 2024 vs. 2023 are:

- Net pension liability and deferred inflows/outflows all fluctuated as a result of significant adjustments from the most recent actuarial valuation.

**Table 1:  
Net Position**

	Governmental Activities		Total Percentage Change
	2024	2023	2024-2023
<b>Assets</b>			
Cash in County Treasury	\$ 6,846,191	\$ -	
Cash on Hand and in Banks	129,736	-	
Cash in Revolving Fund	4,100	-	
Accounts Receivable	174,176	-	
Due from Grantor Governments	402,652	-	
Total Current and Other Assets (Prior Year)		7,487,139	
Capital Assets, Net of Accumulated Depreciation	3,851,316	3,746,920	2.79%
<b>TOTAL ASSETS</b>	<b>11,408,171</b>	<b>11,234,059</b>	<b>1.55%</b>
<b>Deferred Outflow of Resources</b>			
Deferred Pension Expenses	1,636,328	-	
Deferred OPEB Expenses	281,210	-	
Total Deferred Outflows (Prior Year)		1,550,021	
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>1,917,538</b>	<b>1,550,021</b>	<b>23.71%</b>
<b>Liabilities</b>			
Accounts Payable	506,622	-	
Due to Grantor Governments	168,899	-	
Unearned Revenue	125,141	-	
Net Pension Liability	4,504,263	-	
Net OPEB Liability	354,878	-	
Due within One Year	25,048	-	
Total Current Liabilities (Prior Year)	-	1,030,811	
Total Long Term Liabilities (Prior Year)	-	4,383,427	
<b>TOTAL LIABILITIES</b>	<b>5,684,851</b>	<b>5,414,238</b>	<b>5.00%</b>
<b>Deferred Inflows of Resources</b>			
Deferred Pension Revenues	1,008,812	797,346	
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>1,008,812</b>	<b>797,346</b>	<b>26.52%</b>
<b>Net Position</b>			
Net Investment in Capital Assets	3,851,316	3,746,920	2.79%
Restricted	2,485,719	2,512,802	-1.08%
Unrestricted	295,011	312,774	-5.68%
<b>TOTAL NET POSITION</b>	<b>\$ 6,632,046</b>	<b>\$ 6,572,496</b>	

**Changes in Net Position**

The District's total revenues were \$10,097,631. A significant portion of the revenue (68.8%) comes from LCFF. Sources and operating grants & contributions account for 13.8% of revenue. Other unrestricted federal, state and local revenue made up the remainder which increased from the prior year. Overall, revenues increased from the prior year.

The total cost of all programs and services was \$8,942,392. The District's expenses related to educating and caring for students is (50.9%). Administrative activities accounted for 11.9% of total costs. The remaining expenses were for plant services (maintenance and operations), ancillary services, community services and other outgo (passed through to other districts). Program expenses increased from the prior year.

**Table 2:  
Changes in Net Position**

	Governmental Activities		Total Percentage Change
	2024	2023	2024-2023
Revenues			
Program Revenues:			
Charges For Services	\$ 852	\$ 87,746	
Operating Grants & Contributions	1,396,626	3,110,249	-55.10%
General Revenues			
LCFF Sources	6,947,190	-	
Federal Revenues	525,845	-	
State Revenues	529,890	-	
Local Revenues	697,228	-	
Property Taxes (Prior Year)		3,046,117	
Unrestricted Federal & State Aid (Prior Year)		2,838,673	
Other (Prior Year)		1,999	
<b>TOTAL REVENUES</b>	<b>10,097,631</b>	<b>9,084,784</b>	<b>11.15%</b>
Program Expenses			
Instruction	4,549,337	4,047,951	12.39%
Instruction-Related Services	864,672	679,789	27.20%
Pupil Services	399,102	618,348	-35.46%
Ancillary Services	140,324	1,144,020	-87.73%
Community Services	500	500	100.00%
General Administration	1,062,441	953,099	11.47%
Plant Services	1,814,586	114,883	100.00%
Other Outgo	111,430	205,874	-45.87%
Depreciation (unallocated Prior Year)	-	386,936	-100.00%
<b>TOTAL EXPENSES</b>	<b>8,942,392</b>	<b>8,151,400</b>	
 <b>INCREASE IN NET POSITION</b>	 <b>\$ 1,155,239</b>	 <b>\$ 933,384</b>	

### Governmental Activities

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

The cost of all governmental activities this year was \$8,942,392.

A major portion of costs were funded by grants and contributions of \$1,396,626.

**Table 3**  
**Net Cost of Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2024	2023	2024	2023
Instruction	\$ 4,549,337	\$ 4,047,951	\$ 3,857,109	\$ 1,410,941
Instruction-Related Service	864,672	679,789	743,866	616,605
Pupil Services	399,102	618,348	155,259	318,618
Ancillary Services	140,324	144,020	128,595	56,412
Community Services	500	500	383	500
General Administration	1,062,441	953,099	913,487	910,843
Plant Services	1,814,586	1,114,883	1,634,785	1,046,676
Other Outgo	111,430	205,874	111,430	205,874
Deprecation (unallocated Prior Year)	-	386,936	-	386,936
<b>TOTAL</b>	<b>\$ 8,942,392</b>	<b>\$ 8,151,400</b>	<b>\$ 7,544,914</b>	<b>\$ 4,953,405</b>

### FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The overall financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$6,756,193 which is more than last year's ending fund balance of \$5,868,945, after the prior period adjustment.

### General Fund Budgetary Highlights

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

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### Capital Assets

At June 30, 2024, the District had invested \$3,851,316 in a broad range of capital assets, including buildings, equipment and vehicles. During the year, the District invested in a utility trailer, Tuff shed, heater for the girl's locker room, carpet replacements and bleachers.

**Table 4**  
**Capital Assets**

	Governmental Activities		Total Percentage
	2024	2023	Change 2024-2023
Land	\$ 157,192	\$ 157,192	
Land Improvements (Prior Year)	-	385,804	
Buildings & Improvements	9,355,083	8,770,545	
Equipment & Vehicles	2,158,828	1,827,137	
Totals at Historical Cost	11,671,103	10,597,682	10.13%
Total Accumulated Depreciation	(7,819,787)	(7,393,758)	5.76%
<b>NET CAPITAL ASSETS</b>	<b>\$ 3,851,316</b>	<b>\$ 3,203,924</b>	

For the 2024-2025 fiscal year, the District anticipates spending approximately \$552,253 on capital expenditures.

## Net Pension Liability

In accordance with GASB 68, the District has recorded its portion of the statewide unfunded pension liability, which is as follows:

**Table 5**  
**Net Pension Liability**

	Proportionate Share of Net Pension Liability		Total Percentage Change
	2024	2023	2024-2023
CalSTRS	\$ 2,882,554	\$ 2,365,900	21.84%
CalPERS	1,621,709	1,639,404	-1.08%
<b>TOTAL NET PENSION LIABILITY</b>	<b>\$ 4,504,263</b>	<b>\$ 4,005,304</b>	<b>12.46%</b>

## Other Long-Term Debt

At year end, the District had \$379,926 in Other Long-Term Debt, consisting of compensated absences, as well as Net OPEB Liability, which was newly implemented per GASB 75, as shown in Table 6. Net OPEB Liability is the unfunded liability for providing post-employment health insurance benefits to current and future retirees.

**Table 6**  
**Other Long-Term Debt**

	Governmental Activities		Total Percentage Change
	2024	2023	2024-2023
Net OPEB Liability	\$ 354,878	\$ 354,878	0.00%
Compensated Absences	25,048	23,245	7.76%
<b>TOTAL OTHER LONG-TERM DEBT</b>	<b>\$ 379,926</b>	<b>\$ 378,123</b>	<b>0.48%</b>

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

At the time these financial statements were prepared and audited, the District was aware of several circumstances that could affect its future financial health:

- ☐ The inevitable increases in pension contributions which will be needed to pay the unfunded Net Pension Liability of PERS and STRS will require careful planning and budgeting.
- ☐ Current year grants that will end in the next two years
- ☐ Potential declines in countywide enrollment

## **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, parents, participants, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact:

Randy Jones, Director of Business Services  
Sierra Plumas Joint Unified School District  
109 Beckwith Road  
Loyalton, CA 96118  
530-993-1660

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2024**

	Governmental Activities
<b>ASSETS:</b>	
Cash in County Treasury	\$ 6,846,191
Cash on Hand and in Banks	129,736
Cash in Revolving Fund	4,100
Accounts Receivable	174,176
Due from Grantor Governments	402,652
Capital Assets:	
Land	157,192
Land Improvements, Net	168,962
Buildings, Net	2,607,342
Equipment, Net	917,820
Total Assets	<u>11,408,171</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>	
Deferred Outflows of Resources - Pensions	1,636,328
Deferred Outflows of Resources - OPEB	<u>281,210</u>
Total Deferred Outflows of Resources	<u>1,917,538</u>
<b>LIABILITIES:</b>	
Accounts Payable	506,622
Due to Grantor Governments	168,899
Unearned Revenue	125,141
Noncurrent Liabilities:	
Net Pension Liability	4,504,263
Total OPEB Liability	354,878
Due within one year	<u>25,048</u>
Total Liabilities	<u>5,684,851</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>	
Deferred Inflows of Resources - Pensions	976,659
Deferred Inflows of Resources - OPEB	<u>32,153</u>
Total Deferred Inflows of Resources	<u>1,008,812</u>
<b>NET POSITION:</b>	
Net Investment in Capital Assets	3,851,316
Restricted For:	
Federal and State Programs	1,262,472
Other Purposes	1,223,247
Unrestricted	295,011
Total Net Position	<u>\$ 6,632,046</u>

The accompanying notes are an integral part of this statement.

## SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
<b>PRIMARY GOVERNMENT:</b>				
Governmental Activities:				
Instruction	\$ 4,549,337	\$ --	\$ 692,228	\$ (3,857,109)
Instruction-Related Services	864,672	--	120,806	(743,866)
Pupil Services	399,102	852	242,991	(155,259)
Ancillary Services	140,324	--	11,729	(128,595)
Community Services	500	--	117	(383)
General Administration	1,062,441	--	148,954	(913,487)
Plant Services	1,814,586	--	179,801	(1,634,785)
Other Outgo	111,430	--	--	(111,430)
Total Governmental Activities	8,942,392	852	1,396,626	(7,544,914)
Total Primary Government	<u>\$ 8,942,392</u>	<u>\$ 852</u>	<u>\$ 1,396,626</u>	<u>(7,544,914)</u>
General Revenues:				
LCFF Sources				6,947,190
Federal Revenues				525,845
State Revenues				529,890
Local Revenues				697,228
Total General Revenues				<u>8,700,153</u>
Change in Net Position				1,155,239
Net Position - Beginning				6,572,496
Prior Period Adjustment				(1,095,689)
Net Position - Ending				<u>\$ 6,632,046</u>

The accompanying notes are an integral part of this statement.



**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT****BALANCE SHEET - GOVERNMENTAL FUNDS**

JUNE 30, 2024

	General Fund	Capital Outlay Projects	Other Governmental Funds	Total Governmental Funds
<b>ASSETS:</b>				
<i>Cash in County Treasury</i>	\$ 5,913,524	\$ 921,489	\$ 11,178	\$ 6,846,191
<i>Cash on Hand and in Banks</i>	--	--	129,736	129,736
<i>Cash in Revolving Fund</i>	4,100	--	--	4,100
<i>Accounts Receivable</i>	145,568	--	28,608	174,176
<i>Due from Grantor Governments</i>	402,652	--	--	402,652
<b>Total Assets</b>	<u>6,465,844</u>	<u>921,489</u>	<u>169,522</u>	<u>7,556,855</u>
<b>LIABILITIES AND FUND BALANCE:</b>				
<b>Liabilities:</b>				
<i>Accounts Payable</i>	\$ 505,483	\$ --	\$ 1,139	\$ 506,622
<i>Due to Grantor Governments</i>	168,899	--	--	168,899
<i>Unearned Revenue</i>	86,344	--	38,797	125,141
<b>Total Liabilities</b>	<u>760,726</u>	<u>--</u>	<u>39,936</u>	<u>800,662</u>
<b>Fund Balance:</b>				
<b>Nonspendable Fund Balances:</b>				
<i>Revolving Cash</i>	4,100	--	--	4,100
<b>Restricted Fund Balances</b>	1,452,937	903,046	129,736	2,485,719
<b>Assigned Fund Balances</b>	526,807	18,443	--	545,250
<b>Unassigned:</b>				
<i>Reserve for Economic Uncertainty</i>	1,130,000	--	--	1,130,000
<i>Other Unassigned</i>	2,591,274	--	--	2,591,274
<b>Unassigned, reported in nonmajor:</b>				
<i>Special Revenue Funds</i>	--	--	(150)	(150)
<b>Total Fund Balance</b>	<u>5,705,118</u>	<u>921,489</u>	<u>129,586</u>	<u>6,756,193</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 6,465,844</u>	<u>\$ 921,489</u>	<u>\$ 169,522</u>	<u>\$ 7,556,855</u>

The accompanying notes are an integral part of this statement.

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2024**

Total fund balances - governmental funds balance sheet	\$ 6,756,193
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not reported in the funds.	3,851,316
Payables for compensated absences which are not due in the current period are not reported in the funds.	(25,048)
Recognition of the District's proportionate share of the net pension liability is not reported in the funds.	(4,504,263)
Deferred Resource Inflows related to the pension plans are not reported in the funds.	(976,659)
Deferred Resource Outflows related to the pension plans are not reported in the funds.	1,636,328
Recognition of the District's proportionate share of the net OPEB liability is not reported in the funds.	(354,878)
Deferred Resource Inflows related to the OPEB plans are not reported in the funds.	(32,153)
Deferred Resource Outflows related to the OPEB plans are not reported in the funds.	<u>281,210</u>
Net position of governmental activities - Statement of Net Position	\$ <u>6,632,046</u>

The accompanying notes are an integral part of this statement.

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	General Fund	Capital Outlay Projects	Other Governmental Funds	Total Governmental Funds
Revenues:				
LCFF Sources:				
State Apportionment or State Aid	\$ 2,899,496	\$ --	\$ --	\$ 2,899,496
Education Protection Account Funds	78,482	--	--	78,482
Local Sources	3,969,212	--	--	3,969,212
Federal Revenue	1,248,464	--	119,390	1,367,854
Other State Revenue	947,122	--	104,366	1,051,488
Other Local Revenue	649,275	14,595	67,229	731,099
Total Revenues	<u>9,792,051</u>	<u>14,595</u>	<u>290,985</u>	<u>10,097,631</u>
Expenditures:				
Current:				
Instruction	4,853,807	--	--	4,853,807
Instruction - Related Services	866,155	--	--	866,155
Pupil Services	137,955	--	233,102	371,057
Ancillary Services	83,686	--	56,638	140,324
Community Services	500	--	--	500
General Administration	1,067,948	--	--	1,067,948
Plant Services	1,280,036	30,449	--	1,310,485
Other Outgo	111,430	--	--	111,430
Capital Outlay	334,543	154,134	--	488,677
Total Expenditures	<u>8,736,060</u>	<u>184,583</u>	<u>289,740</u>	<u>9,210,383</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,055,991</u>	<u>(169,988)</u>	<u>1,245</u>	<u>887,248</u>
Other Financing Sources (Uses):				
Transfers In	--	300,000	8,858	308,858
Transfers Out	(308,858)	--	--	(308,858)
Total Other Financing Sources (Uses)	<u>(308,858)</u>	<u>300,000</u>	<u>8,858</u>	<u>--</u>
Net Change in Fund Balance	747,133	130,012	10,103	887,248
Fund Balance, July 1	6,337,915	--	118,413	6,456,328
Prior Period Adjustment	(1,379,930)	791,477	1,070	(587,383)
Fund Balance, June 30	<u>\$ 5,705,118</u>	<u>\$ 921,489</u>	<u>\$ 129,586</u>	<u>\$ 6,756,193</u>

The accompanying notes are an integral part of this statement.

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**

*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2024*

Net change in fund balances - total governmental funds	\$ 887,248
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	479,231
The depreciation of capital assets used in governmental activities is not reported in the funds.	(395,431)
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	(1,803)
Pension contributions made after the measurement date but in current FY were de-expended & reduced NPL.	(909,813)
Pension expense relating to GASB 68 is recorded in the SOA but not in the funds.	<u>1,095,807</u>
Change in net position of governmental activities - Statement of Activities	<u>\$ 1,155,239</u>

The accompanying notes are an integral part of this statement.

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2024**

	Foundation Trust Fund
<b>ASSETS:</b>	
<i>Cash in County Treasury</i>	\$ 99,051
<i>Investments</i>	<u>1,129,676</u>
Total Assets	<u>1,228,727</u>
<b>LIABILITIES:</b>	
<i>Accounts Payable</i>	\$ <u>41,000</u>
Total Liabilities	<u>41,000</u>
<b>NET POSITION:</b>	
<i>Held in Trust</i>	<u>1,187,727</u>
Total Net Position	<u><u>\$ 1,187,727</u></u>

The accompanying notes are an integral part of this statement.

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT****STATEMENT OF CHANGES IN FIDUCIARY NET POSITION****FIDUCIARY FUNDS**

FOR THE YEAR ENDED JUNE 30, 2024

Foundation
Trust
Fund

**ADDITIONS:**

Investment Income	\$ 17,533
Net Increase in Fair Value of Investments	144,651
Contributions from Foundations, Gifts and Bequests	<u>100,455</u>
Total Additions	<u>262,639</u>

**DEDUCTIONS:**

Scholarships	<u>17,442</u>
Total Deductions	<u>17,442</u>

<b>Change in Fiduciary Net Position</b>	<b>245,197</b>
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Net Position-Beginning of the Year	942,530
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Net Position-End of the Year	<u>\$ 1,187,727</u>
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The accompanying notes are an integral part of this statement.

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

**A. Summary of Significant Accounting Policies**

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

**1. Reporting Entity**

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

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

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

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

**2. Basis of Presentation, Basis of Accounting**

**a. Basis of Presentation**

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

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

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

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

The District reports the following major governmental funds:

**General Fund.** This is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund.

**Special Reserve for Capital Outlay Projects Fund:** This fund exists primarily to provide for the accumulation of general fund moneys for capital outlay purposes. The fund may also be used to account for any other revenues specifically for capital projects that are not restricted to other funds.

In addition, the District reports the following fund types:

**Private-Purpose Trust Funds:** These funds are used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments not reported in other fiduciary fund types.

Fiduciary funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or custodial capacity and are therefore not available to support District programs, these funds are not included in the government-wide statements.

b. Measurement Focus, Basis of Accounting

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

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

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

3. Encumbrances

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



# SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

### 4. Assets, Liabilities, and Equity

#### a. Deposits and Investments

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

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

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

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

#### b. Stores Inventories and Prepaid Expenditures

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

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

#### c. Capital Assets

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

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	50
Building Improvements	20
Vehicles	3-15
Furniture and Equipment	5-10
Computer Equipment	3-15
Lease Assets	3-15
Subscription Assets	3-15

## SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

d. Receivable and Payable Balances

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

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

e. Compensated Absences

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

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

f. Unearned Revenue

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

g. Interfund Activity

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

h. Property Taxes

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

i. Fund Balances - Governmental Funds

Fund balances of the governmental funds are classified as follows:

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

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

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

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

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

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

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

5. Deferred Inflows and Deferred Outflows of Resources

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

6. GASB 54 Fund Presentation

The District has no funds merged with the General Fund pursuant to GASB Statement No. 54.

7. Pensions

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

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

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

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

8. Use of Estimates

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

9. Fair Value Measurements

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

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

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

6. Implementation of New Standards

In the current fiscal year, the District did not implement any new standards from the Governmental Accounting Standards Board (GASB).

B. Compliance and Accountability

1. Finance-Related Legal and Contractual Provisions

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

<u>Violation</u>	<u>Action Taken</u>
None reported	Not applicable

# SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

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

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

<u>Fund Name</u>	<u>Deficit Amount</u>	<u>Remarks</u>
None reported	Not applicable	Not applicable

### C. Excess of Expenditures Over Appropriations

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

<u>Appropriations Category</u>	<u>Excess Expenditures</u>
General Fund:	
Certificated salaries	\$ 9,942
Services and other operating expenditures	23,645
Cafeteria Fund:	
Classified Salaries	141
Special Reserve for Capital Outlay Projects Fund:	
Services and other operating expenditures	15,265
Capital Outlay	26,918

General fund: The District incurred unanticipated expenditures for salaries and other operating expenditures.

Cafeteria fund: The District incurred unanticipated expenditures for salaries.

Special Reserve for Capital Outlay Projects Fund: The District incurred unanticipated expenditures for other operating expenditures and capital outlay.

### D. Cash and Investments

#### 1. Cash in County Treasury:

In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the Sierra County Treasury as part of the common investment pool (\$39,683,937 as of June 30, 2024). The fair value of the District's portion of this pool as of that date, as provided by the pool sponsor, was \$6,945,243. Assumptions made in determining the fair value of the pooled investment portfolios are available from the County Treasurer.

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

Cash balances on hand and in banks (\$129,736 as of June 30, 2024) and in the revolving fund (\$4,100) are insured up to \$250,000 by the Federal Depository Insurance Corporation. All cash held by the financial institution is fully insured or collateralized.

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

3. Investments:

The District's Foundation Trust Fund investments at June 30, 2024 are shown below.

<u>Investment or Investment Type</u>	<u>Maturity</u>	<u>Fair Value</u>
Flex Lng Ltd Ordinary Shares	N/A	\$ 27,040
AT&T, Inc	N/A	124,215
Cheveron Corporation	N/A	156,420
Constellation Energy Corporation	N/A	100,135
Intel Corp	N/A	30,970
KKR & Co Inc	N/A	263,100
Pfizer Inc	N/A	55,960
Dow Inc	N/A	53,050
Exelon Corporation	N/A	51,915
Ford Motor Co	N/A	12,540
Kinder Morgan Inc	N/A	19,870
Warner Bros Discovery Inc	N/A	8,988
Prologis Inc	N/A	112,310
RLJ Lodging Trust	N/A	9,630
Ventas Inc	N/A	102,520
Cash held in Investment Account	N/A	1,013
Total Investments		<u>\$ 1,129,676</u>

4. Analysis of Specific Deposit and Investment Risks

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

a. Credit Risk

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

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name.

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

c. Concentration of Credit Risk

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

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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d. Interest Rate Risk

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

e. Foreign Currency Risk

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

5. Investment Accounting Policy

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

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

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

**E. Capital Assets**

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

Prior Period Adjustment - During prior years some fixed asset additions were not capitalized and depreciated. These assets and related accumulated depreciation are adjusted as follows:

	Beginning Balances as Previously Reported	Prior Period Adjustment	Beginning Balances as Restated
Governmental activities:			
Capital assets not being depreciated:			
Land	\$ 157,192	\$ --	\$ 157,192
Total capital assets not being depreciated	<u>157,192</u>	<u>--</u>	<u>157,192</u>
Capital assets being depreciated:			
Buildings	8,770,545		8,770,545
Improvements	385,804		385,804
Equipment	<u>1,827,137</u>	<u>51,194</u>	<u>1,878,331</u>
Total capital assets being depreciated	<u>10,983,486</u>	<u>51,194</u>	<u>11,034,680</u>
Less accumulated depreciation for:			
Buildings	(6,116,318)		(6,116,318)
Improvements	(228,106)		(228,106)
Equipment	<u>(1,049,334)</u>	<u>(30,598)</u>	<u>(1,079,932)</u>
Total accumulated depreciation	<u>(7,393,758)</u>	<u>(30,598)</u>	<u>(7,424,356)</u>
Total capital assets being depreciated, net	<u>3,589,728</u>	<u>20,596</u>	<u>3,610,324</u>
Governmental activities capital assets, net	<u>\$ 3,746,920</u>	<u>\$ 20,596</u>	<u>\$ 3,767,516</u>

Current year changes in fixed assets are as follows:

	Beginning Balances as Restated	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 157,192	\$ --	\$ --	\$ 157,192
Total capital assets not being depreciated	<u>157,192</u>	<u>--</u>	<u>--</u>	<u>157,192</u>
Capital assets being depreciated:				
Buildings	8,770,545	160,765	--	8,931,310
Improvements	385,804	37,969	--	423,773
Equipment	<u>1,878,331</u>	<u>280,497</u>	<u>--</u>	<u>2,158,828</u>
Total capital assets being depreciated	<u>11,034,680</u>	<u>479,231</u>	<u>--</u>	<u>11,513,911</u>
Less accumulated depreciation for:				
Buildings	(6,116,318)	(207,650)	--	(6,323,968)
Improvements	(228,106)	(26,705)	--	(254,811)
Equipment	<u>(1,079,932)</u>	<u>(161,076)</u>	<u>--</u>	<u>(1,241,008)</u>
Total accumulated depreciation	<u>(7,424,356)</u>	<u>(395,431)</u>	<u>--</u>	<u>(7,819,787)</u>
Total capital assets being depreciated, net	<u>3,610,324</u>	<u>83,800</u>	<u>--</u>	<u>3,694,124</u>
Governmental activities capital assets, net	<u>\$ 3,767,516</u>	<u>\$ 83,800</u>	<u>\$ --</u>	<u>\$ 3,851,316</u>

Depreciation was charged to functions as follows:

Plant Operations	\$ 395,431
	<u>\$ 395,431</u>



**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**F. Interfund Balances and Activities**

**1. Transfers To and From Other Funds**

Transfers to and from other funds at June 30, 2024, consisted of the following:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>	<u>Reason</u>
General fund	Capital Projects Fund	\$ 300,000	Provide resources for future capital projects
General fund	Cafeteria	8,858	Supplement other funds sources
	Total	<u>\$ 308,858</u>	

**G. Long-Term Obligations**

**1. Long-Term Obligation Activity**

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Governmental activities:</u>					
Compensated absences *	\$ 23,245	\$ 1,803	\$ --	\$ 25,048	\$ 25,048
Total governmental activities	<u>\$ 23,245</u>	<u>\$ 1,803</u>	<u>\$ --</u>	<u>\$ 25,048</u>	<u>\$ 25,048</u>

\* Other long-term liabilities

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

<u>Liability</u>	<u>Activity Type</u>	<u>Fund</u>
Compensated absences	Governmental	General

**2. Debt Service Requirements**

Debt service requirements on long-term debt at June 30, 2024, are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 25,048	\$ --	\$ 25,048
Totals	<u>\$ 25,048</u>	<u>\$ --</u>	<u>\$ 25,048</u>

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

**H. Joint Ventures (Joint Powers Agreements)**

The District participates in two Joint Powers Agreements (JPA's), the Tri-County Schools Insurance Group and the Northeastern JPA. The insurance groups arrange for and provide property, liability, health and worker's compensation insurance for their members. The District pays premiums commensurate with the level of coverage requested. These are partial self-insurance programs.

An executive committee consisting of representatives from each member's District governs the JPA's. The governing boards control the operations of their JPA's independent of any influence by the District beyond the District's representation on the governing boards.

The JPA's are independently accountable for their fiscal matters. The insurance groups maintain their own accounting records. The budget is not subject to any approval other than that of the executive committee. The relationship between the District and the JPA's is such that the JPA's are not component units of the County Office for financial reporting purposes.

Condensed financial information for the JPA's for June 30, 2024 was not available as of our report date.

**I. Pension Plans**

**1. General Information About the Pension Plans**

**a. Plan Descriptions**

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

**b. Benefits Paid**

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

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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The Plans' provisions and benefits in effect at June 30, 2024 are summarized as follows:

	CalSTRS	
	Before Jan. 1, 2013	On or After Jan. 1, 2013
Hire Date		
Benefit Formula	2% at 60	2% at 62**
Benefit Vesting Schedule	5 Years	5 Years
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	55-60	55-62
Monthly benefits, as a % of eligible compensation	1.1 - 2.4%	1.0 - 2.4%*
Required Employee Contribution Rates (at June 30, 2024)	10.250%	10.205%
Required Employer Contribution Rates (at June 30, 2024)	19.100%	19.100%
Required State Contribution Rates (at June 30, 2024)	10.828%	10.828%

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

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

	CalPERS	
	Before Jan. 1, 2013	On or After Jan. 1, 2013
Hire Date		
Benefit Formula	2% at 60	2% at 62**
Benefit Vesting Schedule	5 Years	5 Years
Benefit Payments	Monthly for Life	Monthly For Life
Retirement Age	50-62	52-67
Monthly Benefits as a % of Eligible Compensation	1.1- 2.5%	1.0- 2.5%
Required Employee Contribution Rates (at June 30, 2024)	7.000%	8.000%
Required Employer Contribution Rates (at June 30, 2024)	26.680%	26.680%

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

c. Contributions

CalSTRS

For the fiscal year ended June 30, 2024 (measurement date June 30, 2023), California Education Code Section 22950 requires members to contribute monthly to the system 10.205% (if hired on or after January 1, 2013) or 10.25% (if hired before January 1, 2013) of the creditable compensation upon which members' contributions under this part are based. In addition, the employer required rates established by the CalSTRS Board have been established at 19.1% of creditable compensation for the fiscal year ended June 30, 2024. Beginning in the fiscal year June 30, 2022 and for each fiscal year thereafter, the CalSTRS Board has the authority to increase or decrease percentages paid specific to reflect the contribution required to eliminate by June 30, 2046, the remaining unfunded actuarial obligation with respect to service credited to members before July 1, 2014, as determined by the Board based upon a recommendation from its actuary. Those adjustments are limited to 0.5% annually, not to exceed 20.25% of creditable compensation.

# SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

### CalPERS

California Public Employees' Retirement Law section 20814(c) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. The CalPERS Board retains the authority to amend contribution rates. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The Actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of the employees. For the fiscal year ended June 30, 2024 (measurement date June 30, 2023) the employee contribution rate was 8.00% and the employer contribution rate was 26.680% of covered payroll.

### On Behalf Payments

Consistent with California Education Code Section 22955.1, the State of California makes contributions to CalSTRS on behalf of employees working for the District. For the fiscal year ended June 30, 2024 (measurement date June 30, 2023) the State contributed 10.828% of salaries creditable to CalSTRS. Consistent with the requirements of generally accepted accounting principles, the District has recorded these contributions as revenue and expense in the fund financial statements (current financial resources measurement focus). The government-wide financial statements have recorded revenue and expense for pension expense paid on behalf of the District (economic resources measurement focus). Contributions reported for on behalf payments are based on the District's proportionate share of the State's contribution for the fiscal year. Contributions made by the state on behalf of the District and the State's pension expense associated with District employees for the past three fiscal years are as follows:

<u>CalSTRS</u>			
<u>Year Ended June 30,</u>	<u>On Behalf Contribution Rate</u>	<u>On Behalf Contribution Amount</u>	<u>On Behalf Pension Expense</u>
2022	10.828%	\$ 201,451	\$ 23,884
2023	10.828%	227,392	177,892
2024	10.828%	211,984	402,750

The State contributed an additional \$1.1 Billion to CalSTRS during the 2019-20 fiscal year and \$297 Million to CalSTRS during the 2021-22 fiscal year as a continuing settlement associated with SB90.

### d. Contributions Recognized

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

<u>Fund Financial Statements</u> <u>(Current Financial Resources Measurement Focus)</u>			
	<u>CalSTRS</u>	<u>CalPERS</u>	<u>Total</u>
Contributions - Employer	\$ 501,505	\$ 196,325	\$ 697,830
Contributions - State On Behalf Payments	402,750	--	402,750
Total Contributions	<u>\$ 904,255</u>	<u>\$ 196,325</u>	<u>\$ 1,100,580</u>
<u>Government-Wide Financial Statements</u> <u>(Economic Resources Measurement Focus)</u>			
	<u>CalSTRS</u>	<u>CalPERS</u>	<u>Total</u>
Contributions - Employer	\$ 437,153	\$ 199,669	\$ 636,822
Contributions - State On Behalf Payments	211,984	--	211,984
Total Contributions	<u>\$ 649,137</u>	<u>\$ 199,669</u>	<u>\$ 848,806</u>

# SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

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

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

	Proportionate Share of Net Pension Liability
CalSTRS	\$ 2,882,554
CalPERS	1,621,709
Total Net Pension Liability	<u>\$ 4,504,263</u>

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

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

	CalSTRS		CalPERS	
	District's Proportionate Share	State's Proportionate Share*	Total For District Employees	District's Proportionate Share
Proportion June 30, 2023	0.0031%	0.0020%	0.0052%	0.0046%
Proportion June 30, 2024	0.0038%	0.0018%	0.0057%	0.0045%
Change in Proportion	0.0007%	-0.0002%	0.0005%	-0.0001%

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

#### a. Pension Expense

	CalSTRS	CalPERS	Total
Change in Net Pension Liability (Asset)	\$ 740,613	\$ 45,086	\$ 785,699
State On Behalf Pension Expense	402,750	--	402,750
Employer Contributions to Pension Expense	501,505	196,325	697,830
Change in Contributions Subsequent to Measurement Date	(64,352)	3,344	(61,008)
Change in Other Outflows/Inflows of Resources	(1,254,270)	(219,903)	(1,474,173)
Total Pension Expense	<u>\$ 326,246</u>	<u>\$ 24,852</u>	<u>\$ 351,098</u>

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

b. Deferred Outflows and Inflows of Resources

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

	Deferred Outflows of Resources		
	CalSTRS	CalPERS	Total
Pension contributions subsequent to measurement date	\$ 501,505	\$ 196,325	\$ 697,830
Differences between actual and expected experience	228,201	64,007	292,208
Changes in assumptions	52,685	11,632	64,317
Change in employer's proportionate share	466,376	--	466,376
Net difference between projected and actual earnings	80,516	35,081	115,597
Total Deferred Outflows of Resources	<u>\$ 1,329,283</u>	<u>\$ 307,045</u>	<u>\$ 1,636,328</u>

  

	Deferred Inflows of Resources		
	CalSTRS	CalPERS	Total
Differences between actual and expected experience	\$ (187,257)	\$ (49,756)	\$ (237,013)
Change in employer's proportionate share	(553,450)	(186,196)	(739,646)
Total Deferred Inflows of Resources	<u>\$ (740,707)</u>	<u>\$ (235,952)</u>	<u>\$ (976,659)</u>

Pension contributions made subsequent to measurement date reported as deferred outflows of resources will be recognized as a portion of pension expense in the year ended June 30, 2025. The remaining amounts reported as deferred outflows or deferred inflows of resources will be recognized as an increase or decrease to pension expense over a five year period. Pension expense resulting from deferred outflows and deferred inflows of resources will be recognized as follows:

Year Ended June 30	Deferred Outflows of Resources		Deferred Inflows of Resources		Net Effect on Expenses
	CalSTRS	CalPERS	CalSTRS	CalPERS	
2025	\$ 715,823	\$ 219,580	\$ (608,751)	\$ (150,437)	\$ 176,215
2026	168,617	23,255	(54,447)	(37,192)	100,233
2027	153,002	33,332	(36,031)	(29,292)	121,011
2028	135,256	18,133	(30,641)	(19,031)	103,717
2029	38,033	12,745	(10,837)	--	39,941
Thereafter	118,552	--	--	--	118,552
Total	<u>\$ 1,329,283</u>	<u>\$ 307,045</u>	<u>\$ (740,707)</u>	<u>\$ (235,952)</u>	<u>\$ 659,669</u>

# SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

### c. Actuarial Assumptions

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

	CalSTRS	CalPERS
Fiscal Year	June 30, 2024	June 30, 2024
Measurement Date	June 30, 2023	June 30, 2023
Valuation Date	June 30, 2022	June 30, 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Experience Study Period	-3	-19
Actuarial Assumptions:		
Discount Rate	7.10%	6.90%
Inflation	2.75%	2.3%
Wage Growth	3.50%	(3)
Investment Rate of Return	7.10%	6.90%
Post Retirement Benefit Increase	(1)	(4)
Mortality	(2)	(5)

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

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

(3) Varies by entry age and service.

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

(5) CalPERS mortality table was developed based on CalPERS specific data. The table includes 15 years of mortality improvement using the Society of Actuaries 90% of scale MP-2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

### d. Discount Rate

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

The CalPERS discount rate was increased from 7.50% to 7.65% at measurement date June 30, 2015 (Fiscal year June 30, 2016) to correct for an adjustment to exclude administrative expenses. Subsequently CalPERS discount rate was decreased from 7.65% to 7.15% at measurement date June 30, 2017 (Fiscal year June 30, 2018) to adjust for changes resulting from actuarially determined amounts.

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

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

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

CalSTRS and CalPERS are scheduled to review actuarial assumptions as part of their regular Asset Liability Management (ALM) review cycle. CalSTRS completed their ALM November 2019 with new policies in effect on July 1, 2021. CalPERS completed their ALM in 2018 with new policies in effect on July 1, 2018. Both CalSTRS and CalPERS conduct new ALM's every 4 years.

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

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

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

CalSTRS

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

\* Real return is net of assumed 2.75% inflation



**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

CalPERS

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

(1) An expected inflation of 2.30% used for this period

(2) Figures are based on the 2021-22 Asset Liability Management study

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

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

	CalSTRS	CalPERS
1% Decrease	6.10%	5.90%
Net Pension Liability	\$ 4,870,749	\$ 2,344,574
Current Discount Rate	7.10%	6.90%
Net Pension Liability	\$ 2,882,554	\$ 1,621,710
1% Increase	8.10%	7.90%
Net Pension Liability	\$ 1,269,863	\$ 1,024,280

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

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

CalSTRS - Governmental Activities

	Increase (Decrease)				
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)	State's Share of Net Pension Liability (c)	District's Share of Net Pension Liability (a) - (b) - (c)
<b>Balance at June 30, 2023</b> (Previously Reported)	\$ 19,072,054	\$ 15,485,898	\$ 3,586,156	\$ 1,423,066	\$ 2,163,090
<b>Changes for the year:</b>					
CalSTRS Auditor Adjustment	--	--	--	--	--
Change in Prop share	1,840,319	1,494,280	346,039	(140,361)	486,400
Service Cost	462,587	--	462,587	150,907	311,680
Interest	1,481,239	--	1,481,239	483,215	998,024
Differences between expected and actual experience	395,137	--	395,137	128,903	266,234
Change in benefits	33,216	--	33,216	10,836	22,380
Contributions:					
Employer	--	438,312	(438,312)	(142,988)	(295,324)
Employee	--	243,601	(243,601)	(79,468)	(164,133)
State On Behalf Payments	--	210,498	(210,498)	(68,669)	(141,829)
Net Investment Income	--	1,113,320	(1,113,320)	(363,191)	(750,129)
Other Income	--	17,202	(17,202)	(5,612)	(11,590)
Benefit Payments, including refunds of employee contributions	(1,040,268)	(1,040,268)	0	--	0
Administrative expenses	--	(12,562)	12,562	4,098	8,464
Borrowing Costs	--	15,391	(15,391)	(5,021)	(10,370)
Other Expenses	--	509	(509)	(166)	(343)
<b>Net Changes</b>	<b>3,172,230</b>	<b>2,480,283</b>	<b>691,947</b>	<b>(27,517)</b>	<b>719,464</b>
<b>Balance at June 30, 2024</b>	<b>\$ 22,244,284</b>	<b>\$ 17,966,181</b>	<b>\$ 4,278,103</b>	<b>\$ 1,395,549</b>	<b>\$ 2,882,554</b>

(1) - Includes refunds of employee contributions

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

CalPERS - Governmental Activities

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
<b>Balance at June 30, 2023</b> (Previously Reported)	\$ 5,214,068	\$ 3,637,444	\$ 1,576,624
<b>Changes for the year:</b>			
Change in Proportionate Share	(116,070)	(80,973)	(35,097)
Service Cost	122,930	--	122,930
Interest	352,725	--	352,725
Differences between expected and actual experience	79,646	--	79,646
Contributions:			
Employer	--	199,676	(199,676)
Employee	--	59,775	(59,775)
Net Investment Income	--	218,292	(218,292)
Benefit Payments, including refunds of employee contributions	(254,292)	(254,292)	--
Administrative expenses	--	(2,624)	2,624
Net Changes	184,939	139,854	45,085
<b>Balance at June 30, 2024</b>	<u>\$ 5,399,007</u>	<u>\$ 3,777,298</u>	<u>\$ 1,621,709</u>

(1) - Includes refunds of employee contributions

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

**J. Postemployment Benefits Other Than Pension Benefits**

**1. General Information about the OPEB Plan**

For the fiscal year ended June 30, 2024, the District reported Net OPEB liability, deferred outflows of resources, deferred inflows of resources and OPEB expense for the following plan:

OPEB Plan	Net OPEB Liability (Asset)	Deferred Outflow of Resources	Deferred Inflow of Resources	OPEB Expense (Benefit)
District Plan	\$ 354,878	\$ 281,210	\$ 32,153	\$ 83,139

Plan Description

The District's defined benefit OPEB plan, provides OPEB for all permanent fulltime employees of the District. The is a single-employer defined benefit OPEB plan administered by the District. Authority to establish and amend the benefit terms and financing requirements lie with the District's board of directors. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

## SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

#### Benefits Provided

Confidential and Classified Employees with a minimum of 25 years of experience 5 years with the County Office of Education, who have reached the age of 55, may elect to take advantage of their choice of one of the following offers:

- A. 1 year of retiree benefits (at the Tiered Rate) for medical, dental, and vision plans for the retiree, spouse and family, or.
- B. \$17,537 for the term of 1 year.

Certificated employees with a minimum of 25 years of experience 5 years with the District, who have reached the age of 55, may elect to take advantage of their choice of one of the following offers:

- A. 3 years of retiree benefits (at the Tiered Rate) for medical, dental, and vision plans for the retiree, spouse and family, capped at the employer dollar contribution in the year of the unit member's final year of service, or.
- B. A lump sum dollar amount per year for 3 years set up at the dollar contribution per paragraph "A" above made by the employer in the year of the unit members final year of service.

All contracts with District employees will be renegotiated periodically in the future, thus costs and benefits are subject to change. Benefits and contribution requirements for the Other Post- Employment Benefits (OPEB) plan are established by various labor agreements.

For the District, OPEB benefits are administered by its personnel. No separate financial statements are issued.

#### Employees Covered by Benefit Terms

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

Inactive employees or beneficiaries currently receiving benefit payments	2
Active employees	8
Total number of participants	<u>10</u>

The OPEB plan is closed to new entrants.

#### 2. Total OPEB Liability

The District's total OPEB liability of \$72,521 was measured as of June 30, 2022, and was determined by an" actuarial valuation as of June 30, 2022.

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2022
Fiscal Year	July 1st to June 30th
Actuarial Cost Method	Entry Age Level Percent of Pay
Inflation	2.50%
Salary Increases	2.75% per year
Discount Rate	3.69%
Payroll Increase	3.00%
Healthcare Cost Trend Rates	6.00 percent for 2023, 5.50 percent for 2024, 5.25 percent for 2025-2029, 5.00 percent for 2025-2029, 5.00 percent for 2030-2039, 4.75 percent for 2040-2049, 4.50 percent for 2050-2069, and 4.00 percent for 2070 and later years; Medicare ages: 4.50 percent for 2022- 2029 and 4.00 percent for 2030 and later years.
Mortality Rate	Certificated mortality rates for active employees from CalSTRS Experience Analysis (2015-2018).  Classified mortality rates from CalPERS Experience Study (2000-2019).
Retiree's Share of Costs	0.00% of projected health insurance premiums

Discount Rate

The discount rate of 3.69% based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

Changes in Total OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Fiduciary Net Position	NetOPEB Liability
Balance at June 30, 2023	\$ 354,878	\$ --	\$ 354,878
Changes for the year:			
Service cost	14,794	--	14,794
Interest	3,481	--	3,481
Employer Contributions	--	83,139	(83,139)
Differences between expected and actual experience	101,421	--	101,421
Changes in assumptions or other inputs	(36,557)	--	(36,557)
Benefit payments	(83,139)	(83,139)	--
Net changes	--	--	--
Balance at June 30, 2024	\$ 354,878	\$ --	\$ 354,878

Changes of assumptions and other inputs reflect a change in the discount rate from 1.92% to 3.69% in measurement dates June 30, 2021, to June 30, 2022, respectively.

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

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.69%) or 1-percentage point higher (4.69%) than the current discount rate:

	1% Decrease 2.69%	Discount Rate 3.69%	1% Increase 4.69%
Total OPEB Liability	\$ 375,176	\$ 354,878	\$ 335,495

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

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point-lower (5.00% per year) or 1-percentage point higher (7.00% per year) than the current healthcare cost trend rates:

	1% Decrease 5.00%	Healthcare Cost Trend Rate 6.00%	1% Increase 7.00%
Total OPEB Liability	\$ 326,379	\$ 354,878	\$ 387,333

# SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024

### 3. 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 \$83,139. At June 30, 2024 the District reported deferred outflows of resources related to the following sources:

	Deferred Outflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 218,469	\$
Changes in assumptions or other inputs		32,153
Contributions made subsequent to measurement date	62,741	
	<u>\$ 281,210</u>	<u>\$ 32,153</u>

At June 30, 2024 the District did not report any deferred inflows of resources relating to OPEB.

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

Year Ended June 30,	Deferred Outflow of Resources
2025	\$ 25,523
2026	25,523
2027	25,523
2028	25,523
2029	25,523
Thereafter	121,442
	<u>\$ 249,057</u>

### K. Commitments and Contingencies

#### Litigation

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

#### State and Federal Allowances, Awards, and Grants

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

### L. Subsequent Events

Subsequent events were evaluated through February 28, 2025, the date that the financial statements were available to be issued.

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

**M. Prior Period Adjustments**

The June 30, 2023 Governmental Fund Balances and Government Wide Net Position have been restated to correct the following mistatements:

	General Fund	Speical Reserve Capital Outlay Projects Fund	Cafeteria Fund	Government Wide Net Position
Fund Balance June 30, 2023				
Originally Reported	\$ 6,337,915	\$ --	\$ (862)	\$ 6,572,496
Prior Period Adjustments:				
Correction of Prior Year				
Accruals	(15,622)			(15,622)
Prior Year Audit Adjustments				
Not accepted by District	(595,616)	22,785	1,070	(571,761)
Reverse GASB 54 adjustment				
Special Reserve -Capitla				
Outlay Projects	(768,692)	768,692		--
Understatement of Net				
Pension Liability				(528,902)
Unrecorded Fixed Assets, Net	--	--	--	20,596
Total Prior Period Adjustments	(1,379,930)	791,477	1,070	(1,095,689)
Fund Balance June 30, 2023				
As Restated	\$ 4,957,985	\$ 791,477	\$ 208	\$ 5,476,807

For prior years, the net change in fund balance and net position were overstated by the total prior period adjustment for each fund and the government wide net position.



### *Required Supplementary Information*

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

# SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

EXHIBIT B-1

## GENERAL FUND BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
LCFF Sources:				
State Apportionment or State Aid	\$ 3,134,484	\$ 2,450,925	\$ 2,899,496	\$ 448,571
Education Protection Account Funds	--	145,824	78,482	(67,342)
Local Sources	3,138,238	3,778,334	3,969,212	190,878
Federal Revenue	492,702	1,031,980	1,248,464	216,484
Other State Revenue	603,286	720,315	947,122	226,807
Other Local Revenue	268,000	398,637	649,275	250,638
Total Revenues	<u>7,636,710</u>	<u>8,526,015</u>	<u>9,792,051</u>	<u>1,266,036</u>
Expenditures:				
Current:				
Certificated Salaries	2,808,010	2,908,271	2,918,213	(9,942)
Classified Salaries	1,017,842	1,037,935	958,509	79,426
Employee Benefits	2,029,871	2,066,017	1,959,555	106,462
Books And Supplies	278,843	476,778	416,685	60,093
Services And Other Operating Expenditures	1,863,544	2,013,480	2,037,125	(23,645)
Other Outgo	104,450	268,288	111,430	156,858
Capital Outlay	115,000	391,668	334,543	57,125
Total Expenditures	<u>8,217,560</u>	<u>9,162,437</u>	<u>8,736,060</u>	<u>426,377</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(580,850)</u>	<u>(636,422)</u>	<u>1,055,991</u>	<u>1,692,413</u>
Other Financing Sources (Uses):				
Transfers Out	(861,053)	(355,857)	(308,858)	46,999
Other Sources	<u>7,636,710</u>	<u>8,526,015</u>	<u>--</u>	<u>(8,526,015)</u>
Total Other Financing Sources (Uses)	<u>6,775,657</u>	<u>8,170,158</u>	<u>(308,858)</u>	<u>(8,479,016)</u>
Net Change in Fund Balance	6,194,807	7,533,736	747,133	(6,786,603)
Fund Balance, July 1	--	--	6,337,915	6,337,915
Prior Period Adjustment	--	--	(1,379,930)	(1,379,930)
Fund Balance, June 30	<u>\$ 6,194,807</u>	<u>\$ 7,533,736</u>	<u>\$ 5,705,118</u>	<u>\$ (1,828,618)</u>

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE**  
**SHARE OF THE NET PENSION LIABILITY**  
**CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM**  
**LAST TEN FISCAL YEARS**

	Measurement Year*									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability (asset)	0.0038%	0.0034%	0.0037%	0.0036%	0.0034%	0.0033%	0.0039%	0.0036%	0.0036%	0.0036%
District's proportionate share of the net pension liability (asset)	\$ 2,894,107	\$ 2,365,900	\$ 1,700,575	\$ 3,520,199	\$ 3,027,678	\$ 3,072,827	\$ 2,861,337	\$ 2,817,073	\$ 2,408,453	\$ 2,089,229
State's proportionate share of the net pension liability (asset) associated with the District	1,405,891	1,184,850	855,691	1,814,649	1,651,814	1,759,421	1,699,058	1,698,505	1,481,126	1,284,813
Total	<u>\$ 4,299,998</u>	<u>\$ 3,550,750</u>	<u>\$ 2,556,266</u>	<u>\$ 5,334,848</u>	<u>\$ 4,679,492</u>	<u>\$ 4,832,248</u>	<u>\$ 4,560,395</u>	<u>\$ 4,515,578</u>	<u>\$ 3,889,579</u>	<u>\$ 3,374,042</u>
District's covered-employee payroll	\$ 2,288,759	\$ 2,042,790	\$ 2,100,533	\$ 2,000,657	\$ 1,869,889	\$ 1,812,686	\$ 1,812,686	\$ 1,635,859	\$ 1,730,124	\$ 1,644,788
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	126.45%	115.82%	80.96%	175.95%	161.92%	169.52%	157.85%	172.21%	139.21%	127.02%
Plan fiduciary net position as a percentage of the total pension liability	80.62%	81.00%	87.00%	72.00%	73.00%	71.00%	69.00%	70.00%	74.00%	77.00%

\* The amounts presented are determined as of the Plan's measurement year which was as of June 30th in each prior calendar year from the District's fiscal year end.

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF DISTRICT CONTRIBUTIONS**  
**CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM**  
**LAST TEN FISCAL YEARS**

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 501,505	\$ 437,153	\$ 345,640	\$ 339,236	\$ 342,097	\$ 304,419	\$ 261,570	\$ 184,031	\$ 238,081	\$ 132,605
Contributions in relation to the contractually required contribution	(501,505)	(437,153)	(345,640)	(339,236)	(342,097)	(304,419)	(261,570)	(184,031)	(238,081)	(132,605)
Contribution deficiency (excess)	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
District's covered-employee payroll	\$ 2,625,681	\$ 2,288,759	\$ 2,042,790	\$ 2,100,533	\$ 2,000,567	\$ 1,869,889	\$ 1,812,636	\$ 1,635,856	\$ 1,730,124	\$ 1,644,788
Contributions as a percentage of covered-employee payroll	16.65%	19.10%	16.92%	16.15%	17.10%	16.28%	14.43%	11.25%	13.76%	8.06%

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE**  
**SHARE OF THE NET PENSION LIABILITY**  
**CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**LAST TEN FISCAL YEARS**

	Measurement Year *									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability (asset)	0.0045%	0.0048%	0.0055%	0.0057%	0.0055%	0.0053%	0.0060%	0.0062%	0.0061%	0.0063%
District's proportionate share of the net pension liability (asset)	\$ 1,621,710	\$ 1,639,404	\$ 1,123,379	\$ 1,737,849	\$ 1,605,166	\$ 1,425,093	\$ 1,442,384	\$ 1,251,552	\$ 901,198	\$ 715,203
District's covered-employee payroll	\$ 787,028	\$ 711,410	\$ 800,222	\$ 807,190	\$ 768,846	\$ 706,869	\$ 706,869	\$ 734,972	\$ 838,148	\$ 679,911
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	206.05%	230.44%	140.38%	215.30%	208.78%	201.61%	204.05%	170.29%	107.52%	105.19%
Plan fiduciary net position as a percentage of the total pension liability	69.96%	70.00%	81.00%	70.00%	70.00%	71.00%	72.00%	74.00%	79.00%	83.00%

\* The amounts presented are determined as of the Plan's measurement year which was as of June 30 in each prior calendar year from the District's fiscal year end.

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF DISTRICT CONTRIBUTIONS**  
**CALIFORNIA PUBLIC EMPLOYEE RETIREMENT SYSTEM**  
**LAST TEN FISCAL YEARS**

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 195,325	\$ 199,669	\$ 162,984	\$ 165,646	\$ 159,186	\$ 138,869	\$ 113,552	\$ 83,351	\$ 80,032	\$ 75,170
Contributions in relation to the contractually required contribution	(195,325)	(199,669)	(162,984)	(165,646)	(159,186)	(138,869)	(113,552)	(83,351)	(80,032)	(75,170)
Contribution deficiency (excess)	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
District's covered-employee payroll	\$ 735,851	\$ 787,028	\$ 711,410	\$ 800,222	\$ 807,190	\$ 768,846	\$ 706,869	\$ 734,972	\$ 838,148	\$ 679,911
Contributions as a percentage of covered-employee payroll	26.54%	25.37%	22.91%	20.70%	19.72%	18.06%	16.06%	11.34%	9.55%	11.06%

## SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

## SCHEDULE OF CHANGES IN THE DISTRICT'S

## TOTAL OPEB LIABILITY AND RELATED RATIOS

## LAST TEN FISCAL YEARS \*

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018			
Total OPEB liability:										
Service cost	\$ 14,794	\$ 14,794	\$ 11,493	\$ 22,064	\$ 21,370	\$ 20,697	\$ 23,744			
Interest (on the total OPEB liability)	3,481	3,481	5,466	22,467	22,154	22,940	18,891			
Differences between expected and actual experience	101,421	248,396	(385,627)	--	--	--	--			
Changes of assumptions	(36,557)	(36,557)	40,204	--	--	--	143,248			
Benefit payments, including refunds	(83,139)	(83,139)	(58,018)	(33,337)	(38,308)	(69,360)	(62,657)			
Other	--	--	--	--	--	(15,495)	--			
of employee contributions										
Net change in total OPEB liability	--	146,975	(386,482)	11,194	5,216	(41,218)	123,226			
Total OPEB liability - beginning	354,878	207,903	594,385	583,191	577,975	619,193	495,967			
Total OPEB liability - ending (a)	\$ 354,878	\$ 354,878	\$ 207,903	\$ 594,385	\$ 583,191	\$ 577,975	\$ 619,193			
Plan fiduciary net position:										
Employer Contribution	\$ 83,139	\$ 83,139	\$ 58,018	\$ 33,337	\$ 38,308	\$ 69,360	\$ 62,657			
Expected benefit payments	(83,139)	(83,139)	(58,018)	(33,337)	(38,308)	(69,360)	(62,657)			
Change in fiduciary net position	--	--	--	--	--	--	--			
Fiduciary net position:										
Beginning of the year	--	--	--	--	--	--	--			
End of the year (b)	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --			
Net OPEB liability, ending (a) - (b)	\$ 354,878	\$ 354,878	\$ 207,903	\$ 594,385	\$ 583,191	\$ 577,975	\$ 619,193			
Covered-employee payroll	\$ 683,179	\$ 683,179	\$ 669,140	\$ 3,828,328	\$ 3,707,824	\$ 3,591,113	\$ 2,519,555			
Plan fiduciary net position as percentage of total OPEB liability	--	--	--	--	--	--	--			
Net OPEB liability as a percentage of covered-employee payroll	51.95%	51.95%	31.07%	15.53%	15.73%	16.09%	24.58%			

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

# SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

EXHIBIT C-1

CAFETERIA FUND  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Federal Revenue</i>	\$ 99,825	\$ 119,390	\$ 19,565
<i>Other State Revenue</i>	99,390	104,366	4,976
<i>Other Local Revenue</i>	2,100	130	(1,970)
Total Revenues	<u>201,315</u>	<u>223,886</u>	<u>22,571</u>
Expenditures:			
Current:			
<i>Classified Salaries</i>	83,036	83,177	(141)
<i>Employee Benefits</i>	41,489	38,710	2,779
<i>Books And Supplies</i>	121,421	101,128	20,293
<i>Services And Other Operating Expenditures</i>	11,226	10,087	1,139
Total Expenditures	<u>257,172</u>	<u>233,102</u>	<u>24,070</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(55,857)</u>	<u>(9,216)</u>	<u>46,641</u>
Other Financing Sources (Uses):			
<i>Transfers In</i>	55,857	8,858	(46,999)
Total Other Financing Sources (Uses)	<u>55,857</u>	<u>8,858</u>	<u>(46,999)</u>
Net Change in Fund Balance	--	(358)	(358)
Fund Balance, July 1	--	(862)	(862)
Prior Period Adjustment	--	1,070	1,070
Fund Balance, June 30	<u>\$ --</u>	<u>\$ (150)</u>	<u>\$ (150)</u>



# SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

SPECIAL RESERVE FUND FOR CAPITAL OUTLAY PROJECTS

CAPITAL PROJECTS FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED JUNE 30, 2024

EXHIBIT C-2

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Other Local Revenue</i>	\$ 24,611	\$ 14,595	\$ (10,016)
Total Revenues	<u>24,611</u>	<u>14,595</u>	<u>(10,016)</u>
Expenditures:			
Current:			
<i>Books And Supplies</i>	8,289	8,288	1
<i>Services And Other Operating Expenditures</i>	6,896	22,161	(15,265)
<i>Capital Outlay</i>	127,216	154,134	(26,918)
Total Expenditures	<u>142,401</u>	<u>184,583</u>	<u>(42,182)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(117,790)</u>	<u>(169,988)</u>	<u>(52,198)</u>
Other Financing Sources (Uses):			
<i>Transfers In</i>	300,000	300,000	--
Total Other Financing Sources (Uses)	<u>300,000</u>	<u>300,000</u>	<u>--</u>
Net Change in Fund Balance	182,210	130,012	(52,198)
Fund Balance, July 1	--	--	--
Prior Period Adjustment	--	791,477	791,477
Fund Balance, June 30	<u>\$ 182,210</u>	<u>\$ 921,489</u>	<u>\$ 739,279</u>

### *Other Supplementary Information*

This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basic financial statements. It may, however, include information which is required by other entities.

## SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

LOCAL EDUCATION AGENCY

ORGANIZATION STRUCTURE

JUNE 30, 2024

The Sierra-Plumas Joint Unified School District was established in 1951 and comprises an area of approximately 1600 square miles located in Plumas and Sierra Counties. There were no changes in boundaries of the District during the current year. The District is currently operating two elementary schools, one middle school, two high schools and one continuation high school.

Governing Board		
Name	Office	Term and Term Expiration
Kelly Champion	President	December 2026
Christina Potter	Vice-President	December 2024
Patty Hall	Clerk	December 2024
Rhynie Hollitz	Member	December 2024
Richard Jaquez	Member	December 2024

### Administration

Sean Snider  
*District Superintendent*

Randy Jones  
*Director of Business Services / CBO*

# SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

SCHEDULE OF AVERAGE DAILY ATTENDANCE  
YEAR ENDED JUNE 30, 2024

TABLE D-1

	Second Period Report		Annual Report	
	Original	Revised	Original	Revised
TK/K-3:				
Regular ADA	112.46	112.46	111.5	112.8
TK/K-3 Totals	112.46	112.46	111.5	112.8
Grades 4-6:				
Regular ADA	84.02	84.02	82.97	83.02
Grades 4-6 Totals	84.02	84.02	82.97	83.02
Grades 7 and 8:				
Regular ADA	45.75	45.75	45.71	45.52
Grades 7 and 8 Totals	45.75	45.75	45.71	45.52
Grades 9-12:				
Regular ADA	113.91	113.91	117.84	113.96
Grades 9-12 Totals	113.91	113.91	117.84	113.96
ADA Totals	356.14	356.14	358.02	355.3

N/A - There were no audit findings which resulted in necessary revisions to attendance.

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

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF INSTRUCTIONAL TIME**  
**YEAR ENDED JUNE 30, 2024**

**TABLE D-2**

Grade Level	Ed Code 46207 Minutes Requirement	2023-24 Actual Minutes	Number of Minutes Credited Form J-13A	Total Minutes Offered	Traditional Calendar			Multitrack Calendar Days Offered	In Compliance with Instructional Days Provision
					Number of Actual Days	Number of Days Credited Form J-13A	Total Days Offered		
Transitional Kindergarten	36,000	40,030	--	40,030	180	--	180	N/A	In Compliance
Kindergarten	36,000	55,530	--	55,530	180	--	180	N/A	In Compliance
Grade 1	50,400	55,530	--	55,530	180	--	180	N/A	In Compliance
Grade 2	50,400	55,530	--	55,530	180	--	180	N/A	In Compliance
Grade 3	50,400	56,400	--	56,400	180	--	180	N/A	In Compliance
Grade 4	54,000	56,400	--	56,400	180	--	180	N/A	In Compliance
Grade 5	54,000	56,400	--	56,400	180	--	180	N/A	In Compliance
Grade 6	54,000	56,400	--	56,400	180	--	180	N/A	In Compliance
Grade 7	54,000	56,400	--	56,400	180	--	180	N/A	In Compliance
Grade 8	54,000	66,655	--	66,655	180	--	180	N/A	In Compliance
Grade 9	64,800	66,655	--	66,655	180	--	180	N/A	In Compliance
Grade 10	64,800	66,655	--	66,655	180	--	180	N/A	In Compliance
Grade 11	64,800	66,655	--	66,655	180	--	180	N/A	In Compliance
Grade 12	64,800	66,655	--	66,655	180	--	180	N/A	In Compliance

School districts and charter schools must maintain their instructional minutes as defined in Education Code Section 46200 through 46207. This schedule is required of all districts, including basic aid districts.

The District has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day. This schedule presents information on the amount of instruction time offered by the District and whether the District complied with the provisions of Education Code Sections 46200 through 46206.

This schedule has been prepared based upon the original approval calendar and instructional time planned by the District for the 2023/2024 fiscal year, as well as approved J-13A days, as received by the District, which identified the number of closure days in 2023/2024.

# SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS  
YEAR ENDED JUNE 30, 2024

TABLE D-3

General Fund	Budget 2025 (see note 1)	2024	2023	2022
Revenues and other financial sources	\$ 7,816,150	\$ 9,792,051	\$ 8,914,862	\$ 8,240,360
Expenditures	9,489,168	8,736,060	8,703,868	6,656,474
Other uses and transfers out	122,470	308,858	--	--
Total outgo	9,611,638	9,044,918	8,703,868	6,656,474
Change in fund balance (deficit)	(1,795,488)	747,133	210,994	1,583,886
Ending fund balance	\$ 3,909,630	\$ 5,705,118	\$ 5,569,223	\$ 5,358,229
Available reserves (see note 2)	\$ 3,589,295	\$ 4,081,723	\$ 3,631,622	\$ 4,388,768
Available reserves as a percentage of total outgo (see note 3)	37.3%	45.1%	41.7%	65.9%
Total long-term debt	\$ 4,884,189	\$ 4,884,189	\$ 4,383,427	\$ 3,049,432
Average daily attendance at P-2	359	356	351	348

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

The fund balance of the general fund has increased by \$346,889 over the past two years. The fiscal year 2024-2025 budget projects a decrease of \$1,795,488. For a District of this size, the State recommends available reserves of at least 4 percent of total general fund expenditures, transfers out and other uses (total outgo).

The District has enjoyed operating surpluses the past three years, but projects a deficit during the 2024-2025 fiscal year. Total long-term debt has increased by \$1,834,757 over the past three years.

Average daily attendance has increased by 8 over the past two years. A increase of 3 ADA is anticipated during the fiscal year 2024-2025.

## NOTES:

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

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**

TABLE D-4

**RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET  
REPORT WITH AUDITED FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2024**

	Student Activity Special Revenue Fund
June 30, 2024, annual financial and budget report fund balances	\$ --
Adjustments and reclassifications:	
Increasing (decreasing) the fund balance:	
Record Student Activity Fund Equity not reported on SACS Report	129,736
	<u>129,736</u>
Net adjustments and reclassifications	<u>129,736</u>
June 30, 2024, audited financial statement fund balances	<u>\$ 129,736</u>

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

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
*SCHEDULE OF CHARTER SCHOOLS*  
*YEAR ENDED JUNE 30, 2024*

**TABLE D-5**

There were no charter schools chartered by Sierra-Plumas Joint Unified School District.



**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2024

**TABLE D-6**

Page 1 of 2

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass- Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>CHILD NUTRITION CLUSTER:</b>				
<u>United States Department of Agriculture</u>				
Passed Through California Department of Education:				
National School Lunch Program	10.555	15655	\$ --	\$ 109,621
Total United States Department of Agriculture			--	109,621
Total Child Nutrition Cluster			--	109,621
<b>FOOD DISTRIBUTION CLUSTER:</b>				
<u>United States Department of Agriculture</u>				
Passed Through California Department of Education:				
Commodity Supplemental Food Program	10.565	13755	--	9,769
Total United States Department of Agriculture			--	9,769
Total Food Distribution Cluster			--	9,769
<b>FOREST SERVICE SCHOOLS AND ROADS CLUSTER:</b>				
<u>United States Department of Agriculture</u>				
Passed Through Sierra County, California:				
Forest Reserve	10.665	N/A	--	525,845
Total United States Department of Agriculture			--	525,845
Total Forest Service Schools and Roads Cluster			--	525,845
<b>SPECIAL EDUCATION (IDEA) CLUSTER:</b>				
<u>United States Department of Education</u>				
Passed Through California Department of Education:				
Special Education Grants to States	84.027	15321	--	73,443
Total United States Department of Education			--	73,443
Total Special Education (IDEA) Cluster			--	73,443
<b>OTHER PROGRAMS:</b>				
<u>United States Department of Education</u>				
Passed Through California Department of Education:				
Title I Grants to Local Education Agencies	84.010	14329	--	101,813
Supporting Effective Instruction State Grants	84.367	14341	--	16,014
Student Support and Academic Enrichment Program	84.424	15396	--	10,500
Elementary and Secondary School Emergency Relief III, Learning Loss	84.425	10155	--	83,899
Expanded Learning opportunities, Emergency Needs	84.425	15260	--	17,986
Elementary and Secondary School Emergency Relief III	84.425	15559	--	361,082
American Rescue Plan - Homeless Children and Youth	84.425	15566	--	1,451
Expanded Learning opportunities, Learning Loss	84.425	15621	--	56,431
Total Passed Through California Department of Education			--	649,176
Total United States Department of Education			--	649,176
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ --	\$ 1,367,854

The accompanying notes are an integral part of this schedule.

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

Basis of Presentation

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

Summary of Significant Accounting Policies

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

Sierra-Plumas Joint Unified School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

*Other Independent Auditor's Reports*

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

Board of Trustees  
Sierra-Plumas Joint Unified School District  
Loyalton, California 96118

Members of the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Sierra-Plumas Joint Unified School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Sierra-Plumas Joint Unified School District's basic financial statements, and have issued our report thereon dated February 28, 2025.

**Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item findings and questioned costs as item(s) 2024-001 and 2024-002 that we consider to be material weaknesses.

## **Report on Compliance and Other Matters**

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

## **Sierra-Plumas Joint Unified School District's Response to Findings**

Government Auditing Standards requires the auditors to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

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

Respectfully submitted,

SingletonAuman PC

Susanville, CA  
February 28, 2025

Independent Auditor's Report on Compliance for Each Major Federal Program and  
Report on Internal Control Over Compliance in Accordance with the Uniform Guidance

Board of Trustees  
Sierra-Plumas Joint Unified School District  
Loyalton, California 96118

Members of the Board of Trustees:

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

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

In our opinion, Sierra-Plumas Joint Unified School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 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 Sierra-Plumas Joint Unified School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Sierra-Plumas Joint Unified School District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

### **Report on Internal Control Over Compliance**

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

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

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

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

Respectfully submitted,

SingletonAuman PC

Susanville, CA  
February 28, 2025



## **Independent Auditor's Report on State Compliance**

Board of Trustees  
Sierra-Plumas Joint Unified School District  
Loyalton, California 96118

Members of the Board of Trustees:

### **Report on Compliance**

#### **Opinion**

We have audited the Sierra-Plumas Joint Unified School District (District) compliance with the requirements specified in the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, as prescribed in Title 5, California Code of Regulations Section 19810, issued by the Education Audit Appeals Panel, applicable to the District's state program requirements identified below for the year ended June 30, 2024.

In our opinion, Sierra-Plumas Joint Unified School District complied, in all material respects, with the compliance requirement referred to above that are applicable to the laws and regulations of the state programs noted in the table below for the year ended June 30, 2024.

#### **Basis for Opinion on State Compliance**

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*, issued by the Education Audit Appeals Panel. 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:**

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

**SCHOOL DISTRICTS, COUNTY OFFICES OF  
EDUCATION, AND CHARTER SCHOOLS:**

T. Proposition 28 Arts and Music in Schools .....	Yes
U. After/Before School Education and Safety Program .....	N/A
V. Proper Expenditure of Education Protection Account Funds .....	Yes
W. Unduplicated Local Control Funding Formula Pupil Counts .....	Yes
X. Local Control and Accountability Plan .....	Yes
Y. Independent Study-Course Based .....	N/A
Z. Immunizations .....	N/A
AZ. Educator Effectiveness .....	Yes
BZ. Expanded Learning Opportunities Grant (ELO-G) .....	N/A
CZ. Career Technical Education Incentive Grant .....	Yes
DZ. Expanded Learning Opportunities Program .....	Yes
EZ. Transitional Kindergarten .....	Yes

**CHARTER SCHOOLS:**

AA. Attendance .....	N/A
BB. Mode of Instruction .....	N/A
CC. Nonclassroom-Based Instruction/Independent Study.....	N/A
DD. Determination of Funding for Nonclassroom-Based Instruction .....	N/A
EE. Annual Instructional Minutes - Classroom Based .....	N/A
FF. Charter School Facility Grant Program .....	N/A

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

We did not perform testing for Independent Study or Continuation Education. The procedures were not required to be performed because the ADA was below the testing threshold.

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 of 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 material weaknesses or significant deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

### **Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

SingletonAuman PC

Susanville, CA  
February 28, 2025

## *Findings and Recommendations Section*

**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

**A. Summary of Auditor's Results**

1. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weaknesses identified? X Yes        No

One or more significant deficiencies identified that are not considered to be material weaknesses?        Yes X None Reported

Noncompliance material to financial statements noted?        Yes X No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified?        Yes X No

One or more significant deficiencies identified that are not considered to be material weaknesses?        Yes X None Reported

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

Version of compliance supplement used in audit: 2024

Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, para. 200.516(a)?        Yes X No

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.665	Schools and Roads Grants to States

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

Auditee qualified as low-risk auditee? X Yes        No

3. State Awards

Any audit findings disclosed that are required to be reported in accordance with the state's Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting?        Yes X No

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

# SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2024

### B. Yellow Book/Financial Statement Findings

#### Internal Control - Material Weakness

#### Finding 2024-001 Lack of Segregation of Duties (CDDC#30000)

##### Criteria upon which audit finding is based (Legal Citation)

AU-C Section 265 Communicating Internal Control Related Matters Identified in an Audit

##### Finding (Condition)

An inadequate segregation of duties exists in several key areas:

In the areas of cash, purchasing, payroll, fixed assets, debt and equity the District does not have sufficient staff to separate the authorization, recording and custody functions as would be required in an ideal system of internal controls.

In the area of grant and entitlement revenue, accounts receivable, unearned revenue, and the financial reporting and closing process, the CBO has primary responsibility for recording and reconciling, and in some cases authorizing transactions, without review or approval by an individual or comparable accounting experience, or financial knowledge.

In the areas of payroll processing and purchasing, single individuals have duties which crossover conflicting areas of responsibility, such as custody of cash, as well as responsibility for recording and reconciling account activity, and authorizing transactions.

##### Amount of Questioned Costs, How Computed and Prevalence

None.

##### Effect

The District has exposure to risk of financial statement misstatement and the potential risk of fraud that may not be prevented or detected by the District's system of internal control.

##### Cause

Due to the number of personnel assigned to duties that involve access to the general ledger and other accounting records and who also have custody of and responsibility for handling cash and other assets, an inadequate segregation of duties exists.

##### Recommendation

In certain areas of cash, purchasing, payroll, fixed assets, debt and equity we recommend that the District employees and Board maintain diligence for the risks of not having an adequate segregation of duties.

In the areas of Grants, and the Financial Reporting & close process, the District should consider implementing a process whereby these activities are reviewed by an experienced governmental accountant. Additionally, the District should consider having the Superintendent review the allocation of payroll & other expenditures to programs at least annually.

##### District's Response

The District concurs with this finding.

# SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2024

### Internal Control - Material Weakness

#### Finding 2024-002 Sierra County Cash in County Treasury Weaknesses (CDDC#30000)

##### Criteria upon which audit finding is based (Legal Citation)

Management holds the responsibility for establishing, implementing, and maintaining effective internal controls to ensure that financial statements are accurate and free from material misstatements, whether caused by error or fraud. These controls depend heavily on the accuracy and reliability of information provided by the Sierra County Treasurer.

##### Finding (Condition)

The District has not provided accurate or timely cash balance information throughout the year.

##### Amount of Questioned Costs, How Computed and Prevalence

None.

##### Effect

The District has been operating with incomplete and/or unreliable information about its cash reserves, creating a heightened risk of undetected errors or fraudulent activity. Furthermore, the lack of accurate financial data undermines the District's ability to prepare complete and compliant financial statements, potentially compromising public trust.

##### Cause

The District encountered significant staffing challenges during the fiscal year. A combination of high employee turnover and delayed training contributed to reporting delays.

##### Recommendation

The District should develop policies and procedures to ensure that cash balances are accurate and timely.

##### District's Response

The District concurs with this finding.

### C. Federal Award Findings and Questioned Costs

NONE

### D. State Award Findings and Questioned Costs

NONE



**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**  
*SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS*  
*FOR THE YEAR ENDED JUNE 30, 2024*

<u>Finding/Recommendation</u>	<u>Current Status</u>	<u>Management's Explanation If Not Implemented</u>
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There were no prior year audit findings.

# **SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT**

## **CORRECTIVE ACTION PLAN**

**FOR THE YEAR ENDED JUNE 30, 2024**

### **Person Monitoring Corrective Action Plan**

District Superintendent, Sean Snider

### **Finding 2024-001 Lack of Segregation of Duties (CDDC#30000)**

#### Finding (Condition)

An inadequate segregation of duties exists in several key areas:

In the areas of cash, purchasing, payroll, fixed assets, debt and equity the District does not have sufficient staff to separate the authorization, recording and custody functions as would be required in an ideal system of internal controls.

In the area of grant and entitlement revenue, accounts receivable, unearned revenue, and the financial reporting and closing process, the CBO has primary responsibility for recording and reconciling, and in some cases authorizing transactions, without review or approval by an individual or comparable accounting experience, or financial knowledge.

In the areas of payroll processing and purchasing, single individuals have duties which crossover conflicting areas of responsibility, such as custody of cash, as well as responsibility for recording and reconciling account activity, and authorizing transactions.

#### Corrective Action Planned

In areas of cash, purchasing, payroll, fixed assets, debt and equity the District employees and Board will maintain diligence for the risks of not having an adequate segregation of duties.

In the areas of Grants, and the Financial Reporting & close process, the District will consider implementing a process whereby these activities are reviewed by an experienced governmental accountant. Additionally, the District will consider having the Superintendent review the allocation of payroll & other expenditures to programs at least annually.

#### Expected Completion Date

Ongoing

### **Finding 2024-002 Sierra County Cash in County Treasury Weaknesses (CDDC#30000)**

#### Finding (Condition)

The District has not provided accurate or timely cash balance information throughout the fiscal year.

#### Recommendation

The District should develop new cash policies and procedures.

#### Expected Completion Date

June 30, 2025