BEAUMONT UNIFIED SCHOOL DISTRICT

RIVERSIDE COUNTY
BEAUMONT, CALIFORNIA

ANNUAL FINANCIAL STATEMENTS
WITH REPORT OF INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANT

JUNE 30, 2023

JLG
Jeanette L. Garcia & Associates
CERTIFIED PUBLIC ACCOUNTANT

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INDEPENDENT AUDITOR'S REPORT

To the Governing Board
Beaumont Unified School District
Beaumont, California

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beaumont Unified School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which comprise the Beaumont Unified School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Beaumont Unified School District, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States *(Government Auditing Standards)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Beaumont 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 Beaumont 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 arise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether 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 guarantee that and audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exits. 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 judgement 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 judgement 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 Beaumont Unified School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude, whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Beaumont Unified School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 10, General Fund Budgetary Comparison Schedule on page 57, Schedule of Changes in the District's Total OPEB Liability and Related Ratios on page 58-59, Schedules of the District's Proportionate Share of the Net Pension Liability – MPP Program on page 60 and Schedules of the District's Proportionate Share of the Net Pension Liability and Contributions on pages 61 through 64 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Beaumont Unified School District's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, and schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying other supplemental information is presented for purposes of additional analysis as required by the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel, and is also not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements, other supplementary information, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2023, on our consideration of the Beaumont Unified School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Beaumont Unified School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Beaumont Unified School District's internal control over financial reporting and compliance.

Jeanette L Garcia + Associates

San Bernardino, California
December 1, 2023

INTRODUCTION

The Management's Discussion and Analysis of Beaumont Unified School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2023. The intent of the analysis is to look at the District's financial performance as a whole; readers should also review the auditor's letter, notes to the basic financial statements and the basic government-wide financial statements to enhance their understanding of the District's financial performance.

USING THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

- This comprehensive annual financial report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the Beaumont Unified School District as a whole, and then proceed to provide an increasingly detailed look at specific financial activities.
- The "Statement of Net Position" and "Statement of Activities" provide information about the activities of the whole district, presenting both an aggregate view of the District's finances and a longer-term view of those finances. "Fund Financial Statements" provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's major funds with all special revenue funds and other non-major funds.
- The major funds for Beaumont Unified School District is the General Fund.
- The Management's Discussion and Analysis is provided to assist our citizens, taxpayers and investors in reviewing the District's finances.

FINANCIAL HIGHLIGHTS

- The Beaumont Unified School District's Government-Wide Statement of Net Position shows Total Net Position of $192,474,473, the result of assets and deferred outflows of resources of $505,803,857, less liabilities and deferred inflows of resources of $313,329,384.
- The District implemented GASB Statement No. 68, which requires the District to report its proportionate share of the Net Pension Liabilities of CalPERS and CalSTRS. At June 30, 2023, the District's proportionate share of the Net Pension Liabilities was $115,296,831.
- The District implemented GASB Statement No. 75, which requires the District to report the Net OPEB liability. At June 30, 2023, the District's Net OPEB liability was $14,376,139.
- General revenues accounted for $145,390,035 in revenue or 64% of all revenues. Program specific revenues in the form of charges for services, grants and contributions accounted for $82,699,259 or 36% of total revenues of $228,089,294.
- The District had $222,441,203 in expenses related to governmental activities; $82,699,259 of these expenses were offset by program specific revenues in the form of charges for services, grants and contributions. General revenues (primarily unrestricted federal and state aid and property taxes) of $145,390,035 provided a change in Net Position of $5,648,091.
- The General Fund reported a positive fund balance of $79,211,410.

REPORTING THE DISTRICT AS A WHOLE

- THE STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of the year's activities?" "The Statement of Net Position" and "The Statement of Activities" report information about the District as a whole and about its activities in a manner that helps to answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector corporations. All of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid.

These two statements report the District's net position and changes in it. The change in net position provides the reader a tool to assist in determining whether the District's financial health is improving or deteriorating. However, the Beaumont Unified School District's goal is to provide services to our students, not to generate profits as commercial entities do. The reader will need to consider other non-financial factors as well as factors such as property tax base, current property tax laws, student enrollment growth and facility conditions in arriving at their conclusion regarding the overall health of the District.

In the "Statement of Net Position" and the "Statement of Activities," the District is divided into two distinct kinds of activities:

- Governmental Activities – Most of the District's programs and services are reported here, including instruction, pupil services including transportation and food services, administration, plant services, facilities acquisition and construction, interest on the long-term debt and other services.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. Beaumont Unified School District does not have any of these types of activities at this time.

- FUND FINANCIAL STATEMENTS

The fund financial statements provide detailed information about the most significant funds, not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions.

- GOVERNMENTAL FUNDS

All of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting. Governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or less financial resources available to spend in the near future to finance the District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements. Governmental funds include most of the primary funds of the District.

- FIDUCIARY FUNDS

Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

The Beaumont Unified School District is the trustee, or fiduciary, for its Pension Trust Fund and for the CFD Custodial Fund. All of the District's fiduciary activities are reported in a separate Statement of Fiduciary Net Pension. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance its operations. The Beaumont Unified School District is responsible for ensuring that the assets reported in these funds are used for their intended purpose.

- NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

- THE DISTRICT AS A WHOLE

The "Statement of Net Position" provides the perspective of the District as a whole.

Table 1 provides a summary of the District's net position for fiscal years 2022-23 and 2021-22.

Table 1 - Net Position

	Governmental Activities 2023	Governmental Activities 2022	% Change
Current and Other Assets	$ 149,301,894	$ 130,836,741	14.1
Capital Assets	316,646,080	309,674,031	2.3
Total Assets	465,947,974	440,510,772	5.8
Deferred Outflows of Resources	39,855,883	30,763,939	29.6
Current Liabilities	16,295,781	10,003,548	62.9
Long-Term Debt	273,833,150	223,590,422	22.5
Total Liabilities	290,128,931	233,593,970	24.2
Deferred Inflows of Resources	23,200,453	51,692,588	(55.1)
Net Position			
Net Investment in Capital Assets	174,293,241	199,375,159	(12.6)
Restricted	128,675,391	37,363,811	244.4
Unrestricted	(110,494,159)	(50,750,817)	(117.7)
Total Net Position	$ 192,474,473	$ 185,988,153	3.5

Table 2 shows the changes in net position for fiscal years 2022-23 and 2021-22.

Table 2 - Changes in Net Position

	Governmental Activities 2023	Governmental Activities 2022	% Change
Revenues			
Program Revenues:			
Charges for Services	$ 7,135,879	$ 2,377,193	200.2
Operating Grants and Contributions	75,563,052	41,088,312	83.9
Capital Grants and Contributions	328	16,483,021	(100.0)
General Revenues:			
Unrestricted Federal and State Sources	99,626,320	84,248,504	18.3
Property Taxes	42,483,115	37,156,144	14.3
Other General Revenues	3,280,600	19,101,298	(82.8)
Total Revenues	228,089,294	200,454,472	13.8
Expenses			
Instruction	141,006,850	97,064,554	45.3
Pupil Services	29,437,118	19,036,915	54.6
Administration	12,719,643	10,034,874	26.8
Maintenance and Operations	21,875,309	13,204,087	65.7
Other	17,402,283	14,936,890	16.5
Total Expenses	222,441,203	154,277,320	44.2
Change in Net Position	$ 5,648,091	$ 46,177,152	(87.8)

- GOVERNMENTAL ACTIVITIES

Charges for services and operating grants and contributions made up 36% of revenues for governmental activities. General revenues not restricted to specific programs made up 64% of the total revenues available.

Instruction-related activities made up 63% of expenses. Pupil services including home-to-school transportation and food services made up 13%. Administration including data processing made up 6%. Maintenance and operations made up 10% and other miscellaneous made up 8%.

The "Statement of Activities" shows the cost of program services and the charges for services and grants offsetting those services.

Table 3 shows the total cost of services and the net cost of services for fiscal years 2022-23 and 2021-22. That is, it identifies the cost of these services supported by tax revenue and unrestricted state entitlements.

Table 3 - Total and Net Cost of Governmental Activity

	Total Cost			
	2023	%	2022	%
Instruction	$ 141,006,850	63	$ 97,064,554	63
Pupil Services	29,437,118	13	19,036,915	12
Administration	12,719,643	6	10,034,874	6
Maintenance and Operations	21,875,309	10	13,204,087	9
Other	17,402,283	8	14,936,890	10
Total	$ 222,441,203	100	$ 154,277,320	100

	Net Cost			
	2023	%	2022	%
Instruction	$ 95,246,716	68	$ 56,530,206	60
Pupil Services	13,781,437	10	7,534,727	8
Administration	9,490,067	7	8,140,444	9
Maintenance and Operations	12,878,710	9	11,894,086	13
Other	8,345,014	6	10,229,331	10
Total	$ 139,741,944	100	$ 94,328,794	100

GENERAL FUND BUDGET INFORMATION

The District's budget is prepared in accordance with California law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

The District begins the budget process in January of each year. By law, the Governing Board must adopt a Final Budget by July 1. A public hearing is held and the board adopts the Budget in late June. During the course of the fiscal year, the District revises its budget as it deals with changes in revenues and expenditures. Adjustments made to the budget include revisions at First Interim, which is normally presented in December, and Second Interim, which is normally presented in March, at which time the budgets are presented for approval.

- GENERAL FUND BUDGET VARIATIONS

  Budgets are revised at year-end to agree to the actual revenues and expenditures. As a result, there ae no significant variances between the final budget and actual revenues and expenditures.

  There are several reasons for expenditure budget revisions. Most notable is "rebudgeting" of budgeted but unspent dollars from previous years. The original budget does not presume negotiated salary increases. Also, any changes in the number of staff and/or staff utilization of health and welfare benefits that vary from the original projections would also require budget revisions.

The implementation of new instructional programs can also affect budget projections. New academically focused programs will impact expenditures in personnel, instructional materials, outside services and supplies.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

At the end of the fiscal year 2022-23, the District had $316,646,080 invested in land, buildings, furniture, and equipment. Table 4 shows fiscal year 2022-23 and 2021-22 balances.

Table 4 - Capital Assets at Year-End (Net of Depreciation)

	Governmental Activities	
	2023	2022
Land	$ 30,844,442	$ 30,844,443
Buildings and Site Improvements	177,807,659	182,461,507
Furniture and Equipment	10,649,440	10,280,237
Work in Progress	96,976,509	85,608,839
Leased Assets	368,030	479,005
Total	$ 316,646,080	$ 309,674,031

DEBT

At June 30, 2023, the Beaumont Unified School District had $273,833,150 in debt outstanding. Table 5 summarizes these debts.

Table 5 - Outstanding Debt at Year-End

	Governmental Activities	
	2023	2022 as Restated
Long-Term Liabilities		
General Obligation Bonds	$ 129,575,545	$ 129,782,315
Private Placement Debt Issuances	5,351,386	6,109,716
Unamortized Premiums (Discounts)	7,069,055	7,559,713
Lease Liability	356,854	452,455
Compensated Absences	698,198	446,594
Supplemental Employee Retirement Plan	1,109,142	1,478,856
Net OPEB Liability	14,376,139	12,545,668
Net Pension Liability	115,296,831	64,376,876
Total	$ 273,833,150	$ 222,752,193

FOR THE FUTURE

The Governing Board has made, as their top priority, a commitment to fiscal solvency; maintaining responsible reserves while protecting educational and instructional programs. With careful planning and monitoring of the financial condition, Beaumont Unified School District is confident that we can continue to provide a quality education for our students and meet the challenges of the future.

- CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

  This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Chief Business Official, at Beaumont Unified School District, 350 West Brookside Avenue, Beaumont, California, 92223, or email at ssanmartin@beaumontusd.k12.ca.us.

EXHIBIT A

BEAUMONT UNIFIED SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash	$ 135,271,050
Accounts Receivable (Note 3)	11,750,453
Inventory	86,448
Prepaid Expenses	2,193,943
Total Current Assets	149,301,894
Capital Assets: (Note 6)	
Land	30,844,442
Site Improvements	31,590,177
Buildings	240,709,276
Furniture and Equipment	22,491,764
Work in Progress	96,976,509
Less Accumulated Depreciation	(106,334,118)
Lease Assets	597,313
Less Accumulated Amortization	(229,283)
Total Capital Assets	316,646,080
TOTAL ASSETS	465,947,974
DEFERRED OUTFLOWS OF RESOURCES (Notes 12 and 15)	39,855,883
LIABILITIES	
Accounts Payable and Other Current Liabilities	14,420,122
Unearned Revenue	1,875,659
Total Current Liabilities	16,295,781
Long-Term Liabilities: (Note 8)	
Portion Due or Payable Within One Year	5,169,441
Portion Due or Payable After One Year	268,663,709
Total Long-Term Liabilities	273,833,150
TOTAL LIABILITIES	290,128,931
DEFERRED INFLOWS OF RESOURCES (Notes 12 and 15)	23,200,453
NET POSITION	
Net Investment in Capital Assets	174,293,241
Restricted for:	
Capital Projects	29,619,991
Debt Service	12,506,643
Educational Programs	27,115,800
Other Purposes (Expendable)	57,142,566
Other Purposes (Nonexpendable)	2,290,391
Unrestricted	(110,494,159)
TOTAL NET POSITION	$ 192,474,473

The Notes to Financial Statements are an integral part of this statement.

EXHIBIT B

BEAUMONT UNIFIED SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Activities	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Total Governmental Activities
Governmental:					
Instruction	$ 118,945,316	$ 322,677	$ 42,251,998	$ 328	$ (76,370,313)
Instruction-Related Services:					
Supervision of Instruction	6,722,467	-	2,012,994	-	(4,709,473)
Instructional Library, Media and Technology	1,304,081	-	19,199	-	(1,284,882)
School Site Administration	14,034,986	273,156	879,782	-	(12,882,048)
Pupil Services:					
Home-to-School Transportation	2,647,431	-	299,892	-	(2,347,539)
Food Services	7,753,132	147,684	10,153,265	-	2,547,817
All Other Pupil Services	19,036,555	86,517	4,968,323	-	(13,981,715)
General Administration:					
Data Processing	3,236,434	5,288	764,520	-	(2,466,626)
All Other General Administration	9,483,209	63,765	2,396,003	-	(7,023,441)
Plant Services	21,875,309	3,371,386	5,625,213	-	(12,878,710)
Ancillary Services	2,203,285	-	1,018,625	-	(1,184,660)
Community Services	71,603	-	-	-	(71,603)
Enterprise Activities	27,986	-	-	-	(27,986)
Interest on Long-Term Debt	7,623,612	-	-	-	(7,623,612)
Other Outgo	7,475,797	2,865,406	5,173,238	-	562,847
Total Governmental Activities	$ 222,441,203	$ 7,135,879	$ 75,563,052	$ 328	(139,741,944)
General Revenues:					
Taxes:					
Property Taxes, levied for general purposes					34,094,466
Property Taxes, levied for debt service					7,940,301
Property Taxes, levied for other specific purposes					448,348
Federal and State Aid not restricted to specific purposes					99,626,320
Interest and Investment Earnings					1,447,912
Interagency Revenues					9,006
Miscellaneous					1,823,682
Total General Revenues					145,390,035
Change in Net Position					5,648,091
Net Position - July 1, 2022, as Previously Reported					185,988,153
Adjustment for Restatement (Note 8)					838,229
Net Position - July 1, 2022, as Restated					186,826,382
Net Position - June 30, 2023					$ 192,474,473

The Notes to Financial Statements are an integral part of this statement.

BEAUMONT UNIFIED SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	GENERAL FUND	ALL OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS			
Cash (Note 2)			
Cash in County Treasury	$ 81,097,373	$ 52,710,381	$ 133,807,754
Cash on Hand and in Banks	26,684	1,395,129	1,421,813
Cash in Revolving Fund	10,000	-	10,000
Cash with Fiscal Agent	-	31,483	31,483
Accounts Receivable (Note 3)	9,419,770	2,330,683	11,750,453
Due From Other Funds (Note 4A)	447,021	72,457	519,478
Inventory	-	86,448	86,448
Prepaid Expenditures	2,193,942	-	2,193,942
TOTAL ASSETS	$ 93,194,790	$ 56,626,581	$ 149,821,371
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	$ 10,231,684	$ 1,056,376	$ 11,288,060
Due to Grantor Governments	2,078,683	-	2,078,683
Due to Other Funds (Note 4A)	33,658	485,820	519,478
Unearned Revenue	1,639,355	236,304	1,875,659
Total Liabilities	13,983,380	1,778,500	15,761,880
Fund Balances (Note 5)			
Nonspendable	2,203,943	86,448	2,290,391
Restricted	27,115,800	53,431,485	80,547,285
Committed	40,854,869	-	40,854,869
Assigned	3,652,698	1,330,148	4,982,846
Unassigned	5,384,100	-	5,384,100
Total Fund Balances	79,211,410	54,848,081	134,059,491
TOTAL LIABILITIES AND FUND BALANCES	$ 93,194,790	$ 56,626,581	$ 149,821,371

The Notes to Financial Statements are an integral part of this statement.

BEAUMONT UNIFIED SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Total Fund Balances - Governmental Funds		$ 134,059,491
Amounts reported for government activities in the statement of net position are different because:		
In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation. The cost of the assets is $423,209,481 and the accumulated depreciation is $106,563,401.		316,646,080
In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statements, it is recognized in the period that it is incurred. The additional liability for unmatured interest payable on long-term debt is:		(1,053,378)
In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities at year-end consist of:		
General Obligation Bonds	$ 129,575,545	
Private Placement Debt	5,351,386	
Bond Premium	7,069,055	
Lease Liability	356,854	
Net OPEB Liability	14,376,139	
Compensated Absences	698,198	
Supplemental Employee Retirement	1,109,142	
Net Pension Liability	115,296,831	(273,833,150)
In governmental funds, deferred outflows and inflows of resources related to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources related to pensions are:		
Deferred Charge on Refunding		782,337
Deferred outflows of resources related to pensions		36,398,933
Deferred inflows of resources related to pensions		2,674,613
In governmental funds, deferred outflows and inflows of resources related to OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources related to OPEB are:		
Deferred outflows of resources related to OPEB		(19,515,831)
Deferred inflows of resources related to OPEB		(3,684,622)
Total Net Position - Governmental Activities		$ 192,474,473

The Notes to Financial Statements are an integral part of this statement.

EXHIBIT E

BEAUMONT UNIFIED SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	GENERAL FUND	ALL OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES			
Local Control Funding Formula Sources:			
State Apportionments	$ 95,522,441	$ -	$ 95,522,441
Education Protection Account Funds	8,959,685	-	8,959,685
Local Sources	34,094,466	-	34,094,466
LCFF Transfers	(9,384,591)	-	(9,384,591)
Total LCFF Sources	129,192,001	-	129,192,001
Federal Revenues	11,899,086	6,935,670	18,834,756
Other State Revenues	35,898,209	4,770,126	40,668,335
Other Local Revenues	12,804,207	26,099,336	38,903,543
Total Revenues	189,793,503	37,805,132	227,598,635
EXPENDITURES			
Instruction	104,376,924	1,469,886	105,846,810
Instruction-Related Services:			
Supervision of Instruction	6,016,471	1,000	6,017,471
Instructional Library, Media and Technology	1,145,664	-	1,145,664
School Site Administration	11,801,273	553,353	12,354,626
Pupil Services:			
Home-to-School Transportation	2,638,027	-	2,638,027
Food Services	3,510	7,468,889	7,472,399
All Other Pupil Services	17,012,124	-	17,012,124
General Administration:			
Data Processing	2,974,327	-	2,974,327
All Other General Administration	8,642,728	268,145	8,910,873
Plant Services	19,489,773	732,420	20,222,193
Facilities Acquisition and Construction	78,218	12,477,800	12,556,018
Ancillary Services	1,195,544	870,736	2,066,280
Community Services	65,195	-	65,195
Enterprise	27,000	-	27,000
Other Outgo	2,572,186	2,856,986	5,429,172
Debt Service:			
Principal	758,330	2,226,379	2,984,709
Interest	164,571	4,692,526	4,857,097
Total Expenditures	178,961,865	33,618,120	212,579,985
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	10,831,638	4,187,012	15,018,650
OTHER FINANCING SOURCES (USES)			
Interfund Transfers In (Note 4B)	206,651	770,791	977,442
Interfund Transfers Out (Note 4B)	(770,791)	(206,651)	(977,442)
All Other Financing Uses	-	(2,965,245)	(2,965,245)
Total Other Financing Sources (Uses)	(564,140)	(2,401,105)	(2,965,245)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	10,267,498	1,785,907	12,053,405
FUND BALANCES - JULY 1, 2022	68,943,912	53,062,174	122,006,086
FUND BALANCES - JUNE 30, 2023	$ 79,211,410	$ 54,848,081	$ 134,059,491

The Notes to Financial Statements are an integral part of this statement.

EXHIBIT F

BEAUMONT UNIFIED SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Total Net Change in Fund Balances - Governmental Funds		$ 12,053,405
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:		
Expenditures for capital outlay	$ 13,789,867	
Depreciation Expense	(6,817,817)	6,972,050
In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were:		3,903,330
In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred.		(2,730,955)
In governmental funds, OPEB costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This year, the difference between OPEB costs and actual employer contributions was:		(815,038)
In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis.		(14,403,508)
In the statement of activities, compensated absences (vacation) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).		(251,604)
In the government-wide statements, expenses must be accrued in connection with any liabilities incurred during the year that are not expected to be liquidated with current financial resources, such as supplemental retirement incentives. This year expenses incurred for such obligations were:		465,315
In government-wide statements, premiums on debt are amortized over the life of the debt.		455,097
Rounding		(1)
Change in Net Position of Governmental Activities		$ 5,648,091

The Notes to Financial Statements are an integral part of this statement.

EXHIBIT G

BEAUMONT UNIFIED SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	CUSTODIAL FUNDS	PENSION TRUST FUND	TOTAL
ASSETS			
Cash (Note 2)			
Cash with Fiscal Agent/Trustee	$ 985,302	$ 1,161,222	$ 2,146,524
LIABILITIES			
Liabilities			
Accounts Payable	-	-	-
NET POSITION			
Restricted for Debt Service	985,302	-	985,302
Restricted for OPEB	-	1,161,222	1,161,222
Total Net Position	$ 985,302	$ 1,161,222	$ 2,146,524

The Notes to Financial Statements are an integral part of this statement.

EXHIBIT H

BEAUMONT UNIFIED SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	CUSTODIAL FUND	PENSION TRUST FUND	TOTAL
ADDITIONS			
Special Tax Assessment	$ 490,127	$ -	$ 490,127
Investment Gain	-	27,247	27,247
Interest and Dividends	38	47,483	47,521
Other Revenues	27,334	-	27,334
Total Additions	517,499	74,730	592,229
DEDUCTIONS			
Debt Service and Other Costs	316,090	-	316,090
Administrative Expense	76,377	13,881	90,258
Payments to Other Governments	4,832	-	4,832
Total Deductions	397,299	13,881	411,180
Change in Net Position	120,200	60,849	181,049
Net Position - July 1, 2022	865,102	1,100,373	1,965,475
Net Position - June 30, 2023	$ 985,302	$ 1,161,222	$ 2,146,524

The Notes to Financial Statements are an integral part of this statement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Beaumont Unified School District conform to accounting principles generally accepted in the United States of America as applicable to governments and to general practices within California school districts. The District accounts for its financial transactions in accordance with the policies and procedures of the Department of Education's California School Accounting Manual. The accounting policies of the District conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board and by the American Institute of Certified Public Accountants. The following is a summary of the significant accounting policies:

Fund Accounting

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

Major Governmental Fund:

General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Nonmajor Governmental Funds:

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed for purposes other than debt service and capital outlay and that compose a substantial portion of the fund's resources. The District maintains seven nonmajor special revenue funds.

- Student Activity Special Revenue Fund is used to account for governmental associated student body activities in accordance with GASB 84.
- Adult Fund is used to account for resources committed to adult education programs.
- Child Development Fund is used to account for resources committed to child development programs maintained by the District
- Cafeteria Fund is used to account for revenues received and expenditures made to operate the District's food service operations.
- Deferred Maintenance Fund is used for the purpose of major repair or replacement of District property.
- Pupil Transportation Equipment Fund was established for the purpose of accumulating monies designated for the purchase of transportation equipment, including buses.
- Special Reserve Fund-Other than Capital Outlay is used to set aside funds to protect the District from unforeseen economic events. Due to the implementation of GASB 54, the Special Reserve Funds has been consolidated with the General Fund for reporting purposes.

Debt Service Funds are used to account for the accumulation of resources for, and the repayment of, District bonds, interest, and related costs. The District maintains one nonmajor debt service funds.

- Bond Interest and Redemption Fund is used to account for the accumulation of resources for, and the repayment of, District bonds, interest, and related costs.

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

- Building Fund is used to account for the District's participation in the construction and acquisition of buildings and equipment

- Capital Facilities Fund is used to account for resources from developer fees and expended for maintenance of District facilities.

- County School Facilities Fund is used to account for funds received from the State Allocation Board for construction of facilities.

- Special Reserve Fund is used to provide the accumulation of General Fund monies for capital outlay projects

- CFD Capital Projects Fund is used to account for capital projects financed by Mello-Roos Community Facilities Districts and similar entities that are considered blended component unites of the District under generally accepted accounting principles (GAAP).

- Blended Component Unit - Capital Projects Fund is used to account for the transactions of the Community Facilities Districts.

Fiduciary Funds:

Custodial Funds are used to report fiduciary activities that are not held in a trust. The District maintains two custodial funds:

- Custodial Fund is used to account for the resources accumulated to pay principal and interest on Special Tax Bonds issued by the Community Facilities Districts.

- Pension Trust Fund is used to account for the irrevocable OPEB trust with the Public Agencies Post-Employment Benefits Trust.

Reporting Entities

The Beaumont Unified School District (the District) and the Beaumont Unified School District Community Facilities Districts (CFDs) Nos. 2018-1 and 2020-1 have a financial and operational relationship which meets the reporting entity definition criteria of the GASB Statement No. 14, The Financial Reporting Entity, for inclusion of the CFDs as component units of the District. Accordingly, the financial activities of the CFDs have been included in the financial statements of the District. The CFDs were created for the sole purpose of financing the purchase, construction, expansion or rehabilitation of certain real and other tangible property with an estimated useful life of five years or longer, including elementary and secondary school sites and structures, and other governmental facilities which the District is authorized by law to contract, own or operate in order to meet increased demands placed upon the District as a result of developments or rehabilitation occurring within the area covered by CFDs Nos. 2018-1 and 2020-1.

The following are those aspects of the relationship between the District and the CFDs which satisfy GASB Statement No. 14 criteria.

Oversight Responsibility:

1. The CFDs' legislative body is composed of the members of the District's Board of Trustees.

2. The District is able to impose its will upon the CFDs, based on the following:

   - All major financing arrangements, contracts, and other transactions of the CFDs must have the consent of the District.

   - The District exercises significant influence over operations of the CFDs. The facilities to be financed by the CFDs are determined by the District and all facilities financed by the CFDs will be owned and operated by the District.

3. The CFDs provide specific financial benefits or impose specific financial burdens on the District based on the following:

   - The major revenue sources of the CFDs are the special taxes levied on properties located in the Project areas. The rate of special taxes to be levied and collected is determined by the Board of Trustees of the District.

Financial Presentation

For financial presentation purposes, the CFDs' financial activity has been blended or combined with the financial data of the District. The financial statements present the CFDs' financial activity within the Custodial Fund and the CFD Capital Project Fund.

Basis of Presentation

Government-Wide Financial Statements:

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District and its component units.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund and fiduciary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. The District does not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipients of goods or services offered by a program, as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column, and all nonmajor funds are aggregated into one column. Fiduciary funds are reported by fund type. The accounting and financial treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other uses) in net current assets.

Fiduciary funds are reported using the economic resources measurement focus.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds use the accrual basis of accounting.

Revenues – exchange and non-exchange transactions:

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, "Available" means collectible within the current period or within one year after year-end.

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

Unearned Revenue:

Unearned revenue arises when assets are received before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as unearned revenue. On governmental fund financial statements, receivables associated with non-exchange transactions that will not be collected within the availability period have also been recorded as unearned revenue.

Expenses/Expenditures:

On the accrual basis of accounting, expenses are recognized at the time a liability is incurred. On the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However, under the modified accrual basis of accounting, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgets and Budgetary Accounting

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

These budgets are revised by the District's Board of Trustees and District Superintendent during the year to give consideration to unanticipated income and expenditures. The final revised budget that is presented in the financial statements consists of the original Board approved documents plus all revisions through June 30, 2023.

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

Accounting Estimates

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

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 outstanding encumbrances were liquidated at June 30.

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Inventory

Inventory in the General Fund and Cafeteria Fund consists mainly of expendable supplies held for consumption. Inventories are recorded using the consumption method, in that inventory acquisitions are initially recorded in inventory (asset) accounts, and the cost is recorded as an expenditure at the time individual inventory items are requisitioned. Inventories are valued on the weighted average cost method. 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.

Capital Assets

Capital assets purchased or acquired with an original cost of $5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Asset Class	Estimated Useful Life in Years
Land	N/A
Playground Equipment	20
Office Furniture and Equipment	5-10
Computer Equipment	5
Licensed Vehicles	8
Land Improvements	20
School/Office Buildings	50
Construction in Progress	0
Portable Structures	25
Building Improvements/Personal Property	20
Audio/Visual Equipment	10
Food Services	15
Maintenance & Operations Vehicles/Equipment	15
Communications Equipment	10

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "due to/from other funds." These amounts are eliminated in the governmental activities columns of the statement of net position.

Compensated Absences

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

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.

Net Position in the Government-Wide Financial Statements

In the government-wide Statement of Net Position, the net position amount can be classified and displayed in three components:

- Net Investment in Capital Assets – This consists of capital assets net of accumulated depreciation and reduced by any long-term borrowings that are attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position.
- Restricted – This consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.
- Unrestricted – This consists of the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Fund Balance Designations

In the governmental funds Balance Sheet, fund balance amounts are reported within the fund balance categories below:

- Nonspendable – This is fund balance associated with revolving cash funds, inventories and prepaids.
- Restricted – This includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- Committed – This includes amounts that can be used only for the specific purposes determined by a formal action of the Board of Trustees (the District's highest level of decision-making authority).
- Assigned – These funds are intended to be used by the government (District) for specific purposes but do not meet the criteria to be classified as restricted or committed.
- Unassigned – This is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications.

When fund balance resources are available for a specific purpose in multiple classifications, the District would use the most restrictive funds first.

Deferred Outflows and Deferred Inflows of Resources

Included in the Statement of Net Position are separate sections for deferred outflows and deferred inflows 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 and deferred inflows of resources have been reported as a result of recording the net pension liabilities and pension expense.

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

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

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position.

In the fund financial statements, governmental funds recognize bond premiums and discounts as well as bond issuance costs, during the current period. The face amount of the debt issued, premiums, or discounts is reported as other financing sources/uses.

Local Control Funding Formula/Property Tax

As a result of the 2013-14 state budget package, the District's state apportionments are based on a new Local Control Funding Formula (LCFF). The LCFF creates base, supplemental, and concentration grants (by grade span) in place of most previously existing K-12 funding streams, including LCFF and most state categorical programs. Full implementation of LCFF was realized in fiscal year 2018-19.

The county is responsible for assessing, collecting and apportioning property taxes. Taxes are levied for each fiscal year on taxable real and personal property in the county. The levy is based on the assessed values as of the preceding March 1, which is also the lien date. Property taxes on the secured roll are due on November 1 and February 1, and taxes become delinquent after December 10 and April 10, respectively. Property taxes on the unsecured roll are due on the lien date (March 1), and become delinquent if unpaid by August 31.

Secured property taxes are recorded as revenue when apportioned, in the fiscal year of the levy. The county apportions secured property tax revenue in accordance with the alternate method of distributions prescribed by Section 4705 of the California *Revenue and Taxation Code.* This alternate method provides for crediting each applicable fund with its total secured taxes upon completion of the secured tax roll – approximately October 1 of each year.

The County Auditor reports the amount of the District’s allocated property tax revenue to the California Department of Education. Property taxes are recorded as local LCFF sources by the District.

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

New Accounting Pronouncements

The following Governmental Accounting Standards Board (GASB) statements are effective for FY 2022-23 financial statement audits:

GASB Statement No. 94, *Public-Private Partnerships and Availability Payment Arrangements*

The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-private partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in the Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Lease as amended.

A SBITA is defined as a contact that conveys control of the right to use another party’s (a SBITA vendor’s) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The requirement of this Statement is effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

Future Accounting Pronouncements

GASB Statement No. 99, *Omnibus 2022*

The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this Statement are as follows:

- Classification and reporting of derivative instruments that do not meet the definition of either an investment or a hedge
- Guidance clarification for short-term leases when there is a modification or terms
- Consideration for public-private partnerships (PPP) terminology as well as recognizing installment payments and transferring underlying PPP assets
- Clarification of subscription-based information technology arrangement (SBITA) terms, and liability measurements and recognition
- Disclosures related to nonmonetary transactions
- Certain provisions of GASB Statement No. 34
- Pledges of future revenues when resources are received by the pledging government
- Terminology updates related to deferred inflows and outflows of resources and net position
- Resources flows statements terminology related to GASB Statement No. 53
- Accounting for SNAP distributions
- Requirements related to the extension of the use of LIBOR

The requirements of GASB Statement No. 99 that relate to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures for nonmonetary transactions, pledges of future revenues by pledging governments, clarifications of certain provisions in Statement 34, and terminology updates took effect upon issuance.

The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

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

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

The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023 and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 101, *Compensated Absences*

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

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

2. CASH AND INVESTMENTS

Cash at June 30, 2023, consists of the following:

	Governmental Funds	Fiduciary Funds	Total
Pooled Funds:			
Cash in County Treasury	$ 133,807,754	$ -	$ 133,807,754
Deposits:			
Cash on Hand and in Banks	1,421,813	-	1,421,813
Cash in Revolving Fund	10,000	-	10,000
Cash with Fiscal Agent	31,483	2,146,524	2,178,007
Total	$ 135,271,050	$ 2,146,524	$ 137,417,574

In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the Riverside County Treasury as part of the investment pool ($14,085,787,847 as of June 30, 2023). 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. The District is considered to be an involuntary participant in the external investment pool. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

The fair market value of this pool as of June 30, 2023, as provided by the pool sponsor, was $13,787,800,542. The County is required by Government Code Section 53635 pursuant to Section 53601 to invest 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.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Treasury and in Money Market Mutual Fund U.S. Treasury Fund obligations. The District maintains an investment with the Riverside County Investment Pool with a fair value of approximately $133,807,754 and an amortized book value of $136,705,920. The average weighted maturity for this pool is 474 days.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The District does not have a formal investment policy that limits its investment choices other than the limitations of State law.

Custodial Credit Risk – Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. However, the California Government code requires that a financial institution secure deposit made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105% of the secured deposits.

Cash balances held in banks are insured up to $250,000 by the Federal Depository Insurance Corporation (FDIC). All cash held by the financial institutions is fully insured or collateralized.

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.

3. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2023, consists of the following:

	GENERAL FUND	ALL OTHER GOVERNMENTAL FUNDS	TOTAL
Accounts Receivable			
Federal Sources			
Categorical Aid Programs	$ 4,185,672	$ 25,699	$ 4,211,371
Child Nutrition Programs	-	875,570	875,570
Total Federal	4,185,672	901,269	5,086,941
State Sources			
Categorical Aid Programs	2,697,859.00	139,128.00	2,836,987.00
Child Nutrition Programs	-	628,276.00	628,276.00
Lottery	666,336.00	-	666,336.00
Total State	3,364,195.00	767,404.00	4,131,599.00
Local Sources			
Interest	1,211,676	563,516	1,775,192
Other	658,227	98,494	756,721
Total Local Sources	1,869,903	662,010	2,531,913
Total Accounts Receivable	$ 9,419,770	$ 2,330,683	$ 11,750,453

4. INTERFUND TRANSACTIONS

Interfund transactions are reported as either loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation. All interfund receivables and payables are expected to be repaid within one year. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/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 among governmental funds are netted as part of the reconciliation to the government-wide financial statements.

A. Interfund Receivables/Payables (Due To/Due From)

Individual fund interfund receivable and payable balances at June 30, 2023, are as follows:

	DUE TO		
DUE FROM	GENERAL FUND	ALL OTHER GOVERNMENTAL FUNDS	TOTAL
General Fund	$ 1,389	$ 32,269	$ 33,658
All Other Governmental Funds	445,632	40,188	485,820
Total	$ 447,021	$ 72,457	$ 519,478

B. Interfund Transfers

Interfund transfers consist of operating transfers from funds receiving resources to funds through which the resources are to be expended. Interfund transfers for the 2022-23 fiscal year were as follows:

	TRANSFERS TO		
TRANSFERS FROM	GENERAL FUND	ALL OTHER GOVERNMENTAL FUNDS	TOTAL
General Fund	$ -	$ 770,791	$ 770,791
All Other Governmental Funds	206,651	-	206,651
Total	$ 206,651	$ 770,791	$ 977,442

5. FUND BALANCE

Ending fund balance in the individual fund types is composed of the following elements:

	GENERAL FUND	ALL OTHER GOVERNMENTAL FUNDS	TOTAL
Nonspendable:			
Revolving Fund	$ 10,000	$ -	$ 10,000
Inventory	-	86,448	86,448
Prepaid Expenditures	2,193,943	-	2,193,943
Total Nonspendable	2,203,943	86,448	2,290,391
Restricted for:			
Legally Restricted Balances	27,115,800	53,431,485	80,547,285
Committed for:			
One Month Operating Expenditures	14,949,852	-	14,949,852
Textbooks Curriculum	1,300,000	-	1,300,000
LCFF Supplemental and Concentration	2,485,114	-	2,485,114
Reserve for Deficit Spending	22,119,903	-	22,119,903
Total Committed	40,854,869	-	40,854,869
Assigned for:			
BTA Health and Welfare Pool	989,695	-	989,695
CNG Station	119,054	-	119,054
E-Rate	222,526	-	222,526
Equipment Replacement and Property Repair	2,536	-	2,536
BACME Health and Welfare Pool	372,580	-	372,580
Advanced Placement Federal Grant	6,826	-	6,826
Furniture and Equipment	46,981	-	46,981
Facilities Use	34,691	-	34,691
ADA Incentive	263,430	-	263,430
MAA	241,215	-	241,215
Instructional Materials	498,216	-	498,216
Donations	126,308	-	126,308
Safety Credits	30,442		30,442
Vacation Liability	698,198	-	698,198
Other Assignments	-	1,330,148	1,330,148
Total Assigned	3,652,698	1,330,148	4,982,846
Reserve for Economic Uncertainties	5,384,100	-	5,384,100
Total Fund Balances	$ 79,211,410	$ 54,848,081	$ 134,059,491

6. CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the fiscal year ended June 30, 2023, is shown below:

PRIMARY GOVERNMENT

	Balance July1, 2022	Additions	Retirements	Balance June 30, 2023
Land	$ 30,844,442	$ -	$ -	$ 30,844,442
Site Improvements	31,410,475	179,702	-	31,590,177
Buildings	239,574,569	1,134,707	-	240,709,276
Furniture and Equipment	21,383,976	1,107,788	-	22,491,764
Work in Progress	85,608,839	11,367,670	-	96,976,509
Total at Historical Cost	408,822,301	13,789,867	-	422,612,168
Less Accumulated Depreciation for:				
Site Improvements	22,637,112	1,245,089	-	23,882,201
Buildings	65,886,425	4,723,168	-	70,609,593
Furniture and Equipment	11,103,739	738,585	-	11,842,324
Total Accumulated Depreciation	99,627,276	6,706,842	-	106,334,118
Governmental Activities Capital Assets, Net	309,195,025	7,083,025	-	316,278,050
Right-to-Use Lease Assets being Amortized Funiture and Equipment	597,313	-	-	597,313
Accumulated Amortization Furniture and Equipment	118,308	110,975	-	229,283
Right-to-Use Leased Assets, Net	479,005	(110,975)	-	368,030
Govermental Activities Capital and Right-to-Use Leased Assets, Net	$ 309,674,030	$ 6,972,050	$ -	$ 316,646,080

Depreciation and amortization expense was charged to governmental activities as follows:

Governmental Activities:	
Instruction	$ 3,865,754
Instructional Supervision and Administration	219,771
Instructional Library, Media and Technology	41,842
School Site Administration	451,218
Home-to-School Transportation	96,346
Food Services	268,807
All Other Pupil Services	621,319
Ancillary Services	75,464
Community Services	325,444
Enterprise Activities	2,381
All Other General Administration	986
Data Processing	108,629
Plant Services	739,856
Total Depreciation Expense	$ 6,817,817

7. LEASE RECEIVABLE

The District licenses (leases) a portion of its facilities for Cellular Tower Antenna Sites. These licenses are noncancelable for a period of five years, with five renewal period of five years. The District believes the licensees will exercise the renewal option with reasonable certainty. The agreements allow for 15% annual CPI increases to the license payment. At termination, lessees must remove all equipment and restore the site to its original state. During the fiscal year, the District recognized $20,988 in lease revenue.

Lease receivable at June 30, 2023, consists of the following:

Lease Receivable	Balance July 1, 2022	Additions	Deductions	Balance June 30, 2023
Cellular Antenna Site	$ 87,760	$ 29,424	$ 20,988	$ 96,196

8. LONG-TERM DEBT

A schedule of changes in long-term debt for the fiscal year ended June 30, 2023, is shown below:

	Balance July 1, 2022*	Additions	Deductions	Balance June 30, 2023	Amounts Due Within One Year
General Obligation Bonds*	$ 129,782,315	$ 2,938,230	$ 3,145,000	$ 129,575,545	$ 3,490,000
Private Placement Debt Issuance	6,109,716	-	758,330	5,351,386	778,613
Unamortized Debt Premiums	7,559,713	-	490,658	7,069,055	433,200
Lease Liability	452,455	-	95,601	356,854	97,914
Net OPEB Liability	12,545,668	1,830,471	-	14,376,139	-
Compensated Absences	446,594	251,604	-	698,198	-
Supplemental Employee Retirement	1,478,856	-	369,714	1,109,142	369,714
Net Pension Liability	64,376,876	50,919,955	-	115,296,831	-
Total	$ 222,752,193	$55,940,260	$ 4,859,303	$ 273,833,150	$ 5,169,441

* Restated by $(838,229)

9. BONDED DEBT

The outstanding general obligation bonded debt of the District at June 30, 2023, is the following:

Bond	Date of Bond	Year of Maturity	Rate of Interest	Amount of Original Issue	Bonds Outstanding July 1, 2022*	Issued During Year	Interest Accreted	Redeemed	Bonds Outstanding June 30, 2023
1998 Series 2004	2/19/2004	8/1/2028	0.90-5.96%	$ 3,019,964	$ 8,750,716	$ -	$ 720,209	$ 750,000	$ 8,720,925
2008 Series A	12/22/2009	8/1/2029	4.35-12.00%	3,860,719	5,821,490	-	359,335	520,000	5,660,825
2008 Series C	5/12/2011	8/1/2044	2.15-7.73%	9,490,102	13,115,092	-	1,274,122	405,000	13,984,214
2014 A Refunding	6/4/2014	8/1/2027	2.00-5.00%	7,285,000	575,000	-	-	575,000	-
2008 Series D	6/8/2017	8/1/2044	3.00-4.47%	4,202,852	4,600,017	-	584,564	25,000	5,159,581
2008 Series E	8/9/2018	8/1/2045	5.00%	12,300,000	11,725,000	-	-	-	11,725,000
2008 Series F	6/30/2020	8/1/2046	2.50-4.00%	11,290,000	11,015,000	-	-	-	11,015,000
2020 Refunding Series A	6/30/2020	8/1/2034	3.00-4.00%	14,390,000	14,130,000	-	-	-	14,130,000
2008 Series G	5/19/2021	8/1/2046	3.00-4.00%	10,000,000	10,000,000	-	-	200,000	9,800,000
2008 Series H	10/26/2021	8/1/2046	2.50-4.00%	12,000,000	12,000,000	-	-	-	12,000,000
2021 Refunding Series A	10/26/2021	8/1/2044	0.28-3.12%	38,050,000	38,050,000	-	-	670,000	37,380,000
				$ 125,888,637	$ 129,782,315	$ -	$ 2,938,230	$ 3,145,000	$ 129,575,545

* Restated by $(838,229)

The annual requirement to amortize the1998 Series 2004 CAB General Obligation Bonds payable, outstanding at June 30, 2023, is as follows:

Year Ending June 30	Principal	Accreted Interest	Accreted Obligation	Unaccreted Interest	Total Maturity
2024	$ 474,707	$ 1,020,293	$ 1,495,000	$ -	$ 1,495,000
2025	468,592	1,007,140	1,475,732	89,268	1,565,000
2026	463,038	995,201	1,458,239	181,761	1,640,000
2027	457,916	984,235	1,442,151	277,849	1,720,000
2028	452,098	974,430	1,426,528	378,472	1,805,000
2029	451,066	972,209	1,423,275	486,725	1,910,000
Total	$ 2,767,417	$ 5,953,508	$ 8,720,925	$ 1,414,075	$ 10,135,000

The annual requirement to amortize the 2008 Series A Convertible CAB General Obligation Bonds payable, outstanding at June 30, 2023, is as follows:

Year Ending June 30	Principal	Interest	Total
2024	$ -	$ 192,995	$ 192,995
2025	-	192,995	192,995
2026	-	192,995	192,995
2027	-	192,995	192,995
2028	-	454,265	454,265
2029-30	2,151,431	969,688	3,121,119
Total	$ 2,151,431	$ 2,195,933	$ 4,347,364

The annual requirement to amortize the 2008 Series A CAB General Obligation Bonds payable, outstanding at June 30, 2023, is as follows:

Year Ending June 30	Principal	Accreted Interest	Accreted Obligation	Unaccreted Interest	Total Maturity
2024	$ 126,951	$ 493,049	$ 620,000	$ -	$ 620,000
2025	133,035	516,658	649,693	80,307	730,000
2026	136,240	529,116	665,356	174,644	840,000
2027	139,298	540,988	680,286	284,714	965,000
2028	183,070	710,989	894,059	530,941	1,425,000
Total	$ 718,594	$ 2,790,800	$ 3,509,394	$ 1,070,606	$ 4,580,000

The annual requirement to amortize the 2008 Series C CAB General Obligation Bonds payable, outstanding at June 30, 2023, is as follows:

Year Ending June 30	Principal	Accreted Interest	Accreted Obligation	Unaccreted Interest	Total Maturity
2024	$ 225,501	$ 234,499	$ 460,000	$ -	$ 460,000
2025	-	-	-	-	-
2026	-	-	-	-	-
2027	-	-	-	-	-
2028	-	-	-	-	-
2029-33	262,015	370,214	632,229	621,520	1,253,749
2034-38	-	-	-	-	-
2039-43	3,411,940	5,066,916	8,478,856	18,462,448	26,941,304
2044-45	1,746,850	2,666,279	4,413,129	15,168,692	19,581,821
Total	$ 5,646,306	$ 8,337,908	$ 13,984,214	$ 34,252,660	$ 48,236,874

The annual requirement to amortize the 2008 Series D Current Interest General Obligation Bonds payable, outstanding at June 30, 2023, is as follows:

Year Ending June 30	Principal	Interest	Total
2024	$ -	$ 16,500	$ 16,500
2025	-	16,500	16,500
2026	-	16,500	16,500
2027	-	16,500	16,500
2028	-	16,500	16,500
2029-33	-	82,500	82,500
2034-38	-	82,500	82,500
2039-43	440,000	74,250	514,250
Total	$ 440,000	$ 321,750	$ 761,750

The annual requirement to amortize the 2008 Series D CAB General Obligation Bonds payable, outstanding at June 30, 2023, is as follows:

Year Ending June 30	Principal	Accreted Interest	Accreted Obligation	Unaccreted Interest	Total Maturity
2024	$ 47,642	$ 7,358	$ 55,000	$ -	$ 55,000
2025	66,513	11,446	77,959	2,041	80,000
2026	95,740	17,791	113,531	6,469	120,000
2027	113,311	23,506	136,817	13,183	150,000
2028	133,515	29,165	162,680	22,320	185,000
2029-33	879,409	160,180	1,039,589	425,411	1,465,000
2034-38	1,232,482	365,821	1,598,303	1,076,697	2,675,000
2039-43	1,171,791	363,911	1,535,702	1,649,298	3,185,000
Total	$ 3,740,403	$ 979,178	$ 4,719,581	$ 3,195,419	$ 7,915,000

The annual requirement to amortize the 2008 Series E General Obligation Bonds payable, outstanding at June 30, 2023, is as follows:

Year Ending June 30	Principal	Interest	Total
2024	$ -	$ 586,250	$ 586,250
2025	-	586,250	586,250
2026	-	586,250	586,250
2027	-	586,250	586,250
2028	-	586,250	586,250
2029-33	-	2,931,250	2,931,250
2034-38	-	2,931,250	2,931,250
2039-43	-	2,931,250	2,931,250
2044-46	11,725,000	1,465,625	13,190,625
Total	$ 11,725,000	$ 13,190,625	$ 24,915,625

The annual requirement to amortize the 2008 Series F General Obligation Bonds payable, outstanding at June 30, 2023, is as follows:

Year Ending June 30	Principal	Interest	Total
2024	$ -	$ 339,800	$ 339,800
2025	-	339,800	339,800
2026	-	339,800	339,800
2027	-	339,800	339,800
2028	-	339,800	339,800
2029-33	655,000	1,659,900	2,314,900
2034-38	875,000	1,479,300	2,354,300
2039-43	1,975,000	1,255,650	3,230,650
2044-46	7,510,000	579,875	8,089,875
Total	$ 11,015,000	$ 6,673,725	$ 17,688,725

The annual requirement to amortize the 2020 Refunding Series A General Obligation Bonds payable, outstanding at June 30, 2023, is as follows:

Year Ending June 30	Principal	Interest	Total
2024	$ -	$ 565,200	$ 565,200
2025	-	565,200	565,200
2026	-	565,200	565,200
2027	-	565,200	565,200
2028	-	565,200	565,200
2029-33	7,540,000	2,378,800	9,918,800
2034-35	6,590,000	271,400	6,861,400
Total	$ 14,130,000	$ 5,476,200	$ 19,606,200

The annual requirement to amortize the 2008 Series G General Obligation Bonds payable, outstanding at June 30, 2023, is as follows:

Year Ending June 30	Principal	Interest	Total
2024	$ 200,000	$ 388,000	$ 588,000
2025	200,000	380,000	580,000
2026	-	376,000	376,000
2027	-	376,000	376,000
2028	-	376,000	376,000
2029-33	-	1,880,000	1,880,000
2034-38	-	1,880,000	1,880,000
2039-43	55,000	1,878,900	1,933,900
2044-47	9,345,000	1,248,700	10,593,700
Total	$ 9,800,000	$ 8,783,600	$ 18,583,600

The annual requirement to amortize the 2008 Series H General Obligation Bonds payable, outstanding at June 30, 2023, is as follows:

Year Ending June 30	Principal	Interest	Total
2024	$ 255,000	$ 409,350	$ 664,350
2025	290,000	398,450	688,450
2026	430,000	384,050	814,050
2027	380,000	367,850	747,850
2028	450,000	351,250	801,250
2029-33	980,000	1,613,250	2,593,250
2034-38	2,210,000	1,297,250	3,507,250
2039-43	3,430,000	776,612	4,206,612
2044-47	3,575,000	179,688	3,754,688
Total	$ 12,000,000	$ 5,777,750	$ 17,777,750

The annual requirement to amortize the 2021 Refunding Series A General Obligation Bonds payable, outstanding at June 30, 2023, is as follows:

Year Ending June 30	Principal	Interest	Total
2024	$ 405,000	$ 1,015,033	$ 1,420,033
2025	425,000	1,012,783	1,437,783
2026	990,000	1,005,828	1,995,828
2027	740,000	995,754	1,735,754
2028	485,000	987,275	1,472,275
2029-33	4,450,000	4,684,851	9,134,851
2034-38	13,005,000	3,671,054	16,676,054
2039-43	8,590,000	2,192,892	10,782,892
2044-46	8,290,000	366,289	8,656,289
Total	$ 37,380,000	$ 15,931,759	$ 53,311,759

The total annual requirement to amortize General Obligation Bonds payable, outstanding at June 30, 2023, is summarized below:

Year Ending June 30	Principal	Interest	Total
2024	$ 3,490,000	$ 3,513,128	$ 7,003,128
2025	3,118,384	3,663,594	6,781,978
2026	3,657,126	3,829,497	7,486,623
2027	3,379,254	4,016,095	7,395,349
2028	3,418,267	4,608,273	8,026,540
2029-33	18,871,524	17,733,985	36,605,509
2034-38	24,278,303	12,689,451	36,967,754
2039-43	24,504,558	29,221,300	53,725,858
2044-47	44,858,129	19,008,869	63,866,998
Total	$ 129,575,545	$ 98,284,192	$ 227,859,737

10. PRIVATE PLACEMENT DEBT

The outstanding private placement debt of the District at June 30, 2023, is the following:

Debt	Date of Bond	Year of Maturity	Rate of Interest	Amount of Original Issue	Private Placement Debt Outstanding July 1, 2022	Issued During Year	Matured During Year	Private Placement Debt Outstanding June 30, 2023
Solar Energy Project	8/6/2015	3/7/2030	2.79%	$ 7,435,725	$ 3,912,626	$ -	$ 442,984	$ 3,469,642
COPs	4/26/2016	12/23/2028	4.45-4.75%	4,962,254	2,197,090	-	315,346	1,881,744
				$ 12,397,979	$ 6,109,716	$ -	$ 758,330	$ 5,351,386

The annual requirement to amortize the Solar Energy Project payable, outstanding at June 30, 2023, is as follows:

Year Ending June 30	Principal	Interest	Total
2024	$ 455,429	$ 93,648	$ 549,077
2025	468,224	80,853	549,077
2026	481,379	67,699	549,078
2027	494,903	54,175	549,078
2028	508,807	40,270	549,077
2029-30	1,060,900	27,255	1,088,155
Total	$ 3,469,642	$ 363,900	$ 3,833,542

The annual requirement to amortize the Certificates of Participation Private Placement Debt payable, outstanding at June 30, 2023, is as follows:

Year Ending June 30	Principal	Interest	Total
2024	$ 323,184	$ 49,720	$ 372,904
2025	331,216	40,745	371,961
2026	339,447	31,547	370,994
2027	347,883	22,120	370,003
2028	356,529	12,459	368,988
2029	183,485	2,532	186,017
Total	$ 1,881,744	$ 159,123	$ 2,040,867

11. LEASES

The District has entered into agreements to lease mail room equipment, printer and copiers and fleet vehicles. The outstanding Lease liability of the District at June 30, 2023, is as follows:

Year Ending June 30	Principal	Interest	Total
2024	$ 97,914	$ 5,606	$ 103,520
2025	100,289	3,744	104,033
2026	97,769	1,826	99,595
2027	60,882	-	60,882
	$ 356,854	$ 11,176	$ 368,030

12. NET OPEB LIABILITY

For the year ended June 30, 2023 the District reported net OPEB liability for the following plans:

OPEB Plan	Net OPEB Liabilty
District Plan	$ 13,895,423
Premium Payment (MPP) Program	480,716
Total	$ 14,376,139

General Information About the District Plan

Description of Retiree Benefits

Following is a description of the current retiree benefit plan:

	Certificated	*Classified*	*Management/Confidential*
Benefit types provided	Medical, Dental, Vision	Medical, Dental, Vision	Medical, Dental, Vision
Duration of Benefits	To age 65	To age 65	To age 65
Required Services	20 Years*	20 Years**	20 Years***
Minimum Age	60*	60**	60**
Dependent Coverage	Yes	Yes	Yes
District Contribution %	100% up to District cap	100% up to District cap	100% up to District cap
District Cap	$10,000	$10,000	$10,000

* Employees employed on 3/11/2008 with at least 10 years of service must reach age 55 and require 10 years of service to become eligible for District-paid benefits. Employees employed on 3/11/2008 with less than 10 years of service must reach age 60 and require 15 years of service to become eligible for District-paid benefits.
** Employees employed on 4/08/2008 with at least 10 years of service must reach age 55 and require 10 years of service to become eligible for District-paid benefits. Employees employed on 4/08/2008 with less than 10 years of service must reach age 60 and require 15 years of service to become eligible for District-paid benefits.
*** Employees employed on 3/11/2008 with at least 5 years of service must reach age 55 and require 5 years of service to become eligible for District-paid benefits. Employees employed on 3/11/2008 with less than 10 years of service must reach age 60 and require 15 years of service to become eligible for District-paid benefits.

Employees Covered by Benefit Terms

At June 30, 2023, membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	30
Active plan members	887
Total	917

Net OPEB Liability

The District uses an Actuarial Measurement Date that is the same as its Fiscal Year-End. The actuarial results presented were measured as of June 30, 2023. The Futuris Investment Trust administers the Postemployment Benefit Plan (the Plan). The Plan is a single employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for the District. At June 30, 2023, the District has $1,161,222 in the plan.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	3.75%
Salary increases	2.75%
Inflation rate	2.50%
Healthcare cost trend rate	4.00%

Discount Rate

GASB 75 requires the use of a discount rate that considers the availability of the OPEB plan's fiduciary net position associated with the OPEB of current active and inactive employees and the investment horizon of those resources. A discount rate of 3.75% was used in the valuation.

OPEB plans with irrevocable trust accounts can utilize a discount rate equal to the long-term expected rate of return to the extent that the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and the OPEB plan assets are expected to be invested using a strategy to achieve that return.

To determine if the OPEB plan assets are sufficient, a calculation of the projected fiduciary net position and the amount of projected benefit payments is compared in each period. When OPEB plan assets are determined to not be sufficient, a blended rate is calculated. The interest assumption reflects a municipal bond rate. The Bond Buyer 20 Index at June 30, 2023 was used, resulting in a rate of 3.65%. The bond rate beyond 11 years was used to result in an equivalent valuation rate of 3.75%.

The District has an irrevocable trust account for prefunding OPEB liabilities. Plan assets are expected to be sufficient. The discount rate used to measure the total OPEB liability is equal to the long-term expected rate of return.

The long-term expected rate of return on OPEB 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 OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage and by adding expected inflation. The table below provides the long-term expected real rates of return by asset class (based on published capital market assumptions).

Assets Class	Percentage of Portfolio	Assumed Gross Return
Fixed Income	55%	4.25%
Domestic Equity	22%	7.25%
International Equity	19%	7.25%
Real Estate	4%	7.25%

Changes in the Total OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2022	$ 13,093,896	$ 1,100,373	$ 11,993,523
Changes for the Year:			
Service Cost	978,723	-	978,723
Interest	486,325	-	486,325
Difference Between Expected and Actual Experience	1,005,478	-	1,005,478
Changes in Assumptions or Other Inputs	(62,390)	-	(62,390)
Contributions - Employer	-	445,387	(445,387)
Net Investment Income	-	74,730	(74,730)
Benefit Payments	(445,387)	(445,387)	-
Administrative Expenses	-	(13,881)	13,881
Net Changes	1,962,749	60,849	1,901,900
Balances at June 30, 2023	$ 15,056,645	$ 1,161,222	$ 13,895,423

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 or 1 percentage point higher that the current discount rate.

	1% Decrease 2.75%	Discount Rate 3.75%	1% Increase 4.75%
Net OPEB liability (asset)	$ 15,238,081	$ 13,895,423	$ 12,636,384

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 or 1 percentage point higher than the current healthcare cost trend rate:

	1% Decrease 3.00%	Healthcare Cost Trend Rate 4.00%	1% Increase 5.00%
Net OPEB liability (asset)	$ 11,919,620	$ 13,895,423	$ 16,243,433

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

For the year ended June 30, 2023, the District recognized OPEB expense of $1,149,231. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual return on investments	$ 1,697,931	$ (750,416)
Changes in assumptions	863,446	(2,934,206)
Differences between expected and actual experience	113,236	-
Total	$ 2,674,613	$ (3,684,622)

The amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30	Deferred Outflows	Deferred Inflows
2024	$ 353,051	$ (438,522)
2025	352,645	(877,040)
2026	386,401	(427,640)
2027	323,123	(256,933)
2028	230,262	(1,684,487)
Thereafter	1,029,131	-
Total	$ 2,674,613	$ (3,684,622)

Medicare Premium Payment (MPP) Program

Plan Description

The Medicare Premium Payment (MPP) Program is administered by the California State Teachers' Retirement System (CalSTRS). The MPP Program is a cost-sharing mutiple-employer other postemployment benefit plan (OPEB) established pursuant to Chapter 1032, Startutes 1000 (SB 1435). CalSTRS adminsters the MPP Program through the Teachers' Health Benefits Fund (THBF).

A full description of the MPP Program regarding benefit provisions, assumptions (for funding, but not accounitng purposes), and membership information is listed in the June 30, 2022 annual actuarial valuation report, Medicare Premium Payment Program Acrtuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: http://www.calstrs.com/actuarial-valuations.

Benefits Provided

The MPP Program pays Medicare Part A premiums and Medicare Part A and B late enrollment surcharges for eligible members of the State Teachers Retirement Plan (STRP) Defined Benefit (DB) Program who were retired or began receiving a disability allowance prior to July 1, 2012 and were not eligible for premium free Medicare Part A. The payments are made directly to the Centers for Medicare and Medicaid Services (CMS) on a monthly basis.

The MPP Program is closed to new entrants as members who retire after July 1, 2012, are not eligible for coverage under the MPP Program.

The MPP Program is funded on a pay-as-you go basis from a portion of monthly District benefit payments. In accordance with California Education Code Section 25390, contributions that would otherwise be credted to the DB Program each month are instead credited to the MPP Program to fund monthly program and administrative costs. Total redirections to the MPP Program are monitored to ensure that total incurred costs do not exceed the amount initially identified as the cost of the program.

Net OPEB Liability and OPEB Expense

At June 30, 2023, the District reported a liability of $480,716 for its proportionate share of the net OPEB liability for the MPP Program. The net OPEB liability was measured as of June 30, 2022, and the Total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022. The District’s proportion of the net OPEB liability was based on a projection of the District’s long-term share of contributions to the OPEB Plan relative to the projected contributions of all participating school districts, actuarially determined. The District’s proportionate share for the measurement period June 30, 2022, was 0.1487%.

For the year ended June 30, 2023, the Distirct recognized OPEB expense of $71,429.

Actuarial Methods and Assumptions

The June 30, 2022 net OPEB liability was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2021, and rolling forward the net OPEB liability to June 30, 2022, using the assumption, listed in the following table:

Measurement Date	June 30, 2022
Valuation Date	June 30, 2021
Experience Study	July 1, 2015 through June 30, 2018
Actuarial Cost Method	Entry age normal
Investment Rate of Return	3.54%
Medicare Part A, Premium Cost Trend Rate	4.50%
Medicare Part B, Premium Cost Trend Rate	5.40%

For the valuation as of June 30, 2022, CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases on life expectancies each year into the future. The base mortality tables are CalSTRS Custom tables derived to best fit the patterns or mortality among our members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table, issued by the Society Actuaries.

Assumptions were made about future participation (enrollment) into the MPP Program because CalSTRS is unable to determine which members not currently participating meet all eligibility criteria for enrollment in the future. Assumed enrollment rates were derived based on past experience and are stratified by age with the probability of enrollment diminishing as the members' age increases. This estimated enrollment rate was then applied to the population of member who may meet criteria necessary for eligibility and are not ecurrently enrolled in the MPP Program. Based on this, the estimated number of future enrollments used in the financial reporting valuation was 245 or and average of 0.16% of the potentially eligible population (152,062).

The MPP Program is funded on a pay-as-you-go basis with contributions generally being made at the same time and in the same amount as benefit payments and expenses coming due. Any funds within the MPP Program as of June 30, 2021, were to manage differences between estimated and actual amounts to be paid and were invested in the Surplus Money Investment Fund,which is a pooled investment program administered by the State Treasurer.

Discount Rate

The discount rate used to measure the total OPEB liability as of June 30, 2022, is 3.54%. As the MPP Program is funded on a pay-as-you-go basis as previously noted, the OPEB Plan's fiduciary net position was not projected to be sufficient to make projected future benefit payments. Therefore, a discount rate of 3.54%, which is the Bond Buyer 20-Bond GO Index from Bondbuyer.com as of June 30, 2022, was applied to all periods of projected benefit payments to measure the net OPEB liability.

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

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

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
Net OPEB liability	$ 534,013	$ 480,716	$ 451,581

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

The following presents the District's proportionate share of the net OPEB liability calculated using the Medicare costs trend rates that are one percent lower or higher than the current rates:

	1% Decrease 3.5% Part A, and 4.40% Part B	Current Discount Rate 4.5% Part A, and 5.40% Part B	1% Increase 5.5% Part A, and 6.40% Part B
Net OPEB liability	$ 449,411	$ 480,716	$ 535,622

13. COMPENSATED ABSENCES

The total unpaid employee compensated absences as of June 30, 2023, amounted to $698,198 and is included in the General Long-Term Debt.

14. SUPPLEMENTAL EMPLOYEE RETIREMENT PLAN

The District offered an early retirement incentive to qualified employees under a qualified plan of Sections 401A of the Internal Revenue Code. This benefit is paid out annually to the retiree in equal installments for a period of up to five years. Currently, there are 42 employees participating in the plan and the District's obligation to those retirees as of June 30, 2023, is $1,109,142. Future payments are as follows:

Year Ending June 30	
2024	$ 369,714
2025	369,714
2026	369,714
Total	$ 1,109,142

15. NET PENSION LIABILITY

General Information About the Pension Plans

Plan Descriptions

Qualified employees are covered under cost-sharing multiple-employer defined benefit pension plans maintained by agencies of the State of California. Classified employees are members of the California Public Employees' Retirement System (CalPERS) and certificated employees are members of the California State Teachers' Retirement System (CalSTRS). 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. CalPERS and CalSTRS issue publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on their respective websites.

Benefits Provided

CalPERS and CalSTRS 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 service credit for each year of full-time employment. Members with five years of total service are eligible to retire at age 62 for normal benefits or at age 55 with statutorily reduced benefits. Employees hired prior to January 1, 2013 are eligible to retire at age 60 for normal benefits or at age 55 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. All members are eligible for death benefits after one year of total service.

The plans' provisions and benefits in effect at June 30, 2023, are summarized as follows:

	CalPERS		CalSTRS	
	Before	On or After	Before	On or After
Hire Date	January 1, 2013	January 1, 2013	January 1, 2013	January 1, 2013
Benefit Formula	2% at 55	2% at 62	2% at 60	2% at 62
Benefit Vesting Schedule	5 Years	5 Years	5 Years	5 Years
Benefit Payments	Monthly for Life	Monthly for Life	Monthly for Life	Monthly for Life
Retirement Age	50-62	52-67	50-62	55-67
Monthly benefits, as a % of eligible compensation	1.1 - 2.5%	1.0 - 2.5%	1.1 - 2.4%	1.0 - 2.4%*
Required employee contribution rates (average)	8.000%	8.000%	10.250%	10.250%
Required employer contribution rates	25.370%	25.370%	19.100%	19.100%

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

Contributions - CalPERS

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. 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 employees. For the measurement period ended June 30, 2022 (measurement date), employees hired prior to January 1, 2013 paid in 7.00%, employees hired on or after January 1, 2013 paid 7.00%, and the employer contribution rate was 202.91% of annual payroll. For the fiscal year ending June 30, 2023, employees hired prior to January 1, 2013 contributed 7.00%, employees hired on or after January 1, 2013 contributed 8.00%, and the employer's contribution rate was 25.37%.

On-Behalf Payments

Consistent with Section 20825.2 of the Government Code, the State of California appropriated $904,000,000 from the General Fund for the 2019-20 fiscal year to be apportioned as follows:

a) $144,000,000 to pay in advance, on behalf of school employers, part of the contributions required by school employers pursuant to this part for the 2020-21 fiscal year.

b) $100,000,000 to pay in advance, on behalf of school employers, part of the contributions required by school employers pursuant to this part for the 2022-23 fiscal year.

c) $660,000,000 shall be applied to the unfunded liabilities for the school employers whose assets and liabilities are merged pursuant to subdivision (a) of Section 20618.

Any payments made pursuant to this section shall not discharge the school employers for any remaining amounts due and payable pursuant to this part.

Contributions - CalSTRS

For the measurement period ended June 30, 2022 (measurement date), Section 22950 of the California Education Code requires members to make monthly contributions 10.250% 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 16.92% of creditable compensation. Rates are defined in Section 22950.5 through measurement period ending June 30, 2023. Section 22950.5 states, "For fiscal year 2022-23 and each fiscal year thereafter, the board shall increase or decrease the percentages paid specified in this section from the percentage paid during the prior fiscal year 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."

On-Behalf Payments

Consistent with Section 22955.1 of the California Education Code, the State of California makes contributions to CalSTRS on behalf of employees working for the District. For the measurement period ended June 30, 2022 (measurement date), the State contributed 11.97% of salaries creditable to CalSTRS. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements.

Contributions Recognized

For the year ended June 30, 2023, the contributions recognized as part of pension expense for each plan were as follows:

	CalPERS	CalSTRS
Contributions - Employer	$ 4,165,030	$ 9,643,229
Contributions - Employee	1,272,598	5,816,144
Contributions - State On-Behalf Payments	-	5,922,660
Total	$ 5,437,628	$ 21,382,033

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

As of June 30, 2023, the District reported a net pension liability for its proportionate share of the net pension liability of each plan as follows:

	Proportionate Share of Net Pension Liability
CalPERS	$ 40,946,811
CalSTRS	74,650,020
Total Net Pension Liablility	$ 115,596,831

The District's net pension liability for each plan is measured as the proportionate share of the net pension liability as of June 30, 2022. The total pension liability for each plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021, rolled forward to June 30, 2022. The District's proportionate share 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, actuarially determined.

For the year ended June 30, 2023, the District recognized pension expense of $39,393,240. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 24,601,950	$ -
Differences between actual and expected experience	246,046	6,593,509
Changes in assumptions	6,716,232	-
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	-
Net difference between projected and actual earnings on plan investments	4,834,705	12,922,322
Total	$ 36,398,933	$ 19,515,831

$24,601,950 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30	
2024	$ (1,160,591)
2025	(4,399,183)
2026	(5,715,592)
2027	4,604,122
2028	(771,919)
Thereafter	(275,685)
Total	$ (7,718,848)

Actuarial Assumptions

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

	CalPERS		CalSTRS	
Valuation Date	June 30, 2021		June 30, 2021	
Measurement Date	June 30, 2022		June 30, 2022	
Actuarial Cost Method	Entry Age - Normal		Entry Age - Normal	
Actuarial Assumptions				
Discount Rate	6.90%		7.10%	
Inflation	2.30%		2.75%	
Payroll Growth	2.75%		3.50%	
Projected Salary Increase	Varies	*	Varies	*
Investment Rate of Return	6.90%	#	7.10%	#
Mortality	Varies	&	Varies	&

* Depending on age, service and type of employment
# Net of pension plan investment expenses, including inflation
& Depending on age, gender and type of job

Discount Rate

The discount rate used to measure the total pension liability was 6.90% for CalPERS and 7.10% for CalSTRS. To determine whether the District bond rate should be used in calculation of a discount rate for each plan, CalPERS and CalSTRS 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 District 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 websites.

According to Paragraph 30 of GASB Statement No. 68, the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. 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. CalPERS and CalSTRS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalPERS and CalSTRS review all actuarial assumptions as part of their regular Asset Liability Management (ALM) review cycle. Any changes to the discount rate will require board action and proper stakeholder outreach.

CalSTRS conducts an Asset Liability Management (ALM) study every four years to direct how the Investment staff allocates assets among different opportunities. This study weighs the teachers' pension liabilities versus assets needed to fund these pensions over the long term and is a critical process that drives the performance of the investment portfolio.

The culmination of the most recent study was marked by new long-term asset allocation targets adopted by the board's Investment Committee in November 2019. These targets balance the tradeoff between achieving full funding, the risk of low funding and the risk of higher contribution rates based on the CalSTRS Funding Plan.

In January 2020, the Investment Committee was presented with a plan to navigate from the current asset allocation to the new long-term targets.

As part of the Asset Liability Management (ALM) process, the CalPERS Board of Administration (the Board) reviews the capital market assumptions and economic assumptions.

CalPERS is conducting an ALM process during calendar year 2021 for the next four-year cycle. During the first half of the year, team members provided a series of webinars to stakeholders, as well as educational agenda items to the CalPERS Board. During the second half of the year, staff will present results of the ALM analysis to the CalPERS Board for adoption of changes to asset allocations or actuarial assumptions. The effective date for the selected strategic asset allocation implementation is July 1, 2022.

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

	CalSTRS	
Asset Class	Assumed Assets Allocation	Long Term Expected Rate of Return*
Public Equity	42.00%	4.80%
Fixed Income	12.00%	1.30%
Inflation Sensitive	6.00%	3.30%
Private Equity	13.00%	6.30%
Real Estate	15.00%	3.60%
Liquidity	2.00%	-0.40%
Risk Mitigating Strategies	10.00%	1.80%

* 20-year average

	CalPERS	
Asset Class	Assumed Asset Allocation	Real Return (Years 1-10) *,#
Global Equity - Cap-Weighted	30.00%	4.45%
Global Equity - Non-Cap-Weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-back 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%

* An expected inflation of 2.30% used for this period.
# Figures are based on the 2021-22 Asset Liability Management study.

Sensitivity of 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:

	CalPERS	CalSTRS
1% Decrease	5.90%	6.10%
Net Pension Liability	$ 59,149,742	$ 126,273,910
Current Discount Rate	6.90%	7.10%
Net Pension Liability	$ 40,946,811	$ 74,350,020
1% Increase	7.90%	8.10%
Net Pension Liability	$ 25,902,758	$ 31,237,580

Pension Plan Fiduciary Net Position

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

16. JOINT POWERS AGREEMENTS

The Beaumont Unified School District participates in four joint ventures under joint powers agreements (JPAs). The relationships between the Beaumont Unified School District and the JPAs are such that none of the JPAs are a component unit of the Beaumont Unified School District for financial reporting purposes.

California's Valued Trust (CVT)

Purpose:	Arranges for and provides health insurance coverage for their member districts.
Participants:	Local educational agencies throughout California.
Governing Board:	Twelve-person Board of Trustees comprised of six management members and three each from CTA and CSEA.

California Schools' Employee Benefits Association (CSEBA)

Purpose:	To arrange for and provide employee health and welfare coverage for all members.
Participants:	School districts in Southern California.
Governing Board:	A representative from each member district.

Riverside School Insurance Authority (RSIA)

Purpose:	A public agency formed exclusively to provide financial protection for its members' property and liability risks.
Participants:	Comprised of 16 member school districts and 1 county office of education.
Governing Board:	Every member has a voice and an equal vote.

Riverside School Risk Management Authority (RSRMA)

Purpose:	Created to group purchase and/or self-fund their workers' compensation claim liabilities. The main purpose of the Authority is to pool the resources of each Member to lower costs, obtain loss control services and share information and best practices.
Participants:	Comprised of 16 member school districts, 3 community colleges and 1 county office of education operating in Riverside and San Bernardino Counties.
Governing Board:	Representatives of member districts.

Regional Employer/Employee Partnership (REEP)

Purpose:	To design and manage affordable and comprehensive health care coverage in order to equitably and collectively "REEP" the Benefits.
Participants:	29 member districts in the Inland Empire.
Governing Board:	Representatives of member districts.

Condensed financial information of the JPAs is as follows:

	CSEBA	RSIA	RSRMA
	Audited June 30, 2022	Audited June 30, 2022	Audited June 30, 2022
Total Assets	$ 83,358,546	$ 7,973,317	$ 23,525,817
Total Liabilities	16,871,625	6,242,879	7,789,299
Net Position	$ 66,486,921	$ 1,730,438	$ 15,736,518
Total Revenues	$ 317,520,408	$ 17,769,819	$ 48,598,844
Total Expenditures	310,941,376	18,214,840	46,804,677
Net Increase (Decrease) in Net Position	$ 6,579,032	$ (445,021)	$ 1,794,167

California Value Trust and Regional Employer/Employee Partnership financial information was not available.

17. COMMITMENTS AND CONTINGENCIES

A. Federal and State Allowances, Awards and Grants

The District has received Federal and State funds for specific purposes that are subject to review and audit by the grantor agencies. If the review or audit discloses exceptions, the District may incur a liability to 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.

B. Litigation

Various claims and litigation involving the District are currently outstanding. However, management of the District believes, based on consultation with legal counsel, that the ultimate resolution of these matters will not have a material adverse effect on the District’s financial position or results of operations.

C. Construction Commitments

As of June 30, 2023, the District had the following commitments with respect to unfinished capital projects:

Capital Projects	Remaining Construction Commitments	Expected Date of Completion
BHS Expansion	$ 3,046,450	Nov/Dec 2023
Starlight Windscreen	2,307,454	November 2023

Required Supplementary Information

BEAUMONT UNIFIED SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	(GAAP Basis)*	Final Budget Positive (Negative)
REVENUES				
Local Control Funding Formula Sources:				
State Apportionments	$ 71,635,534	$ 95,522,441	$ 95,522,441	$ -
Education Protection Account Funds	27,074,153	8,959,685	8,959,685	-
Local Sources	16,552,406	24,709,875	24,709,875	-
Total LCFF Sources	115,262,093	129,192,001	129,192,001	-
Federal Revenues	15,074,221	12,657,389	12,657,389	-
Other State Revenues	11,417,207	35,898,209	35,898,209	-
Other Local Revenues	11,014,396	12,045,608	12,045,903	295
Total Revenues	152,767,917	189,793,207	189,793,502	295
EXPENDITURES				
Certificated Salaries	63,323,292	72,575,890	72,575,890	-
Classified Salaries	24,540,841	25,103,070	25,103,070	-
Employee Benefits	43,950,133	42,838,958	42,838,958	-
Books and Supplies	9,617,742	10,817,857	10,817,857	-
Services and Other Operating Expenditures	16,630,573	22,711,255	22,711,255	-
Other Outgo	2,012,605	2,572,186	2,572,186	-
Direct Support/Indirect Costs	(278,274)	(238,653)	(238,653)	-
Capital Outlay	4,421,870	1,658,401	1,658,401	-
Debt Service				
Principal	421,440	758,330	758,330	-
Interest	501,461	164,571	164,571	-
Total Expenditures	165,141,683	178,961,865	178,961,865	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(12,373,766)	10,831,342	10,831,637	295
OTHER FINANCING SOURCES (USES)				
Interfund Transfers In	264,905	206,651	206,651	-
Interfund Transfers Out	(770,496)	(770,496)	(770,791)	(295)
Total Other Financing Sources (Uses)	(505,591)	(563,845)	(564,140)	(295)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	$ (12,879,357)	$ 10,267,497	10,267,497	$ -
FUND BALANCE - JULY 1, 2022			68,943,912	
FUND BALANCE - JUNE 30, 2023			$ 79,211,409	

* Actual revenues and expenditures includes the activity for Fund 17, Special Reserve Fund for Other than Capital Outlay due to the consolidation with the General Fund for reporting purposes. However, the original and final budget amounts presented are for the General Fund only.

See accompanying Notes to the Required Supplementary Information.

BEAUMONT UNIFIED SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS LAST TEN FISCAL YEARS*
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021
Total OPEB Liability	$ 15,056,645	$ 13,093,896	$ 13,922,381
Plan fiduciary net position	1,161,222	1,100,373	1,355,306
Net OPEB liability	$ 13,895,423	$ 11,993,523	$ 12,567,075
Measurement date	June 30, 2022	June 30, 2021	June 30, 2020
Reporting date	June 30, 2023	June 30, 2022	June 30, 2021
Covered payroll	$ 83,832,488	$ 71,505,022	$ 60,986,300
Net OPEB liability (asset) as a percentage of covered payroll	16.58%	16.77%	20.61%
Plan fiduciary net position as a percentage of the total OPEB liability	7.71%	8.40%	9.73%
Total OPEB Liability			
Service Cost	$ 978,723	$ 1,175,306	$ 1,019,813
Interest	486,325	339,738	344,893
Difference between expected and actual experience	1,005,478	-	960,557
Changes of assumptions	(62,390)	(1,993,364)	(1,428,424)
Benefit payments	(445,387)	(350,165)	(410,652)
Net change in total OPEB liability	1,962,749	(828,485)	486,187
Total OPEB liability - July 1 (a)	13,093,896	13,922,381	13,436,194
Total OPEB liability - June 30 (b)	$ 15,056,645	$ 13,093,896	$ 13,922,381
Plan Fiduciary Net Position			
Contributions - employer	$ 445,387	$ 350,165	$ 410,652
Net investment income	74,730	(238,911)	236,388
Benefit payments	(445,387)	(350,165)	(410,652)
Administrative expense	(13,881)	(16,022)	(15,348)
Net change in plan fiduciary net position	60,849	(254,933)	221,040
Plan Fiduciary Net Position - July 1 (c)	1,100,373	1,355,306	1,134,266
Plan Fiduciary Net Position - June 30 (d)	$ 1,161,222	$ 1,100,373	$ 1,355,306
Net OPEB Liability - Beginning July 1 (a) - (c)	$ 11,993,523	$ 12,567,075	$ 12,301,928
Net OPEB Liability - Ending June 30 (b) - (d)	$ 13,895,423	$ 11,993,523	$ 12,567,075

* This schedule is required to show information for ten years; however, until a full ten-year trend is compiled, information is presented for those years for which information is available.

See accompanying Notes to the Required Supplementary Information.

BEAUMONT UNIFIED SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL
OPEB LIABILITY AND RELATED RATIOS LAST TEN FISCAL YEARS*
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017
Total OPEB Liability	$ 13,436,194	$ 11,639,062	$ 11,522,732	$ 10,825,798
Plan fiduciary net position	1,134,266	1,085,310	1,042,617	1,000,000
Net OPEB liability	$ 12,301,928	$ 10,553,752	$ 10,480,115	$ 9,825,798
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Reporting date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Covered payroll	$ 60,986,300	$ 59,210,000	$ 47,205,000	$ 47,205,000
Net OPEB liability (asset) as a percentage of covered payroll	20.17%	17.82%	22.20%	20.82%
Plan fiduciary net position as a percentage of the total OPEB liability	8.44%	9.32%	9.05%	9.24%
Total OPEB Liability				
Service Cost	$ 990,110	$ 872,469	$ 842,233	$ 838,345
Interest	401,168	435,786	398,292	370,925
Difference between expected and actual experience	(121,642)	(1,536,393)	-	-
Changes of assumptions	868,542	857,084	(97,880)	-
Benefit payments	(341,046)	(512,616)	(445,711)	(449,705)
Net change in total OPEB liability	1,797,132	116,330	696,934	759,565
Total OPEB liability - July 1 (a)	11,639,062	11,522,732	10,825,798	10,066,233
Total OPEB liability - June 30 (b)	$ 13,436,194	$ 11,639,062	$ 11,522,732	$ 10,825,798
Plan Fiduciary Net Position				
Contributions - employer	$ 341,046	$ 512,616	$ 445,711	$ 1,449,705
Net investment income	62,662	55,819	55,678	-
Benefit payments	(341,046)	(512,616)	(445,711)	(449,705)
Trustee fees	-	-	-	-
Administrative expense	(13,706)	(13,126)	(13,061)	-
Net change in plan fiduciary net position	48,956	42,693	42,617	1,000,000
Plan Fiduciary Net Position - July 1 (c)	-	-	-	-
Plan Fiduciary Net Position - June 30 (d)	$ 48,956	$ 42,693	$ 42,617	$ 1,000,000
Net OPEB Liability - Beginning July 1 (a) - (c)	$ 11,639,062	$ 11,522,732	$ 10,825,798	$ 10,066,233
Net OPEB Liability - Ending June 30 (b) - (d)	$ 13,387,238	$ 11,596,369	$ 11,480,115	$ 9,825,798

* This schedule is required to show information for ten years; however, until a full ten-year trend is compiled, information is presented for those years for which information is available.

See accompanying Notes to the Required Supplementary Information.

BEAUMONT UNIFIED SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET LIABILITY – MPP PROGRAM*
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018
District's proportionate of net OPEB liability	0.1487%	0.1384%	0.1629%	0.1577%	0.1482%	0.1371%
District's proportionate share of net OPEB liability	$ 480,716	$ 552,145	$ 690,399	$ 587,345	$ 564,289	$ 576,885
Covered-Employee payroll	N/A	N/A	N/A	N/A	N/A	N/A
District's net OPEB liability as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of total OPEB liability	0.00	(0.80)%	(0.71)%	(0.81)%	0.40%	0.01%

Note to Schedule:
As of June 30, 2012, active members are no longer eligible for future enrollment in the MPP Program; therefore, the covered payroll disclosure is not applicable.

* This schedule is required to show information for ten years; however, until a full ten-year trend is compiled, information is presented for those years for which information is available.

See accompanying Notes to the Required Supplementary Information.

BEAUMONT UNIFIED SCHOOL DISTRICT

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

CALPERS LAST TEN FISCAL YEARS*

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	CalPERS								
	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015
District's proportion of the net pension liability	0.1190%	0.1105%	0.1127%	0.1101%	0.0997%	0.0957%	0.0958%	0.0934%	0.0896%
District's proportionate share of the net pension liability	$ 40,946,811	$ 22,467,620	$ 34,587,911	$ 32,079,014	$ 26,580,391	$ 22,839,846	$ 18,929,668	$ 13,767,253	$ 10,171,782
District's covered-employee payroll	$ 23,968,833	$ 18,179,965	$ 15,854,396	$ 14,122,717	$ 15,419,893	$ 13,153,693	$ 12,219,096	$ 9,273,639	$ 9,540,290
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	170.83%	123.58%	218.16%	227.14%	172.38%	173.64%	154.92%	148.46%	106.62%
Plan fiduciary net position as a percentage of the total pension liability	69.76%	80.97%	70.00%	70.05%	70.85%	71.87%	73.90%	79.43%	83.38%

* 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.

See accompanying Notes to the Required Supplementary Information.

BEAUMONT UNIFIED SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
CALSTRS LAST TEN FISCAL YEARS*
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	CalSTRS								
	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015
District's proportion of the net pension liability	0.1070%	0.0921%	0.0935%	0.0892%	0.0826%	0.0757%	0.0718%	0.0739%	0.0650%
District's proportionate share of the net pension liability	$ 74,350,020	$ 41,909,256	$ 90,606,017	$ 80,523,171	$ 75,888,646	$ 70,044,712	$ 58,082,509	$ 49,819,760	$ 37,984,050
State's proportionate share of the net pension liability associated with the District	24,809,585	21,087,112	46,707,413	43,930,766	43,449,799	41,437,860	33,065,336	26,317,970	22,815,178
Total	$ 99,159,605	$ 62,996,368	$ 137,313,430	$ 124,453,937	$ 119,338,445	$ 111,482,572	$ 91,147,845	$ 76,137,730	$ 60,799,228
District's covered-employee payroll	$ 68,454,832	$ 56,993,079	$ 49,739,207	$ 51,055,000	$ 48,544,496	$ 44,349,896	$ 40,170,278	$ 28,497,860	$ 30,674,352
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	108.61%	73.53%	182.16%	157.72%	156.33%	157.94%	144.59%	174.82%	123.83%
Plan fiduciary net position as a percentage of the total pension liability	72.56%	87.21%	71.82%	72.56%	70.99%	69.46%	70.04%	74.02%	76.52%

* 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.

See accompanying Notes to the Required Supplementary Information.

BEAUMONT UNIFIED SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
CALPERS LAST TEN FISCAL YEARS*
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	CalPERS								
	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015
Contractually required contribution	$ 6,080,893	$ 4,165,030	$ 3,281,860	$ 2,785,141	$ 2,785,141	$ 2,042,900	$ 1,696,988	$ 1,241,876	$ 1,091,600
Contributions in relation to the contractually required contribution	6,080,893	4,165,030	3,281,860	2,785,141	2,785,141	2,042,900	1,696,988	1,241,876	1,091,600
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 23,968,833	$ 18,179,965	$ 15,854,396	$ 14,122,717	$ 15,419,893	$ 13,153,693	$ 12,219,096	$ 10,482,620	$ 9,273,639
Contributions as a percentage of covered-employee payroll	25.370%	22.910%	20.700%	19.721%	18.062%	15.531%	13.888%	11.847%	11.771%

* 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.

See accompanying Notes to the Required Supplementary Information.

BEAUMONT UNIFIED SCHOOL DISTRICT

SCHEDULE OF DISTRICT CONTRIBUTIONS

CALSTRS LAST TEN FISCAL YEARS*

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	CalSTRS								
	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015
Contractually required contribution	$ 13,074,873	$ 9,643,229	$ 8,032,882	$ 8,730,405	$ 7,903,044	$ 6,399,690	$ 5,053,421	$ 2,973,158	$ 2,530,610
Contributions in relation to the contractually required contribution	13,074,873	9,643,229	8,032,882	8,730,405	7,903,044	6,399,690	5,053,421	2,973,158	2,530,610
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 68,454,832	$ 56,993,079	$ 49,739,207	$ 51,055,000	$ 48,544,496	$ 44,349,896	$ 40,170,278	$ 27,708,835	$ 28,497,860
Contributions as a percentage of covered-employee payroll	19.10%	16.92%	16.15%	17.10%	16.28%	14.43%	12.58%	10.73%	8.88%

* 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.

See accompanying Notes to the Required Supplementary Information.

1. PURPOSE OF SCHEDULES

A. Budgetary Comparison Schedules

These schedules are required by GASB Statement No. 34 as required supplementary information (RSI) for the General Fund and for each major special revenue fund that has a legally adopted annual budget. The budgetary comparison schedules present both (a) the original and (b) the final appropriated budgets for the reporting period as well as (c) actual inflows, outflows, and balances, stated on the District's budgetary basis. A separate column to report the variance between the final budget and actual amounts is also presented, although not required.

B. Schedule of Changes in the District's Total OPEB Liability and Related Ratios

This schedule is required by GASB Statement No. 75 for all sole and agent employers that provide other postemployment benefits (OPEB). The schedule presents information as of the measurement date of the net OPEB liability.

C. Schedule of Proportionate Share of the Net Pension Liability

This schedule is required by GASB Statement No. 68 and is required for all employers in a cost-sharing pension plan. The schedule reports the following information:

- The proportion (percentage) of the collective net pension liability (similar to the note disclosure)
- The proportionate share (amount) of the collective net pension liability
- The employer's covered-employee payroll
- The proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered-employee payroll
- The pension plan's fiduciary net position as a percentage of the total pension liability

D. Schedule of Pension Contributions

This schedule is required by GASB Statement No. 68 and is required for all employers in a cost-sharing pension plan. The schedule reports the following information:

- If an employer's contributions to the plan are actuarially determined or based on statutory or contractual requirements: the employer's actuarially determined contribution to the pension plan (or, if applicable, its statutorily or contractually required contribution), the employer's actual contributions, the difference between the actual and actuarially determined contributions (or statutorily or contractually required), and a ratio of the actual contributions divided by covered-employee payroll.

3. SUMMARY OF CHANGES OF BENEFITS OR ASSUMPTIONS

Benefit Changes – PERS

There were no changes to benefit terms that applied to all members of the Schools Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees by granting Two Years Additional Service Credit to members retiring during a specified time period (a.k.a. Golden Handshakes). Employers that have done so may need to report this information as a separate liability in their financial statements as CalPERS considers such amounts to be separately financed employer-specific liabilities.

Changes of Assumptions – PERS
The discount rate changed from 7.15% to 6.90%. The inflation rate changed from 2.50% to 2.30%.

Changes of Assumptions - STRS
None.

Changes of Assumptions – OPEB
The discount rate was changed from 3.64 percent to 3.75 percent.

Supplementary Information

BEAUMONT UNIFIED SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2023

	STUDENT ACTIVITY SPECIAL REVENUE FUND	ADULT EDUCATION FUND	CHILD DEVELOPMENT FUND	CAFETERIA FUND	DEFERRED MAINTENANCE FUND	PUPIL TRANSPORTATION EQUIPMENT FUND	TOTAL
ASSETS							
Cash							
Cash in County Treasury	$ -	$ 375,267	$ 233,902	$ 8,782,600	$ 1,065,233	$ 139,379	$ 10,596,381
Cash on Hand and in Bank	713,488	29,346	-	8,600	-	-	751,434
Accounts Receivable	-	171,789	3,989	1,633,414	18,037	2,377	1,829,606
Due From Other Funds	-	5,427	-	25,696	1,146	-	32,269
Inventory	-	-	-	86,448	-	-	86,448
TOTAL ASSETS	$ 713,488	$ 581,829	$ 237,891	$ 10,536,758	$ 1,084,416	$ 141,756	$ 13,296,138
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts Payable	$ -	$ 14,966	$ -	$ 82,346	$ 1,799	$ -	$ 99,111
Due to Other Funds	-	86,017	-	153,259	-	-	239,276
Unearned Revenue	-	-	236,304	-	-	-	236,304
Totlal Liabilities	-	100,983	236,304	235,605	1,799	-	574,691
Fund Balances							
Nonspendable	-	-	-	86,448	-	-	86,448
Restricted	713,488	377,812	-	10,214,705	-	-	11,306,005
Assigned	-	103,034	1,587	-	1,082,617	141,756	1,328,994
Total Fund Balances	713,488	480,846	1,587	10,301,153	1,082,617	141,756	12,721,447
TOTAL LIABILITIES AND FUND BALANCES	$ 713,488	$ 581,829	$ 237,891	$ 10,536,758	$ 1,084,416	$ 141,756	$ 13,296,138

The Notes to Financial Statements are an integral part of this statement.

BEAUMONT UNIFIED SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	STUDENT ACTIVITY SPECIAL REVENUE FUND	ADULT EDUCATION FUND	CHILD DEVELOPMENT FUND	CAFETERIA FUND	DEFERRED MAINTENANCE FUND	PUPIL TRANSPORTATION EQUIPMENT FUND	TOTAL
REVENUES							
Federal Revenues	$ -	$ 1,079,209	$ -	$ 5,856,461	$ -	$ -	$ 6,935,670
Other State Revenues	-	85,694	-	4,629,568	-	-	4,715,262
Other Local Revenues	968,563	979,131	5,990	340,350	23,440	3,559	2,321,033
Total Revenues	968,563	2,144,034	5,990	10,826,379	23,440	3,559	13,971,965
EXPENDITURES							
Instruction	-	1,469,886	-	-	-	-	1,469,886
Instruction Related Activities							
Supervision of Instruction	-	1,000	-	-	-	-	1,000
School Site Administration	-	553,353	-	-	-	-	553,353
Pupil Services:							
Food Services	-	-	-	7,468,889	-	-	7,468,889
General Administration:							
All Other General Administration	-	85,977	-	152,677	-	-	238,654
Plant Services	-	110,438	-	207,573	360,048	-	678,059
Facilities Acquisition and Construction	-	-	-	-	44,817	-	44,817
Ancillary Services	870,736	-	-	-	-	-	870,736
Total Expenditures	870,736	2,220,654	-	7,829,139	404,865	-	11,325,394
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	97,827	(76,620)	5,990	2,997,240	(381,425)	3,559	2,646,571
OTHER FINANCING SOURCES (USES)							
Interfund Transfers In	-	266,797	-	-	503,699	-	770,496
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	97,827	190,177	5,990	2,997,240	122,274	3,559	3,417,067
FUND BALANCES - JULY 1, 2022	615,661	290,669	(4,403)	7,303,913	960,343	138,197	9,304,380
FUND BALANCES - JUNE 30, 2023	$ 713,488	$ 480,846	$ 1,587	$ 10,301,153	$ 1,082,617	$ 141,756	$ 12,721,447

The Notes to Financial Statements are an integral part of this statement.

BEAUMONT UNIFIED SCHOOL DISTRICT
BALANCE SHEET
NONMAJOR DEBT SERVICE FUND
JUNE 30, 2023

	BOND INTEREST AND REDEMPTION FUND
ASSETS	
Cash	
Cash in County Treasury	$ 12,506,643
TOTAL ASSETS	$ 12,506,643
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts Payable	$ -
Fund Balance	
Restricted	12,505,489
Assigned	1,154
Total Fund Balance	12,506,643
TOTAL LIABILITIES AND FUND BALANCE	$ 12,506,643

The Notes to Financial Statements are an integral part of this statement.

BEAUMONT UNIFIED SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
NONMAJOR DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BOND INTEREST AND REDEMPTION FUND
REVENUES	
Other State Revenues	$ 54,864
Other Local Revenues	7,938,235
Total Revenues	7,993,099
EXPENDITURES	
Debt Service:	
Principal	$ 2,226,379
Interest	4,665,192
Total Expenditures	6,891,571
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,101,528
FUND BALANCE - JULY 1, 2022	11,405,115
FUND BALANCE - JUNE 30, 2023	$ 12,506,643

The Notes to Financial Statements are an integral part of this statement.

BEAUMONT UNIFIED SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2023

	BUILDING FUND	CAPITAL FACILITIES FUND	COUNTY SCHOOL FACILITIES FUND	SPECIAL RESERVE FUND	CFD CAPITAL PROJECTS FUND	BLENDED COMPONENT UNIT - CAPITAL PROJECT FUND	TOTAL
ASSETS							
Cash							
Cash in County Treasury	$ 1,311	$ 10,979,575	$ 40	$ 10,764,262	$ -	$ 7,862,169	$ 29,607,357
Cash on Hand and in Bank	-	-	-	-	-	643,695	643,695
Cash with Fiscal Agent	-	-	-	-	31,483	-	31,483
Accounts Receivable	39,922	234,857	45	146,058	-	80,195	501,077
Due From Other Funds	-	39,893	-	295	-	-	40,188
TOTAL ASSETS	$ 41,233	$ 11,254,325	$ 85	$ 10,910,615	$ 31,483	$ 8,586,059	$ 30,823,800
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts Payable	$ 1,340	$ 894,575	$ -	$ 54,433	$ -	$ 6,917	$ 957,265
Due to Other Funds	39,893	143,311	-	-	-	63,340	246,544
Total Liabilities	41,233	1,037,886	-	54,433	-	70,257	1,203,809
Fund Balances							
Restricted	-	10,216,439	85	10,856,182	31,483	8,515,802	29,619,991
Unassigned	-	-	-	-	-	-	-
Total Fund Balances	-	10,216,439	85	10,856,182	31,483	8,515,802	29,619,991
TOTAL LIABILITIES AND FUND BALANCES	$ 41,233	$ 11,254,325	$ 85	$ 10,910,615	$ 31,483	$ 8,586,059	$ 30,823,800

The Notes to Financial Statements are an integral part of this statement.

BEAUMONT UNIFIED SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2023

	BUILDING FUND	CAPITAL FACILITIES FUND	COUNTY SCHOOL FACILITIES FUND	SPECIAL RESERVE FUND	CFD CAPITAL PROJECTS FUND	BLENDED COMPONENT UNIT - CAPITAL PROJECT FUND	TOTAL
REVENUES							
Other Local Revenues	$ 234,895	$ 6,405,125	$ 2,930	$ 3,105,194	$ 4,965	$ 6,086,959	$ 15,840,068
EXPENDITURES							
General Administration:							
All Other General Administration	-	29,491	-	-	-	-	29,491
Plant Services	-	-	-	-	-	54,361	54,361
Facilities Acquisition and Construction	5,760,279	2,803,320	138,257	3,731,127	-	-	12,432,983
Other Outgo	-	-	-	-	2,856,986	-	2,856,986
Debt Service:							
Interest	-	-	-	-	-	27,334	27,334
Total Expenditures	5,760,279	2,832,811	138,257	3,731,127	2,856,986	81,695	15,401,155
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,525,384)	3,572,314	(135,327)	(625,933)	(2,852,021)	6,005,264	438,913
OTHER FINANCING SOURCES (USES)							
Interfund Transfers In	-	-	-	295	-	-	295
Interfund Transfers Out	-	(143,311)	-	-	-	(63,340)	(206,651)
All Other Financing Sources	-	-	-	-	-	(2,965,245)	(2,965,245)
Total Other Financing Sources (Uses)	-	(143,311)	-	295	-	(3,028,585)	(3,171,601)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(5,525,384)	3,429,003	(135,327)	(625,638)	(2,852,021)	2,976,679	(2,732,688)
FUND BALANCES - JULY 1, 2022	5,525,384	6,787,436	135,412	11,481,820	2,883,504	5,539,123	32,352,679
FUND BALANCES - JUNE 30, 2023	$ -	$ 10,216,439	$ 85	$ 10,856,182	$ 31,483	$ 8,515,802	$ 29,619,991

The Notes to Financial Statements are an integral part of this statement.

BEAUMONT UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES AND ORGANIZATION
JUNE 30, 2023

BOARD OF TRUSTEES

MEMBER	OFFICE	TERM EXPIRES
David Sanchez	President	November 2024
Shawn Mitchell	Vice President	November 2024
Melissa Williamson	Clerk	November 2026
Jeff Brown	Member	November 2026
Susan "Susie" Lara	Member	November 2026

ADMINISTRATION

Mays Kakish	Superintendent
Penni Harbauer	Assistant Superintendent, Business Services
Jennifer Castillo	Associate Superintendent, Human Resources
Ebon Brown	Assistant Superintendent, Instructional Support Services

ORGANIZATION

The Beaumont Unified School District, located in Riverside County, was established in 1953 and is comprised or approximately 110 square miles. The District currently operated 15 school sites, which include seven (7) elementary schools, one (1) K-8 school, two (2) middle schools, one (1) comprehensive high school, one (1) continuation high school, one (1) 21st Century Learning Institute, one (1) high school middle college, and one (1) adult school. The District is located in the northwestern portion of Riverside County at the Intersection of the U.S. Interstate 10 and State Route 60 Freeways. The District serves students in the communities of Beaumont, Cherry Valley, a portion of Banning, and a portion of Calimesa in the San Bernardino County. During the fiscal year 2022-23, there were no changes in the District's boundaries.

BEAUMONT UNIFIED SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE
JUNE 30, 2023

	Second Period Report SBF01BFC	Annual Report SBF01B89
TK/K-3		
Regular	3,336.70	3,358.13
Extended Year Special Ed	10.06	10.06
Special Ed Non-Public	0.05	0.04
Extended Year Special Ed Non-Public	0.02	0.02
Subtotal TK/K-3	3,346.83	3,368.25
Grades 4-6		
Regular	2,493.18	2,486.49
Extended Year Special Ed	4.46	4.46
Special Ed Non-Public	0.84	0.86
Extended Year Special Ed Non-Public	0.07	0.07
Subtotal Grades 4-6	2,498.55	2,491.88
Grades 7-8		
Regular	1,598.51	1,598.68
Extended Year Special Ed	1.94	1.94
Special Ed Non-Public	2.55	2.31
Extended Year Special Ed Non-Public	0.28	0.28
Subtotal Grades 7-8	1,603.28	1,603.21
Grades 9-12		
Regular	3,280.07	3,281.04
Extended Year Special Ed	5.14	5.14
Special Ed Non-Public	3.16	3.01
Extended Year Special Ed Non-Public	0.41	0.41
Subtotal Grade 9-12	3,288.78	3,289.60
Grand Total	10,737.44	10,752.94

See accompanying Notes to Supplementary Information.

BEAUMONT UNIFIED SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

GRADE LEVEL	1986-87 MINUTES REQUIREMENT	2022-23 ACTUAL MINUTES	NUMBER OF DAYS TRADITIONAL CALENDAR	NUMBER OF DAYS MULTITRACK CALENDAR	STATUS
Kindergarten	36,000	52,980	180	N/A	In Compliance
Grades 1-3	50,400	54,498	180	N/A	In Compliance
Grades 4-6	54,000	54,498	180	N/A	In Compliance
Grades 7-8	54,000	68,800	180	N/A	In Compliance
Grades 9-12	64,800	70,560	180	N/A	In Compliance

See accompanying Notes to Supplementary Information.

BEAUMONT UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

GENERAL FUND	(BUDGET) 2024*	2023	2022	2021
Revenues and Other Financial Sources	$ 183,785,295	$ 190,000,154	$ 153,413,018	$ 141,381,432
Expenditures	206,119,790	178,961,865	138,256,399	123,156,979
Other Uses and Transfers Out	503,699	770,791	2,851,813	4,520,221
Total Outgo	206,623,489	179,732,656	141,108,212	127,677,200
Change in Fund Balance	$ (22,838,194)	$ 10,267,498	$ 12,304,806	$ 13,704,232
Ending Fund Balance	$ 56,373,216	$ 79,211,410	$ 68,943,912	$ 56,639,106
Available Reserves	$ 11,836,974	$ 5,384,100	$ 56,580,708	$ 16,654,715
Reserve for Economic Uncertainties	$ 6,198,705	$ 5,384,100	$ 56,580,708	$ 16,654,715
Unassigned Fund Balance	$ 5,638,269	$ -	$ -	$ -
Available Reserves as a Percentage of Total Outgo	5.73%	3.00%	40.10%	10.93%
Total Long-Term Debt	N/A	$ 273,833,150	$ 223,590,422	$ 271,484,293
Average Daily Attendance at P-2	11,187	10,737	10,165	10,160**

The General Fund balance has increased by $22,572,304 over the past two years. The fiscal year 2023-24 budget projects a decrease of $(22,838,194). For a district this size, the State recommends available reserves of at least 3% of total General Fund expenditures, transfers out, and other uses. Beaumont Unified School District has met the State's minimum requirements.

Average daily attendance has increased by 577 over the past two years. An increase of 450 ADA is anticipated during fiscal year 2023-24.

* Based on July 1 budget, included for analytical purposes only and has not been subjected to audit.
** Funding for fiscal year 2020-21 was based on 2019-20 ADA.

BEAUMONT UNIFIED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM OR CLUSTER TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	CLUSTER EXPENDITURES	FEDERAL EXPENDITURES
	GENERAL FUND				
	U.S Department of Defense:				
	Direct:				
	ROTC	12.357	None		$ 80,196
	U.S. Department of Education:				
	Passed through the California Department of Education (CDE):				
	Special Education Cluster:				
	Local Assistance	84.027	13379	$ 2,267,655	
	ARP Local Assistance	84.027	15638	495,244	
	Mental Health ADA	84.027	15197	156,763	
	Preschool Grant	84.173	13430	58,342	
	Preschool Staff Development	84.173	13431	1,154	
	ARP Preschool	84.173	15639	58,762	
	Total Special Education Cluster				3,037,920
	Title I, Part A	84.010	14329		1,017,076
	Career and Technical Education	84.048	14894		56,093
	Title II, Part A, Supporting Effective Instruction	84.367	14341		200,625
	Title III, Immigrant	84.365	15146		14,331
	Title III, LEP	84.365	14346		125,979
*	CARES Act ESSER III LL	84.425U	10155		296,605
*	GEER LLM	84.425C	15517		9,087
*	CARES Act ESSER	84.425	15536		13,779
*	CARES Act ESSER II	84.425	15547		652,277
*	ARP Act ESSER III	84.425	15559		4,868,231
*	ARP Homeless	84.425	15566		2,491
*	CARES Act ESSER II ELO	84.425	15618		367,717
*	GEER II ELO	84.425	15619		5,607
*	GEER III ELO	84.425	15620		432,391
*	ELO ESSER III	84.425	15621		640,371
	Title IVA, Student Support	84.424	15396		78,310
	Total Department of Education				11,818,890
	Total General Fund				11,899,086

* Major Programs Tested

See accompanying Notes to Supplementary Information.

BEAUMONT UNIFIED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM OR CLUSTER TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	CLUSTER EXPENDITURES	FEDERAL EXPENDITURES
	ADULT FUND				
	U.S Department of Education:				
	Direct:				
*	Federal Direct Student Loan	84.268			982,509
	U.S. Department of Education:				
	Passed through the California Department of Education (CDE):				
	Adult Basic Education	84.002	14508		54,820
	Adult Secondary Education	84.002	13978		41,880
	Total Adult Fund				1,079,209
	CAFETERIA FUND				
	U.S. Department of Agriculture:				
	Passed through the CDE:				
*	Child Nutrition Cluster:				
	National School Lunch Program	10.555	13391, 13396	3,772,367	
	Basic Breakfast Program	10553	13390	69,659	
	Especially Needy Breakfast Program	10.553	13526	939,878	
	Total Child Nutrition Cluster				4,781,904
	Child and Adult Care Food	10.588	13529, 13534		684,298
	Donated Food Commodities	10.565	None		390,259
	Total Department of Agriculture				5,856,461
	Total Federal Expenditures				$ 18,834,756

* Major Programs Tested

See accompanying Notes to Supplementary Information.

BEAUMONT UNIFIED SCHOOL DISTRICT
RECONCILIATION OF ANNUAL FINANCIAL BUDGET REPORT FORM
WITH AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	CAFETERIA FUND	DEFERRED MAINTENANCE FUND
June 30, 2023, Annual Financial and Budget Report Form Fund Balances	$ 10,310,619	$ 1,047,088
Adjustments and Reclassifications		
Increase Accounts Receivable for:		
Child Nutrition Program	102,840	-
Decrease Stores For:		
Misposting	(112,306)	-
Increase (Decrease) Accounts Payable for:		
Equipment	-	35,529
June 30, 2023, Audited Financial Statement Fund Balances	$ 10,301,153	$ 1,082,617

See accompanying Notes to Supplementary Information.

BEAUMONT UNIFIED SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOLS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

CHARTER SCHOOLS	CHARTER #	INCLUSION IN FINANCIAL STATEMENTS
Highland Academy	1493	Not Included
Mission Vista Academy	2049	Not Included

See accompanying Notes to Supplementary Information.

BEAUMONT UNIFIED SCHOOL DISTRICT
NOTES TO SUPPLEMENTARY INFORMATION
JUNE 30, 2023

1. PURPOSE OF SCHEDULES

A. Schedule of Average Daily Attendance

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

B. Schedule of Instructional Time

Districts, including basic aid districts, must maintain their instructional minutes at 1986-87 requirements, as required by Education Code Section 46201. This schedule is required for 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. The District has not met or exceeded its target funding. This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of Article 8 (commencing with Section 46200) of Chapter 2 of Part 26 of the Education Code.

C. Schedule of Financial Trends and Analysis

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

D. Schedule of Expenditures of Federal Awards

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Beaumont Unified School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

The Uniform Guidance requires a disclosure of the financial activities of all Federally funded programs. This schedule was prepared to comply with the Uniform Guidance. The District did not elect to use the 10 percent de minimis indirect cost rate.

E. Reconciliation of Annual Financial and Budget Report Form with Audited Financial Statements

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 as reported on the Annual Form to the audited financial statements.

F. Schedule of Charter Schools

This schedule provides a list of Charter Schools sponsored by the District and specifies whether the Charter Schools are included in these financial statements.

JLG

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Jeanette L. Garcia,
CPA

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditor's Report

To the Governing Board
Beaumont Unified School District
Beaumont, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (GAAS), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Beaumont Unified School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Beaumont Unified School District's basic financial statements, and have issued our report thereon dated December 1, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Jeanette L Garcia + Associates

San Bernardino, California
December 1, 2023

JLG

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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND
REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE

Independent Auditor's Report

To the Governing Board
Beaumont Unified School District
Beaumont, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Beaumont 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 Beaumont Unified School District's major federal programs for the year ended June 30, 2023. Beaumont Unified School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of audit findings and questioned costs.

In our opinion, Beaumont 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, 2023.

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 standard 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 Beaumont 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 Beaumont 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 agreement applicable to Beaumont Unified School District's federal programs.

Auditor's Responsibility 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 Beaumont 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 judgement made by a reasonable user of the report on compliance about Beaumont 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 judgement 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 Beaumont 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 Beaumont 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 Beaumont 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 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.

Jeanette L Garcia + Associates

San Bernardino, California
December 1, 2023

JLG

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Jeanette L. Garcia, CPA

INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

To the Governing Board
Beaumont Unified School District
Beaumont, California

Report On Compliance

Opinion

We have audited the Beaumont Unified School District's compliance with the requirements specified in the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* applicable to the District's state program requirements identified below for the year ended June 30, 2023.

In our opinion, Beaumont Unified School District complied, in all material respects, with the laws and regulations of the state programs noted in the table below for the year ended June 30, 2023.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standard*, issued by the Comptroller General of the United States, and the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section or our report.

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

Responsibilities of Management for State Compliance

Management is responsible to 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 Beaumont Unified School District's state program.

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 *2022-23 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 state 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 Beaumont Unified School District's compliance with the requirements of state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *2022-23 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 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 *2022-23 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:

	2022-23 K-12 Audit Guide Procedures	Procedures Performed
Local Education Agencies Other Than Charter Schools:		
A.	Attendance	Yes
B.	Teacher Certification and Misassignments	Yes
C.	Kindergarten Continuance	Yes
D.	Independent Study	Yes
E.	Continuation Education	Yes
F.	Instructional Time	Yes
G.	Instructional Materials	Yes
H.	Ratio of Administrative Employees to Teachers	Yes
I.	Classroom Teacher Salaries	Yes
J.	Early Retirement Incentive	Not Applicable
K.	Gann Limit Calculation	Yes
L.	School Accountability Report Card	Yes
M.	Juvenile Court Schools	Not Applicable
N.	Middle or Early College High Schools	Yes

2022-23 K-12 Audit Guide Procedures (Continued)		Procedures Performed
Local Education Agencies Other Than Charter Schools:		
O.	K-3 Grade Span Adjustment	Yes
P.	Transportation Maintenance of Effort	Yes
Q.	Apprenticeship: Related and Supplemental Instruction	Not Applicable
R.	Comprehensive School Safety Plan	Yes
S.	District of Choice	Yes
TT.	Home to School Transportation Reimbursement	Yes
UU.	Independent Study Certification for ADA Los Mitigation	Yes
School Districts, County Offices of Education, and Charter Schools:		
T.	California Clean Energy Jobs Act	Yes
U.	After/Before School Education and Safety Program	Yes
V.	Proper Expenditure of Education Protection Account Funds	Yes
W.	Unduplicated Local Control Funding Formula Pupil Counts	Yes
X.	Local Control and Accountability Plan	Yes
Y.	Independent Study-Course Based	Not Applicable
Z.	Immunizations	Not Applicable
AZ.	Educator Effectiveness	Yes
BZ.	Expanded Learning Opportunities Grant (ELO-G)	Yes
CZ.	Career Technical Education Incentive Grant	Yes
EZ.	Transitional Kindergarten	Yes
Charter Schools:		
AA.	Attendance	Not Applicable
BB.	Mode of Instruction	Not Applicable
CC.	Nonclassroom-Based Instruction/Independent Study	Not Applicable
DD.	Determination of Funding for Nonclassroom-Based Instruction	Not Applicable
EE.	Annual Instructional Minutes - Classroom Based	Not Applicable

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

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we considered 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 testing based on the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting.* Accordingly, this report is not suitable for any other purpose.

Jeanette L Garcia + Associates

San Bernardino, California
December 1, 2023

Findings and Recommendations

BEAUMONT UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	______ Yes	✓ No
Significant deficiencies identified?	______ Yes	✓ None Reported
Noncompliance material to financial statements noted?	______ Yes	✓ No

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	______ Yes	✓ No
Significant deficiencies identified?	______ Yes	✓ None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Part 200, Section 200.516 Audit Findings paragraph (a)?	______ Yes	✓ No

Identification of major programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
10.553, 10.555	Child Nutrition Cluster
84.268	Federal Direct Student Loan
84.425	ESSER/GEER

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

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	✓ No
Type of auditor's report issued on compliance for State programs:	Unmodified	

BEAUMONT UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Section II – Financial Statement Findings

None Reported.

Section III – Federal Award Findings and Questioned Costs

None Reported.

Section IV – State Award Findings and Questioned Costs

None Reported.

BEAUMONT UNIFIED SCHOOL DISTRICT
STATUS OF PRIOR YEAR AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Prior Year Findings and Recommendations:

There were no findings and recommendations for the fiscal year ended June 30, 2022.