

# **MONROVIA UNIFIED SCHOOL DISTRICT**

**AUDIT REPORT  
JUNE 30, 2025**

**MONROVIA UNIFIED SCHOOL DISTRICT**  
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**JUNE 30, 2025**

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## **FINANCIAL SECTION**

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**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**Independent Auditors' Report

Governing Board  
Monrovia Unified School District  
Monrovia, California

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Monrovia Unified School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Monrovia 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Monrovia Unified School District, as of June 30, 2025, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Monrovia 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 the Monrovia Unified School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Monrovia 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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Monrovia 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 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 required supplementary information, such as management's discussion and analysis, budgetary comparison information, schedules of proportionate share of net pension liability, and schedules of district contributions for pensions 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 appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Monrovia Unified School District's basic financial statements. The supplementary information listed in the table of contents, including the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2026 on our consideration of the Monrovia 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 Monrovia 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 Monrovia Unified School District's internal control over financial reporting and compliance.



San Diego, California  
March 31, 2026

# MONROVIA UNIFIED SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

## INTRODUCTION

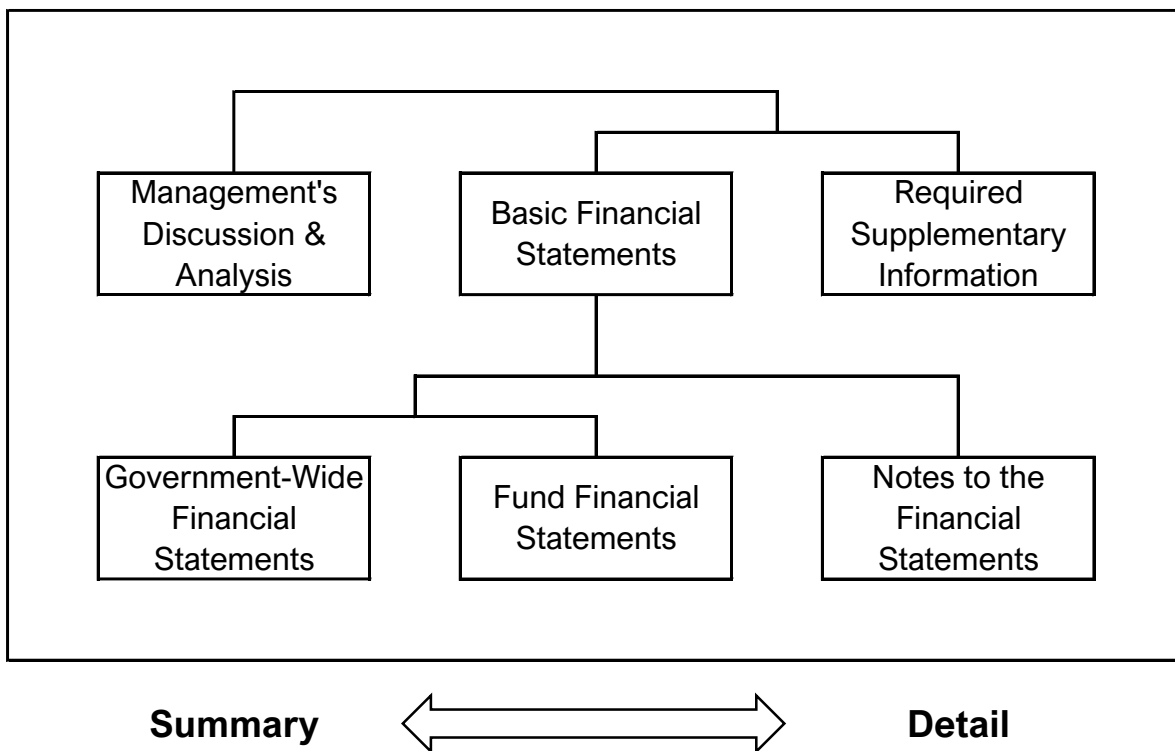
Our discussion and analysis of Monrovia Unified School District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2025. It should be read in conjunction with the District's financial statements, which follow this section.

## FINANCIAL HIGHLIGHTS

- ▶ The District's combined net position was \$(3,371,503) at June 30, 2025. This was an increase of \$8,699,547 from the prior year.
- ▶ Overall revenues were \$109,503,100, which exceeded expenses of \$100,803,553.

## OVERVIEW OF FINANCIAL STATEMENTS

### Components of the Financial Section



**MONROVIA UNIFIED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2025**

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**OVERVIEW OF FINANCIAL STATEMENTS (continued)**

**Components of the Financial Section (continued)**

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

- ▶ **Government-wide financial statements**, which comprise the first two statements, provide both short-term and long-term information about the entity's overall financial position.
  
- ▶ **Fund financial statements** focus on reporting the individual parts of District operations in more detail. The fund financial statements comprise the remaining statements.
  - ▶ **Governmental Funds** provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.
  
  - ▶ **Proprietary Funds** report services for which the District charges customers a fee. Like the government-wide statements, they provide both long- and short-term financial information.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The basic financial statements are followed by a section of required and other supplementary information that further explain and support the financial statements.

**Government-Wide Statements**

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

The two government-wide statements report the District's net position and how it has changed. Net position is one way to measure the District's financial health. Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

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

**MONROVIA UNIFIED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2025**

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

**Net Position**

The District's combined net position was \$(3,371,503) at June 30, 2025, as reflected in the table below. Of this amount, \$(53,557,209) was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Governing Board's ability to use that net position for day-to-day operations.

	Governmental Activities			Business-Type Activities		
	2025	2024	Net Change	2025	2024	Net Change
<b>ASSETS</b>						
Current and other assets	\$ 88,929,805	\$ 91,779,422	\$ (2,849,617)	\$ 174,545	\$ 133,498	\$ 41,047
Capital assets	62,013,931	60,589,242	1,424,689	-	-	-
<b>Total Assets</b>	<b>150,943,736</b>	<b>152,368,664</b>	<b>(1,424,928)</b>	<b>174,545</b>	<b>133,498</b>	<b>41,047</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>20,317,030</b>	<b>23,169,229</b>	<b>(2,852,199)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES</b>						
Current liabilities	28,451,306	28,055,784	395,522	2,359	8,203	(5,844)
Long-term liabilities	138,971,873	154,543,776	(15,571,903)	-	-	-
<b>Total Liabilities</b>	<b>167,423,179</b>	<b>182,599,560</b>	<b>(15,176,381)</b>	<b>2,359</b>	<b>8,203</b>	<b>(5,844)</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>7,381,276</b>	<b>5,134,678</b>	<b>2,246,598</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET POSITION</b>						
Net investment in capital assets	9,470,273	10,004,047	(533,774)	-	-	-
Restricted	40,715,433	40,797,704	(82,271)	-	-	-
Unrestricted	(53,729,395)	(62,998,096)	9,268,701	172,186	125,295	46,891
<b>Total Net Position</b>	<b>\$ (3,543,689)</b>	<b>\$ (12,196,345)</b>	<b>\$ 8,652,656</b>	<b>\$ 172,186</b>	<b>\$ 125,295</b>	<b>\$ 46,891</b>

**MONROVIA UNIFIED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2025**

**FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)**

**Changes in Net Position**

The results of this year's operations for the District as a whole are reported in the Statement of Activities. The table below takes the information from the Statement and rearranges it slightly, so you can see our total revenues and expenses for the year.

	Governmental Activities			Business-Type Activities		
	2025	2024	Net Change	2025	2024	Net Change
<b>REVENUES</b>						
Program revenues						
Charges for services	\$ 4,736,196	\$ 1,815,745	\$ 2,920,451	\$ 45,025	\$ 131,740	\$ (86,715)
Operating grants and contributions	25,433,732	26,477,880	(1,044,148)	-	5,277	(5,277)
General revenues						
Property taxes	31,606,531	29,513,892	2,092,639	-	-	-
Unrestricted federal and state aid	43,664,516	45,112,947	(1,448,431)	-	-	-
Other	4,013,505	3,900,308	113,197	3,595	14,716	(11,121)
<b>Total Revenues</b>	<b>109,454,480</b>	<b>106,820,772</b>	<b>2,633,708</b>	<b>48,620</b>	<b>151,733</b>	<b>(103,113)</b>
<b>EXPENSES</b>						
Instruction	48,201,979	51,997,328	(3,795,349)	-	-	-
Instruction-related services	8,601,133	9,912,804	(1,311,671)	-	-	-
Pupil services	11,579,762	12,274,875	(695,113)	-	-	-
General administration	6,322,241	8,138,140	(1,815,899)	-	-	-
Plant services	9,186,848	8,171,662	1,015,186	-	-	-
Ancillary and community services	953,360	1,695,245	(741,885)	-	-	-
Debt service	5,009,760	5,168,227	(158,467)	-	-	-
Other outgo	4,140,224	1,855,368	2,284,856	-	-	-
Depreciation	6,803,175	4,604,351	2,198,824	-	-	-
Enterprise activities	3,342	12,552	(9,210)	1,729	295,338	(293,609)
<b>Total Expenses</b>	<b>100,801,824</b>	<b>103,830,552</b>	<b>(3,028,728)</b>	<b>1,729</b>	<b>295,338</b>	<b>(293,609)</b>
<b>Change in net position</b>	<b>8,652,656</b>	<b>2,990,220</b>	<b>5,662,436</b>	<b>46,891</b>	<b>(143,605)</b>	<b>190,496</b>
<b>Net Position - Beginning</b>	<b>(12,196,345)</b>	<b>(15,186,565)</b>	<b>2,990,220</b>	<b>125,295</b>	<b>268,900</b>	<b>(143,605)</b>
<b>Net Position - Ending</b>	<b>\$ (3,543,689)</b>	<b>\$ (12,196,345)</b>	<b>\$ 8,652,656</b>	<b>\$ 172,186</b>	<b>\$ 125,295</b>	<b>\$ 46,891</b>

The cost of all our governmental activities this year was \$100,801,824 (refer to the table above). The amount that our taxpayers ultimately financed for these activities through taxes was only \$31,606,531 because a portion of the cost was paid by other governments and organizations who subsidized certain programs with grants and contributions.

**MONROVIA UNIFIED SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2025**

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**FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)**

**Changes in Net Position (continued)**

In the table below, we have presented the net cost of each of the District’s governmental functions. Net cost shows the financial burden that was placed on the District’s taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

	<b>Net Cost of Services</b>	
	<b>2025</b>	<b>2024</b>
Instruction	\$ 33,336,897	\$ 37,892,405
Instruction-related services	6,320,961	7,222,514
Pupil services	5,450,685	5,689,521
General administration	5,321,427	7,138,160
Plant services	8,213,818	7,823,550
Ancillary and community services	576,210	777,234
Debt service	5,009,760	5,168,227
Transfers to other agencies	(403,468)	(784,174)
Depreciation	6,803,175	4,604,351
Enterprise activities	2,431	5,139
<b>Total</b>	<b>\$ 70,631,896</b>	<b>\$ 75,536,927</b>

**FINANCIAL ANALYSIS OF THE DISTRICT’S MAJOR FUNDS**

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed this year, its governmental funds reported a combined fund balance of \$66,491,254, which is less than last year’s ending fund balance of \$71,896,416. The District’s General Fund had \$773,738 more in operating revenues than expenditures for the year ended June 30, 2025. The District’s Bond Interest and Redemption Fund had a decrease in fund balance of \$744,378 for the year ended June 30, 2025.

**CURRENT YEAR BUDGET 2024-2025**

During the fiscal year, budget revisions and appropriation transfers are presented to the Board for their approval on a regular basis to reflect changes to both revenues and expenditures that become known during the year. In addition, the Board of Education approves financial projections included with the Adopted Budget, First Interim, and Second Interim financial reports. The Unaudited Actuals reflect the District’s financial projections and current budget based on State and local financial information.

**MONROVIA UNIFIED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2025**

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**CAPITAL ASSETS AND LONG-TERM LIABILITIES**

**Capital Assets**

By the end of 2024-2025 the District had invested \$62,013,931 in capital assets, net of accumulated depreciation.

	<b>Governmental Activities</b>		
	<b>2025</b>	<b>2024</b>	<b>Net Change</b>
<b>CAPITAL ASSETS</b>			
Land	\$ 606,055	\$ 606,055	\$ -
Construction in progress	13,938,309	5,809,495	8,128,814
Land improvements	4,254,797	4,254,797	-
Buildings & improvements	104,966,818	104,966,818	-
Furniture & equipment	3,811,705	3,712,655	99,050
Less: Accumulated depreciation	(65,563,753)	(58,760,578)	(6,803,175)
<b>Total</b>	<b>\$ 62,013,931</b>	<b>\$ 60,589,242</b>	<b>\$ 1,424,689</b>

**Long-Term Liabilities**

At year-end, the District had \$138,971,873 in long-term liabilities, a decrease of 10.08% from last year – as shown in the table below. More detailed information about the District's long-term liabilities is presented in footnotes to the financial statements.

	<b>Governmental Activities</b>		
	<b>2025</b>	<b>2024</b>	<b>Net Change</b>
<b>LONG-TERM LIABILITIES</b>			
Total general obligation bonds	\$ 92,652,953	\$ 97,746,945	\$ (5,093,992)
Total certificates of participation	-	215,000	(215,000)
Compensated absences	568,752	1,361,950	(793,198)
Net pension liability	54,583,961	63,699,349	(9,115,388)
Less: current portion of long-term liabilities	(8,833,793)	(8,479,468)	(354,325)
<b>Total</b>	<b>\$ 138,971,873</b>	<b>\$ 154,543,776</b>	<b>\$ (15,571,903)</b>

**MONROVIA UNIFIED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2025**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

Several economic and fiscal factors could influence the District's financial condition in the coming year, including continued enrollment declines, uncertain Federal and State revenues, high pension obligations, and a cooling California economy.

**Long-Term Declining Enrollment**

California's K–12 system continues to experience enrollment decline. Statewide enrollment fell another 0.5% in 2024–25 to about 5.8 million students, roughly 420,000 fewer than a decade ago. The Department of Finance projects an additional 586,000-student decline by 2033–34. Lower birth rates, high housing costs, and out-migration are key drivers, along with growing competition from charter and private schools. Because many costs—such as staffing and facilities—cannot easily adjust, revenue loss from declining Average Daily Attendance (ADA) creates structural fiscal challenges that require multi-year planning.

**Revenue Uncertainties**

- **Status of Proposition 98:** The 2025–26 State Budget sets the Proposition 98 guarantee at \$114.6 billion, slightly below earlier projections. To maintain K–12 funding commitments amid weaker tax receipts, the State relied on reserve drawdowns, internal borrowing, and limited deferrals. The outlook remains fragile since Proposition 98 revenues are highly sensitive to income-tax and capital-gains fluctuations. A market slowdown could trigger future adjustments. The Legislative Analyst's Office urges districts to budget cautiously and preserve flexibility given ongoing volatility.
- **Federal Funding Uncertainties:** Federal funding for K–12 education remains uncertain heading into 2025–26. Several large federal programs—including Title I, Title II, IDEA, and after-school and enrichment grants—face potential reductions or delays under current federal budget proposals and continuing appropriations negotiations. The U.S. Department of Education has also paused or delayed disbursement of certain previously approved formula and competitive grants, creating short-term cash-flow and planning challenges for districts. Analyses by nonpartisan agencies such as the Congressional Budget Office and the Learning Policy Institute note that up to \$5–6 billion in K-12 formula funds nationwide remain at risk of reduction or deferral if congressional appropriations are not finalized. While districts are expected to continue receiving baseline allocations during temporary funding resolutions, long-term federal support levels for education could decline modestly in real terms, requiring districts to plan for possible funding interruptions or reductions in future years.

**Pension Liabilities and Employer Rates**

The District participates in CalSTRS and CalPERS, both of which remain underfunded and continue to exert upward pressure on budgets. For 2025–26, the CalSTRS employer rate is 19.10%, and the CalPERS Schools Pool rate is 26.81%. These elevated rates—well above pre-2014 levels—will likely persist through the decade as both systems address unfunded liabilities. Districts must continue to account for escalating pension costs in long-range projections.

**Economic and Market Conditions**

California's economy has cooled following its post-pandemic rebound. High interest rates, weaker venture investment, and commercial-real-estate softness have slowed growth, especially in tech-dependent regions. The UCLA Anderson Forecast (Fall 2025) expects subdued growth into 2026, with unemployment near 5%. Inflation has eased, but interest-rate uncertainty continues to constrain housing and business investment.

Because the State's tax base depends heavily on capital-gains income, stock-market volatility remains a major risk to General Fund and Proposition 98 revenues. Fiscal advisors therefore recommend that districts maintain prudent reserves and avoid long-term commitments based on one-time revenue gains.

**MONROVIA UNIFIED SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2025**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (continued)**

**Summary**

Declining enrollment, volatile revenues, persistent pension costs, and broader economic uncertainty all contribute to a challenging fiscal environment for California school districts. The District's 2025–26 budget reflects these conditions through conservative revenue assumptions, strong reserves, and continued monitoring of State fiscal trends.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the Business Office, at Monrovia Unified School District, 325 E. Huntington Drive, Monrovia, California 91016.

**MONROVIA UNIFIED SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2025**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and investments	\$ 75,878,290	\$ 173,383	\$ 76,051,673
Accounts receivable	12,594,234	1,162	12,595,396
Inventory	193,698	-	193,698
Other current assets	263,583	-	263,583
Capital assets:			
Capital assets, not depreciated	14,544,364	-	14,544,364
Capital assets, net of accumulated depreciation	47,469,567	-	47,469,567
<b>Total Assets</b>	<b>150,943,736</b>	<b>174,545</b>	<b>151,118,281</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions	19,607,477	-	19,607,477
Deferred amount on refunding	709,553	-	709,553
<b>Total Deferred Outflows of Resources</b>	<b>20,317,030</b>	<b>-</b>	<b>20,317,030</b>
<b>LIABILITIES</b>			
Accrued liabilities	18,295,646	2,359	18,298,005
Unearned revenue	1,321,867	-	1,321,867
Long-term liabilities, current portion	8,833,793	-	8,833,793
Long-term liabilities, non-current portion	138,971,873	-	138,971,873
<b>Total Liabilities</b>	<b>167,423,179</b>	<b>2,359</b>	<b>167,425,538</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions	7,381,276	-	7,381,276
<b>Total Deferred Inflows of Resources</b>	<b>7,381,276</b>	<b>-</b>	<b>7,381,276</b>
<b>NET POSITION</b>			
Net investment in capital assets	9,470,273	-	9,470,273
Restricted:			
Capital projects	13,416,402	-	13,416,402
Debt service	9,017,774	-	9,017,774
Educational programs	12,354,567	-	12,354,567
Food service	5,606,578	-	5,606,578
Associated student body	320,112	-	320,112
Unrestricted	(53,729,395)	172,186	(53,557,209)
<b>Total Net Position</b>	<b>\$ (3,543,689)</b>	<b>\$ 172,186</b>	<b>\$ (3,371,503)</b>

**MONROVIA UNIFIED SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025**

Function/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>GOVERNMENTAL ACTIVITIES</b>						
Instruction	\$ 48,201,979	\$ 1,584,761	\$ 13,280,321	\$ (33,336,897)		
Instruction-related services						
Instructional supervision and administration	4,056,618	27,174	1,705,776	(2,323,668)		
Instructional library, media, and technology	323,708	-	18,258	(305,450)		
School site administration	4,220,807	526	528,438	(3,691,843)		
Pupil services						
Home-to-school transportation	1,584,468	127,227	267,624	(1,189,617)		
Food services	3,682,020	29,807	4,016,831	364,618		
All other pupil services	6,313,274	367,785	1,319,803	(4,625,686)		
General administration						
Centralized data processing	1,298,018	-	2,150	(1,295,868)		
All other general administration	5,024,223	4,737	993,927	(4,025,559)		
Plant services	9,186,848	93,251	879,779	(8,213,818)		
Ancillary services	953,141	29,346	347,804	(575,991)		
Community services	219	-	-	(219)		
Enterprise activities	3,342	605	306	(2,431)		
Interest on long-term debt	5,009,760	-	-	(5,009,760)		
Other outgo	4,140,224	2,470,977	2,072,715	403,468		
Depreciation (unallocated)	6,803,175	-	-	(6,803,175)		
<b>Total Governmental Activities</b>	<b>\$ 100,801,824</b>	<b>\$ 4,736,196</b>	<b>\$ 25,433,732</b>	<b>(70,631,896)</b>		
<b>BUSINESS-TYPE ACTIVITIES</b>						
Enterprise activities	\$ 1,729	\$ 45,025	\$ -	\$ 43,296		
<b>Total Business-Type Activities</b>	<b>\$ 1,729</b>	<b>\$ 45,025</b>	<b>\$ -</b>	<b>\$ 43,296</b>		
<b>Total School District</b>	<b>\$ 100,803,553</b>	<b>\$ 4,781,221</b>	<b>\$ 25,433,732</b>			<b>\$ (70,588,600)</b>
General revenues						
Taxes and subventions						
Property taxes, levied for general purposes				21,068,463	-	21,068,463
Property taxes, levied for debt service				9,224,360	-	9,224,360
Property taxes, levied for other specific purposes				1,313,708	-	1,313,708
Federal and state aid not restricted for specific purposes				43,664,516	-	43,664,516
Interest and investment earnings				2,903,367	3,595	2,906,962
Miscellaneous				1,110,138	-	1,110,138
<b>Subtotal, General Revenue</b>				<b>79,284,552</b>	<b>3,595</b>	<b>79,288,147</b>
<b>CHANGE IN NET POSITION</b>				<b>8,652,656</b>	<b>46,891</b>	<b>8,699,547</b>
<b>Net Position - Beginning</b>				<b>(12,196,345)</b>	<b>125,295</b>	<b>(12,071,050)</b>
<b>Net Position - Ending</b>				<b>\$ (3,543,689)</b>	<b>\$ 172,186</b>	<b>\$ (3,371,503)</b>

**MONROVIA UNIFIED SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2025**

	General Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and investments	\$ 37,206,425	\$ 9,651,030	\$ 25,574,300	\$ 72,431,755
Accounts receivable	10,305,319	-	2,278,930	12,584,249
Stores inventory	114,436	-	79,262	193,698
Other current assets	263,583	-	-	263,583
<b>Total Assets</b>	<b>\$ 47,889,763</b>	<b>\$ 9,651,030</b>	<b>\$ 27,932,492</b>	<b>\$ 85,473,285</b>
<b>LIABILITIES</b>				
Accrued liabilities	\$ 16,902,884	\$ -	\$ 757,280	\$ 17,660,164
Unearned revenue	833,217	-	488,650	1,321,867
<b>Total Liabilities</b>	<b>17,736,101</b>	<b>-</b>	<b>1,245,930</b>	<b>18,982,031</b>
<b>FUND BALANCES</b>				
Nonspendable	134,436	-	80,050	214,486
Restricted	10,718,655	9,651,030	24,263,545	44,633,230
Committed	6,000,000	-	2,342,967	8,342,967
Assigned	10,507,170	-	-	10,507,170
Unassigned	2,793,401	-	-	2,793,401
<b>Total Fund Balances</b>	<b>30,153,662</b>	<b>9,651,030</b>	<b>26,686,562</b>	<b>66,491,254</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 47,889,763</b>	<b>\$ 9,651,030</b>	<b>\$ 27,932,492</b>	<b>\$ 85,473,285</b>

**MONROVIA UNIFIED SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET  
POSITION  
JUNE 30, 2025**

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**Total Fund Balance - Governmental Funds** \$ 66,491,254

Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:

Capital assets:

In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation:

Capital assets	\$ 127,577,684	
Accumulated depreciation	<u>(65,563,753)</u>	62,013,931

Deferred amount on refunding:

In governmental funds, the net effect of refunding bonds is recognized when debt is issued, whereas this amount is deferred and amortized in the government-wide financial statements: 709,553

Unmatured interest on long-term debt:

In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred. The additional liability for unmatrued interest owing at the end of the period was: (635,482)

Long-term liabilities:

In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

Total general obligation bonds	\$ 92,652,953	
Compensated absences	568,752	
Net pension liability	<u>54,583,961</u>	(147,805,666)

Deferred outflows and inflows of resources relating to pensions:

In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.

Deferred outflows of resources related to pensions	\$ 19,607,477	
Deferred inflows of resources related to pensions	<u>(7,381,276)</u>	12,226,201

Internal service funds:

Internal service funds are used to conduct certain activities for which costs are charged to other funds on a full cost-recovery basis. Because internal service funds are presumed to operate for the benefit of governmental activities, assets, deferred outflows of resources, liabilities, and deferred inflows of resources of internal service funds are reported with governmental activities in the statement of net position. Net position for internal service funds is: 3,456,520

**Total Net Position - Governmental Activities** \$ (3,543,689)

**MONROVIA UNIFIED SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2025**

	General Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
LCFF sources	\$ 62,854,117	\$ -	\$ -	\$ 62,854,117
Federal sources	3,576,329	93,464	3,015,465	6,685,258
Other state sources	11,769,809	38,663	5,148,170	16,956,642
Other local sources	12,962,141	9,191,240	5,349,401	27,502,782
<b>Total Revenues</b>	<b>91,162,396</b>	<b>9,323,367</b>	<b>13,513,036</b>	<b>113,998,799</b>
<b>EXPENDITURES</b>				
Current				
Instruction	52,174,637	-	1,725,937	53,900,574
Instruction-related services				
Instructional supervision and administration	3,490,535	-	1,160,676	4,651,211
Instructional library, media, and technology	341,426	-	14,535	355,961
School site administration	4,379,313	-	438,155	4,817,468
Pupil services				
Home-to-school transportation	1,633,815	-	-	1,633,815
Food services	438,977	-	3,389,971	3,828,948
All other pupil services	6,892,984	-	243,489	7,136,473
General administration				
Centralized data processing	1,387,825	-	-	1,387,825
All other general administration	5,811,890	-	370,163	6,182,053
Plant services	8,639,186	-	240,857	8,880,043
Facilities acquisition and construction	307,251	-	8,472,108	8,779,359
Ancillary services	747,034	-	271,387	1,018,421
Community services	219	-	-	219
Enterprise activities	3,342	-	-	3,342
Transfers to other agencies	4,140,224	-	-	4,140,224
Debt service				
Principal	-	5,178,516	215,000	5,393,516
Interest and other	-	4,889,229	5,280	4,894,509
<b>Total Expenditures</b>	<b>90,388,658</b>	<b>10,067,745</b>	<b>16,547,558</b>	<b>117,003,961</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>773,738</b>	<b>(744,378)</b>	<b>(3,034,522)</b>	<b>(3,005,162)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	470,280	470,280
Transfers out	(2,723,426)	-	(146,854)	(2,870,280)
<b>Net Financing Sources (Uses)</b>	<b>(2,723,426)</b>	<b>-</b>	<b>323,426</b>	<b>(2,400,000)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(1,949,688)</b>	<b>(744,378)</b>	<b>(2,711,096)</b>	<b>(5,405,162)</b>
<b>Fund Balance - Beginning</b>	<b>32,103,350</b>	<b>10,395,408</b>	<b>29,397,658</b>	<b>71,896,416</b>
<b>Fund Balance - Ending</b>	<b>\$ 30,153,662</b>	<b>\$ 9,651,030</b>	<b>\$ 26,686,562</b>	<b>\$ 66,491,254</b>

**MONROVIA UNIFIED SCHOOL DISTRICT  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2025**

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**Net Change in Fund Balances - Governmental Funds** \$ (5,405,162)

Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds because:

Capital outlay:

In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:

Expenditures for capital outlay:	\$	8,227,864	
Depreciation expense:		<u>(6,803,175)</u>	1,424,689

Debt service:

In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were: 8,100,000

Deferred amounts on refunding:

In governmental funds, deferred amounts on refunding are recognized in the period they are incurred. In the government-wide statements, the deferred amounts on refunding are amortized over the life of the debt. The net effect of the deferred amounts on refunding during the period was: (118,259)

Unmatured interest on long-term debt:

In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period, was: 87,532

Accreted interest on long-term debt:

In governmental funds, accreted interest on capital appreciation bonds is not recorded as an expenditure from current sources. In the government-wide statement of activities, however, this is recorded as interest expense for the period. (3,230,738)

Compensated absences:

In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amount earned. The difference between compensated absences paid and compensated absences earned, was: 793,198

***(continued on the next page)***

**MONROVIA UNIFIED SCHOOL DISTRICT  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES, continued  
 FOR THE YEAR ENDED JUNE 30, 2025**

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Pensions:

In governmental funds, pension costs are recognized when employer contributions are made. In the government-wide statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and employer contributions was: 4,134,850

Amortization of debt issuance premium or discount:

In governmental funds, if debt is issued at a premium or at a discount, the premium or discount is recognized as an Other Financing Source or an Other Financing Use in the period it is incurred. In the government-wide statements, the premium or discount is amortized over the life of the debt. Amortization of premium or discount for the period is: 439,730

Internal Service Funds:

Internal service funds are used to conduct certain activities for which costs are charged to other funds on a full cost-recovery basis. Because internal service funds are presumed to benefit governmental activities, internal service activities are reported as governmental in the statement of activities. The net increase or decrease in internal service funds was: 2,426,816

**Change in Net Position of Governmental Activities** \$ 8,652,656

**MONROVIA UNIFIED SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2025**

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	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Fee-Based Programs Fund</b>	<b>Internal Service Fund</b>
<b>ASSETS</b>		
Current assets		
Cash and investments	\$ 173,383	\$ 3,446,535
Accounts receivable	1,162	9,985
<b>Total Assets</b>	<u>174,545</u>	<u>3,456,520</u>
<b>LIABILITIES</b>		
Current liabilities		
Accrued liabilities	2,359	-
<b>Total Liabilities</b>	<u>2,359</u>	<u>-</u>
<b>NET POSITION</b>		
Unrestricted	172,186	3,456,520
<b>Total Net Position</b>	<u>\$ 172,186</u>	<u>\$ 3,456,520</u>

**MONROVIA UNIFIED SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
 FOR THE YEAR ENDED JUNE 30, 2025**

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	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Fee-Based Programs Fund</b>	<b>Internal Service Fund</b>
<b>OPERATING REVENUES</b>		
Other local revenues	\$ 45,025	\$ -
<b>Total operating revenues</b>	<b>45,025</b>	<b>-</b>
<b>OPERATING EXPENSES</b>		
Salaries and benefits	303	-
Supplies and materials	154	-
Professional services	1,272	-
<b>Total operating expenses</b>	<b>1,729</b>	<b>-</b>
<b>Operating income/(loss)</b>	<b>43,296</b>	<b>-</b>
<b>NON-OPERATING REVENUES/(EXPENSES)</b>		
Interest income	3,595	26,816
Transfers in	-	2,400,000
<b>Total non-operating revenues/(expenses)</b>	<b>3,595</b>	<b>2,426,816</b>
<b>CHANGE IN NET POSITION</b>		
<b>Net Position - Beginning</b>	<b>125,295</b>	<b>1,029,704</b>
<b>Net Position - Ending</b>	<b>\$ 172,186</b>	<b>\$ 3,456,520</b>

**MONROVIA UNIFIED SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2025**

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Fee-Based Programs Fund</b>	<b>Internal Service Fund</b>
<b>Cash flows from operating activities</b>		
Cash received from user charges	\$ 69,017	\$ -
Cash received (paid) from assessments made to (from) other funds	-	1,585
Cash payments for payroll, insurance, and operating costs	(7,573)	-
Net cash provided by (used for) operating activities	<u>61,444</u>	<u>1,585</u>
<b>Cash flows from non-capital financing activities</b>		
Interfund transfers in (out)	-	2,400,000
Net cash provided by (used for) non-capital financing activities	<u>-</u>	<u>2,400,000</u>
<b>Cash flows from investing activities</b>		
Interest received	3,595	26,816
Net cash provided by (used for) investing activities	<u>3,595</u>	<u>26,816</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	65,039	2,428,401
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	108,344	1,018,134
End of year	<u>\$ 173,383</u>	<u>\$ 3,446,535</u>
<b>Reconciliation of operating income (loss) to cash provided by (used for) operating activities</b>		
Operating income/(loss)	\$ 43,296	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Changes in assets and liabilities:		
(Increase) decrease in accounts receivables	23,992	1,585
Increase (decrease) in accrued liabilities	(5,844)	-
<b>Net cash provided by (used for) operating activities</b>	<u>\$ 61,444</u>	<u>\$ 1,585</u>

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Financial Reporting Entity**

The Monrovia Unified School District (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 generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

The District operates under a locally elected Board form of government and provides educational services to grades K-12 as mandated by the state. A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student-related activities.

**B. Component Units**

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete.

On September 1, 2001, the District's Board of Education formed a nonprofit corporation, known as the Monrovia Unified School District Facilities Corporation (the Corporation), which is organized under the Nonprofit Benefit Corporation Law of the State of California. The purpose of the Corporation is to finance the architectural fees and design costs associated with various school construction projects and to finance the modernization and improvement of certain school facilities. The Corporation issued Certificates of Participation (COPs), a form of long-term debt, which the District used to finance the projects.

For financial reporting purposes, the component unit listed above has a financial and operational relationship which meets the reporting entity definition criteria of the Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus – An Amendment of GASB Statement No. 14 and No. 34*, and thus is included in the financial statements using the blended presentation method as if it were part of the District's operations because the Board of the component unit is essentially the same as the Board of Education of the District and because its purpose is to finance the construction of facilities to be used for the direct benefit of the District.

**C. Basis of Presentation**

**Government-Wide Statements.** The statement of net position and the statement of activities display information about the primary government (the District). These statements include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenue, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenue for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reserved for the statement of activities. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting of operational or capital requirements of a particular program.

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Presentation (continued)**

**Government-Wide Statements (continued).** Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the District.

**Fund Financial Statements.** The fund financial statements provide information about the District's funds, including its proprietary and fiduciary funds. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

Governmental funds are used to account for activities that are governmental in nature. Governmental activities are typically tax-supported and include education of pupils, operation of food service and child development programs, construction and maintenance of school facilities, and repayment of long-term debt.

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

**Major Governmental Funds**

**General Fund:** The General Fund is the main operating fund of the District. It is used to account for all activities except those that are required to be accounted for in another fund. In keeping with the minimum number of funds principle, all of the District's activities are reported in the General Fund unless there is a compelling reason to account for an activity in another fund. A District may have only one General Fund.

**Bond Interest and Redemption Fund:** This fund is used for the repayment of bonds issued for the District (*Education Code Sections 15125–15262*). The board of supervisors of the county issues the bonds. The proceeds from the sale of the bonds are deposited in the county treasury to the Building Fund of the District. Any premiums or accrued interest received from the sale of the bonds must be deposited in the Bond Interest and Redemption Fund of the District. The county auditor maintains control over the District's Bond Interest and Redemption Fund. The principal and interest on the bonds must be paid by the county treasurer from taxes levied by the county auditor-controller.

**Non-Major Governmental Funds**

**Special Revenue Funds:** Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The District maintains the following special revenue funds:

**Student Activity Fund:** This fund may be used to account for student body activities that do not meet the fiduciary criteria established in GASB Statement No. 84.

**MONROVIA UNIFIED SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2025**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Presentation (continued)**

**Non-Major Governmental Funds (continued)**

**Special Revenue Funds (continued)**

**Adult Education Fund:** This fund is used to account separately for federal, state, and local revenues for adult education programs. Money in this fund shall be expended for adult education purposes only. Moneys received for programs other than adult education shall not be expended for adult education (*Education Code Sections 52616[b] and 52501.5[a]*).

**Child Development Fund:** This fund is used to account separately for federal, state, and local revenues to operate child development programs. All moneys received by the District for, or from the operation of, child development services covered under the Child Care and Development Services Act (*Education Code Section 8200 et seq.*) shall be deposited into this fund. The moneys may be used only for expenditures for the operation of child development programs. The costs incurred in the maintenance and operation of child development services shall be paid from this fund, with accounting to reflect specific funding sources (*Education Code Section 8328*).

**Cafeteria Fund:** This fund is used to account separately for federal, state, and local resources to operate the food service program (*Education Code Sections 38090–38093*). The Cafeteria Fund shall be used only for those expenditures authorized by the governing board as necessary for the operation of the District's food service program (*Education Code Sections 38091 and 38100*).

**Deferred Maintenance Fund:** This fund is used to account separately for state apportionments and the District's contributions for deferred maintenance purposes (*Education Code Sections 17582–17587*). In addition, whenever the state funds provided pursuant to *Education Code Sections 17584 and 17585* (apportionments from the State Allocation Board) are insufficient to fully match the local funds deposited in this fund, the governing board of a school district may transfer the excess local funds deposited in this fund to any other expenditure classifications in other funds of the District (*Education Code Sections 17582 and 17583*).

**Capital Project Funds:** Capital project funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

**Building Fund:** This fund exists primarily to account separately for proceeds from the sale of bonds (*Education Code Section 15146*) and may not be used for any purposes other than those for which the bonds were issued. Other authorized revenues to the Building Fund are proceeds from the sale or lease-with-option-to-purchase of real property (*Education Code Section 17462*) and revenue from rentals and leases of real property specifically authorized for deposit into the fund by the governing board (*Education Code Section 41003*).

**Capital Facilities Fund:** This fund is used primarily to account separately for moneys received from fees levied on developers or other agencies as a condition of approving a development (*Education Code Sections 17620–17626*). The authority for these levies may be county/city ordinances (*Government Code Sections 65970–65981*) or private agreements between the District and the developer. Interest earned in the Capital Facilities Fund is restricted to that fund (*Government Code Section 66006*).

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Presentation (continued)**

**Non-Major Governmental Funds (continued)**

**Capital Project Funds (continued):**

**Special Reserve Fund for Capital Outlay Projects:** This fund exists primarily to provide for the accumulation of General Fund moneys for capital outlay purposes (*Education Code Section 42840*).

**Debt Service Funds:** Debt service funds are established to account for the accumulation of resources for and the payment of principal and interest on general long-term debt.

**Debt Service Fund:** This fund is used for the accumulation of resources for and the retirement of principal and interest on general long-term debt.

**Proprietary Funds**

**Enterprise Funds:** Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services.

**Fee-Based Programs Fund:** This fund is used to account for the international student program, catering, and the LKT performance art center program.

**Internal Service Funds:** Internal service funds are created principally to render services to other organizational units of the District on a cost-reimbursement basis. These funds are designed to be self-supporting with the intent of full recovery of costs, including some measure of the cost of capital assets, through user fees and charges.

**Self-Insurance Fund:** Self-insurance funds are used to separate moneys received for self-insurance activities from other operating funds of the District. Separate funds may be established for each type of self-insurance activity, such as workers' compensation, health and welfare, and deductible property loss (*Education Code Section 17566*).

**D. Basis of Accounting – Measurement Focus**

**Government-Wide and Proprietary Fund Financial Statements**

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Net Position equals assets and deferred outflows of resources minus liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. The net position should be reported as restricted when constraints placed on its use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other activities results from special revenue funds and the restrictions on their use.

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Basis of Accounting – Measurement Focus (continued)**

**Government-Wide and Proprietary Fund Financial Statements (continued)**

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the internal service fund are charges to other funds for self-insurance costs. Operating expenses for internal service funds include the costs of insurance premiums and claims related to self-insurance.

**Governmental Funds**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Governmental funds use the modified 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. Generally, "available" means collectible within the current period or within 60 days after year-end. However, to achieve comparability of reporting among California school districts and so as not to distort normal revenue patterns, with specific respect to reimbursement grants and corrections to State-aid apportionments, the California Department of Education has defined available for school districts as collectible within one year.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from the 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 potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized. Certain grants received that have not met eligibility requirements are recorded as unearned revenue. On the governmental fund financial statements, receivables that will not be collected within the available period are also recorded as unearned revenue.

**MONROVIA UNIFIED SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2025**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Basis of Accounting – Measurement Focus (continued)**

**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.

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position**

**Cash and Cash Equivalents**

The District's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include cash with county treasury balances for purposes of the statement of cash flows.

**Investments**

Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost. Fair values of investments in county and State investment pools are determined by the program sponsor.

**Inventories**

Inventories are recorded using the purchases method in that the cost is recorded as an expenditure at the time the individual inventory items are requisitioned. Inventories are valued at historical cost and consist of expendable supplies held for consumption.

**Capital Assets**

The accounting and reporting treatment applied to the capital assets associated with a fund is determined by its measurement focus. Capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their acquisition value as of the date received. The District maintains a capitalization threshold of \$5,000. The District does not own any infrastructure as defined in GASB Statement No. 34. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. All reported capital assets, except for land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

**MONROVIA UNIFIED SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2025**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (continued)**

**Capital Assets (continued)**

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

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

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (continued)**

**Interfund Balances**

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

**Compensated Absences**

In accordance with GASB Statement No. 101, *Compensated Absences*, accumulated unpaid employee vacation and sick leave benefits are accrued as a liability in the government-wide financial statements as the benefits are earned, provided they accumulate and are more likely than not to be used or paid. The measurement of this liability includes estimated salary amounts and the employer's share of related taxes and benefits, as applicable, that are directly related to these compensated absences.

For governmental funds, the current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year-end that have not yet been paid with expendable available financial resources. These amounts are recorded in the fund from which the employees who have accumulated leave are paid. For accumulated sick leave benefits, a liability is recognized for the portion that employees have earned and that are more likely than not to be used or paid. The District's policy for sick leave recognition aligns with this criterion, accruing the liability based on historical usage patterns and other relevant factors.

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the government-wide and proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

**Premiums and Discounts**

In the government-wide and proprietary fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

**Deferred Outflows/Deferred Inflows of Resources**

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

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

**MONROVIA UNIFIED SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2025**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (continued)**

**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 defined benefit pension plans (the Plans) of the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

*Nonspendable* - The nonspendable fund balance classification reflects amounts that are not in spendable form. Examples include inventory, lease receivables (net of related deferred inflows), prepaid items, the long-term portion of loans receivable, and nonfinancial assets held for resale. This classification also reflects amounts that are in spendable form but that are legally or contractually required to remain intact, such as the principal of a permanent endowment.

*Restricted* - The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation.

*Committed* - The committed fund balance classification reflects amounts subject to internal constraints self-imposed by formal action of the Governing Board. The constraints giving rise to committed fund balance must be imposed no later than the end of the reporting period. The actual amounts may be determined subsequent to that date but prior to the issuance of the financial statements. In contrast to restricted fund balance, committed fund balance may be redirected by the government to other purposes as long as the original constraints are removed or modified in the same manner in which they were imposed, that is, by the same formal action of the Governing Board.

*Assigned* - The assigned fund balance classification reflects amounts that the government *intends* to be used for specific purposes. Assignments may be established either by the Governing Board or by a designee of the governing body and are subject to neither the restricted nor committed levels of constraint. In contrast to the constraints giving rise to committed fund balance, constraints giving rise to assigned fund balance are not required to be imposed, modified, or removed by formal action of the Governing Board. The action does not require the same level of formality and may be delegated to another body or official. Additionally, the assignment need not be made before the end of the reporting period, but rather may be made any time prior to the issuance of the financial statements.

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (continued)**

**Fund Balance (continued)**

*Unassigned* - In the General Fund only, the unassigned fund balance classification reflects the residual balance that has not been assigned to other funds and that is not restricted, committed, or assigned to specific purposes. However, deficits in any fund, including the General Fund that cannot be eliminated by reducing or eliminating amounts assigned to other purposes are reported as negative unassigned fund balance.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**F. Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements. Interfund transfers are eliminated in the governmental activities columns of the statement of activities.

**G. Estimates**

The preparation of the 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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**H. Budgetary Data**

The budgetary process is prescribed by provisions of the California Education Code and requires the governing board to hold a public hearing and adopt an operating budget no later than July 1 of each year. The District governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for. For purposes of the budget, on-behalf payments have not been included as revenue and expenditures as required under generally accepted accounting principles.

**MONROVIA UNIFIED SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2025**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**I. Property Tax**

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County Auditor-Controller bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

**J. New Accounting Pronouncements**

**GASB Statement No. 101** – In June 2022, GASB issued 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. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement is effective for periods beginning after December 15, 2023. The District has implemented this Statement as of June 30, 2025.

**GASB Statement No. 102** – In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. This statement is effective for periods beginning after June 15, 2024. The District has implemented this Statement as of June 30, 2025.

**GASB Statement No. 103** – In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The statement is effective for periods beginning after June 15, 2025. The District has not yet determined the impact on the financial statements.

**GASB Statement No. 104** – In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. The statement is effective for periods beginning after June 15, 2025. The District has not yet determined the impact on the financial statements.

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

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**NOTE 2 – CASH AND INVESTMENTS**

**A. Summary of Cash and Investments**

	<b>Governmental Funds</b>	<b>Internal Service Fund</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
Investment in county treasury	\$ 73,833,654	\$ 3,501,205	\$ 77,334,859	\$ 155,540
Fair value adjustment	(1,832,747)	(54,670)	(1,887,417)	(3,861)
Cash on hand and in banks	410,060	-	410,060	-
Cash in revolving fund	20,788	-	20,788	-
Common stock	-	-	-	21,704
<b>Total</b>	<b>\$ 72,431,755</b>	<b>\$ 3,446,535</b>	<b>\$ 75,878,290</b>	<b>\$ 173,383</b>

**B. Policies and Practices**

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the state; U.S. Treasury instruments; registered state warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; collateralized mortgage obligations; and the County Investment Pool.

**Investment in County Treasury** – The District maintains substantially all of its cash in the County Treasury in accordance with *Education Code Section 41001*. The Los Angeles County Treasurer’s pooled investments are managed by the County Treasurer who reports on a monthly basis to the board of supervisors. In addition, the function of the County Treasury Oversight Committee is to review and monitor the County’s investment policy. The committee membership includes the Treasurer and Tax Collector, the Auditor-Controller, Chief Administrative Officer, Superintendent of Schools Representative, and a public member. The fair value of the District’s investment in the pool is based upon the District’s pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

**MONROVIA UNIFIED SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2025**

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**NOTE 2 – CASH AND INVESTMENTS (continued)**

**C. General Authorizations**

Except for investments by trustees of debt proceeds, the authority to invest District funds deposited with the county treasury is delegated to the County Treasurer and Tax Collector. Additional information about the investment policy of the County Treasurer and Tax Collector may be obtained from its website. The table below identifies the investment types permitted by California Government Code.

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U. S. Treasury Obligations	5 years	None	None
U. S. Agency Securities	5 years	None	None
Banker’s Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

**D. 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’s investment policy limits investment purchases to investments with a term not to exceed three years. Investments purchased with maturity terms greater than three years require approval from the Board of Education. Investments purchased with maturity terms greater than one year require written approval by the Superintendent prior to commitment. The District manages its exposure to interest rate risk by investing in the County Treasury. The District maintains a pooled investment with the County Treasury with a fair value of approximately \$75,599,121. The average weighted maturity for this pool is 556 days.

**E. Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The investments in the County Treasury are not required to be rated. As of June 30, 2025, the pooled investments in the County Treasury were not rated.

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

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**NOTE 2 – CASH AND INVESTMENTS (continued)**

**F. Concentration of Credit Risk**

The District does not place limits on the amount it may invest in any one issuer. At June 30, 2025, the District had the following investments that represent more than five percent of the District’s net investment, outside of the County treasury.

Common Stock	
Microsoft Corp.	33.17%
Automatic Data Processing, Inc.	30.25%
Honeywell International, Inc.	17.27%
CSX Corp.	14.29%
All others	5.02%

**G. 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. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110 percent 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 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2025, the District's bank balance of \$149,255 was exposed to custodial credit risk.

**H. Fair Value**

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, either directly or indirectly.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonable available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

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**NOTE 2 – CASH AND INVESTMENTS (continued)**

**H. Fair Value (continued)**

Uncategorized - Investments in the Los Angeles County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The District's fair value measurements at June 30, 2025 were as follows:

	<b>Quoted Prices Level 1</b>	<b>Uncategorized</b>
Investment in county treasury	\$ -	\$ 75,599,121
Common stock	21,704	-
<b>Total</b>	<b>\$ 21,704</b>	<b>\$ 75,599,121</b>

**NOTE 3 – ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2025 consisted of the following:

	<b>General Fund</b>	<b>Non-Major Governmental Funds</b>	<b>Internal Service Fund</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
Federal Government					
Categorical aid	\$ 2,169,680	\$ 559,523	\$ -	\$ 2,729,203	\$ -
State Government					
Apportionment	1,442,312	-	-	1,442,312	-
Categorical aid	5,445,183	613,236	-	6,058,419	-
Lottery	336,124	-	-	336,124	-
Local Government					
Other local sources	912,020	1,106,171	9,985	2,028,176	1,162
<b>Total</b>	<b>\$ 10,305,319</b>	<b>\$ 2,278,930</b>	<b>\$ 9,985</b>	<b>\$ 12,594,234</b>	<b>\$ 1,162</b>

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2025 was as follows:

	Balance July 01, 2024	Additions	Deletions	Balance June 30, 2025
<b>Governmental Activities</b>				
Capital assets not being depreciated				
Land	\$ 606,055	\$ -	\$ -	\$ 606,055
Construction in progress	5,809,495	8,128,814	-	13,938,309
Total capital assets not being depreciated	6,415,550	8,128,814	-	14,544,364
Capital assets being depreciated				
Land improvements	4,254,797	-	-	4,254,797
Buildings & improvements	104,966,818	-	-	104,966,818
Furniture & equipment	3,712,655	99,050	-	3,811,705
Total capital assets being depreciated	112,934,270	99,050	-	113,033,320
Less: Accumulated depreciation				
Land improvements	2,803,420	159,856	-	2,963,276
Buildings & improvements	53,318,692	6,396,744	-	59,715,436
Furniture & equipment	2,638,466	246,575	-	2,885,041
Total accumulated depreciation	58,760,578	6,803,175	-	65,563,753
Total capital assets being depreciated, net	54,173,692	(6,704,125)	-	47,469,567
<b>Governmental Activities</b>				
<b>Capital Assets, net</b>	<b>\$ 60,589,242</b>	<b>\$ 1,424,689</b>	<b>\$ -</b>	<b>\$ 62,013,931</b>

**NOTE 5 – INTERFUND TRANSACTIONS**

Interfund transfers for the year ended June 30, 2025 consisted of the following:

	Interfund Transfers In		
	Non-Major Governmental Funds	Internal Service Fund	Total
Interfund Transfers Out			
General Fund	\$ 470,280	\$ 2,253,146	\$ 2,723,426
Non-Major Governmental Funds	-	146,854	146,854
<b>Total</b>	<b>\$ 470,280</b>	<b>\$ 2,400,000</b>	<b>\$ 2,870,280</b>

The General Fund transferred to the Non-Major Adult Education Fund for expenditures incurred.	\$ 250,000
The General Fund transferred to the Non-Major Debt Service Fund for expenditures incurred.	220,280
The General Fund transferred to the Internal Service Fund for expenditures incurred.	2,253,146
The Non-Major Adult Education Fund transferred to the Internal Service Fund for expenditures incurred.	146,854
<b>Total</b>	<b>\$ 2,870,280</b>

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

**NOTE 6 – ACCRUED LIABILITIES**

Accrued liabilities at June 30, 2025 consisted of the following:

	General Fund	Non-Major Governmental Funds	District-Wide	Governmental Activities	Business-Type Activities
Payroll	\$ 4,433,035	\$ 266,730	\$ -	\$ 4,699,765	\$ 2,359
Construction	-	345,754	-	345,754	-
Vendors payable	7,283,040	144,796	-	7,427,836	-
Unmatured interest	-	-	635,482	635,482	-
Due to grantor government	5,186,809	-	-	5,186,809	-
<b>Total</b>	<b>\$ 16,902,884</b>	<b>\$ 757,280</b>	<b>\$ 635,482</b>	<b>\$ 18,295,646</b>	<b>\$ 2,359</b>

**NOTE 7 – UNEARNED REVENUE**

Unearned revenue at June 30, 2025 consisted of the following:

	General Fund	Non-Major Governmental Funds	Governmental Activities
Federal sources	\$ 285,790	\$ -	\$ 285,790
State categorical sources	547,427	488,650	1,036,077
<b>Total</b>	<b>\$ 833,217</b>	<b>\$ 488,650</b>	<b>\$ 1,321,867</b>

**NOTE 8 – LONG-TERM LIABILITIES**

A schedule of changes in long-term liabilities for the year ended June 30, 2025 consisted of the following:

	Balance July 01, 2024	Additions	Deductions	Balance June 30, 2025	Balance Due In One Year
<b>Governmental Activities</b>					
General obligation bonds	\$ 58,796,072	\$ -	\$ 5,178,516	\$ 53,617,556	\$ 5,425,090
Unamortized premium	3,357,700	-	439,730	2,917,970	439,730
Accreted interest	35,593,173	3,230,738	2,706,484	36,117,427	2,769,910
Total general obligation bonds	97,746,945	3,230,738	8,324,730	92,652,953	8,634,730
Direct placement certificates of participation	215,000	-	215,000	-	-
Compensated absences*	1,361,950	-	793,198	568,752	199,063
Net pension liability	63,699,349	-	9,115,388	54,583,961	-
<b>Total</b>	<b>\$ 163,023,244</b>	<b>\$ 3,230,738</b>	<b>\$ 18,448,316</b>	<b>\$ 147,805,666</b>	<b>\$ 8,833,793</b>

\*The change in the compensated absences liability is presented as a net change.

- Payments for general obligation bonds are made in the Bond Interest and Redemption Fund.
- Payments on certificates of participation are made in the Debt Service Fund.

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

**NOTE 8 – LONG-TERM LIABILITIES (continued)**

**A. General Obligation Bonds**

**Election of 1997**

On June 3, 1997, the voters of the District approved a measure by more than a two-thirds affirmative vote authorizing the District to issue up to \$34 million of general obligation bonds. The bonds were issued for the purpose of raising money to be used for the construction of new school facilities and the repair of existing school facilities.

**Election of 2006**

On June 6, 2006, the voters of the District approved a measure by more than a fifty-five percent affirmative vote authorizing the District to issue up to \$45 million of general obligation bonds. The bonds were issued to finance the renovation and modernization of school facilities.

**Prior Year’s Defeasance of Debt**

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new refunding bonds in an irrevocable trust to provide for all future debt service payments on old bonds. Accordingly, the trust account assets and the liability of the defeased bonds are not included in the District’s financial statement. At June 30, 2025, none of the defeased debt remains outstanding.

The difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter. At June 30, 2025, deferred amounts on refunding were \$709,533.

**Election of 2022**

On November 8, 2022, the voters of the District approved a measure by more than a fifty-five percent affirmative vote authorizing the District to issue up to \$75 million of general obligation bonds. The bonds were issued to finance the acquisition, construction, furnishing and equipping of District facilities.

A summary of all bonds outstanding at June 30, 2025 follows:

Series	Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds			Bonds Outstanding June 30, 2025
					Outstanding July 01, 2024	Additions	Deductions	
Election 1997, Series B	January 11, 2001	August 1, 2033	5.62% - 6.20%	\$ 9,999,602	\$ 33,432,830	\$ 1,824,212	\$ 3,550,000	\$ 31,707,042
Election 2006, Series B	June 11, 2009	August 1, 2033	3.00% - 6.62%	17,991,665	8,788,331	685,822	-	9,474,153
Election 2006, Series C	December 21, 2010	August 1, 2036	2.50% - 7.50%	3,981,250	8,553,084	720,704	-	9,273,788
Election 2006, Series C-1	December 21, 2010	August 1, 2037	7.25% - 7.50%	8,025,000	7,605,000	-	280,000	7,325,000
2015 Refunding	June 19, 2015	August 1, 2031	2.00% - 5.00%	24,530,000	17,260,000	-	1,955,000	15,305,000
Election 2022, 2023 Series A	June 7, 2023	August 1, 2048	4.00% - 5.00%	18,750,000	18,750,000	-	2,100,000	16,650,000
					<u>\$ 94,389,245</u>	<u>\$ 3,230,738</u>	<u>\$ 7,885,000</u>	<u>\$ 89,734,983</u>

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

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**NOTE 8 – LONG-TERM LIABILITIES (continued)**

**A. General Obligation Bonds (continued)**

The annual requirements to amortize general obligation bonds are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 5,425,090	\$ 4,728,197	\$ 10,153,287
2027	5,383,722	4,686,697	10,070,419
2028	4,461,112	4,686,688	9,147,800
2029	4,844,027	4,718,110	9,562,137
2030	3,077,007	7,077,029	10,154,036
2031 - 2035	12,821,749	40,094,653	52,916,402
2036 - 2040	10,594,849	12,513,201	23,108,050
2041 - 2045	3,570,000	1,089,900	4,659,900
2046 - 2049	3,440,000	281,800	3,721,800
Accretion	36,117,427	(36,117,427)	-
<b>Total</b>	<b>\$ 89,734,983</b>	<b>\$ 43,758,848</b>	<b>\$ 133,493,831</b>

**B. Certificates of Participation**

On March 1, 1998, the Monrovia Unified School District Financing Corporation issued certificates of participation in the amount of \$3,200,000 to provide funds for the costs of acquiring certain real property and improvements for use as a continuation education and adult education center. The certificates consist of: (a) certificates of \$1,000,000 having stated interest rates ranging from 3.85% to 4.95% and fully maturing on April 1, 2012; and (b) term certificates with a stated interest rate of 5.30% and fully maturing on April 1, 2026.

In November 2011, through a private placement refunding, the District refinanced the 1998 certificates through the issuance of the 2011 Refunding Certificates of Participation. The 2011 certificates were issued with an interest rate of 3.30% and mature on April 1, 2025. The principal balance was paid in full by June 30, 2025.

**C. Compensated Absences**

Beginning total unpaid employee compensated absences was \$1,361,950 and decreased by a net amount of \$793,198 during the year ended June 30, 2025. The ending compensated absences at June 30, 2025 amounted to \$568,752. This amount is included as part of long-term liabilities in the government-wide financial statements.

**D. Net Pension Liability**

The District's beginning net pension liability was \$63,699,349 and decreased by \$9,115,388 during the year ended June 30, 2025. The ending net pension liability at June 30, 2025 was \$54,583,961. See Note 10 for additional information regarding the net pension liability.

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

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**NOTE 9 – FUND BALANCES**

Fund balances were composed of the following elements at June 30, 2025:

	General Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
Non-spendable				
Revolving cash	\$ 20,000	\$ -	\$ 788	\$ 20,788
Stores inventory	114,436	-	79,262	193,698
Total non-spendable	<u>134,436</u>	<u>-</u>	<u>80,050</u>	<u>214,486</u>
Restricted				
Educational programs	10,718,655	-	1,635,912	12,354,567
Food service	-	-	5,606,578	5,606,578
Associated student body	-	-	320,112	320,112
Capital projects	-	-	16,698,717	16,698,717
Debt service	-	9,651,030	2,226	9,653,256
Total restricted	<u>10,718,655</u>	<u>9,651,030</u>	<u>24,263,545</u>	<u>44,633,230</u>
Committed				
Adult education	-	-	1,386,510	1,386,510
Deferred maintenance	-	-	956,457	956,457
Other commitments	6,000,000	-	-	6,000,000
Total committed	<u>6,000,000</u>	<u>-</u>	<u>2,342,967</u>	<u>8,342,967</u>
Assigned				
Other assignments	10,507,170	-	-	10,507,170
Total assigned	<u>10,507,170</u>	<u>-</u>	<u>-</u>	<u>10,507,170</u>
Unassigned	2,793,401	-	-	2,793,401
<b>Total</b>	<u>\$ 30,153,662</u>	<u>\$ 9,651,030</u>	<u>\$ 26,686,562</u>	<u>\$ 66,491,254</u>

The District is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. The District’s Minimum Fund Balance Policy requires a Reserve for Economic Uncertainties, consisting of unassigned amounts, equal to no less than three percent of General Fund expenditures and other financing uses.

**MONROVIA UNIFIED SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS, continued  
 JUNE 30, 2025**

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**NOTE 10 – PENSION PLANS**

Qualified employees are covered under multiple-employer contributory retirement plans maintained by agencies of the State of California. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS), and classified employees are members of the California Public Employees' Retirement System (CalPERS). The District reported its proportionate share of the net pension liabilities, pension expense, deferred outflow of resources, and deferred inflow of resources for each of the above plans as follows:

	<u>Net pension liability</u>	<u>Deferred outflows related to pensions</u>	<u>Deferred inflows related to pensions</u>	<u>Pension expense</u>
CalSTRS Pension	\$ 33,493,446	\$ 13,155,757	\$ 5,660,173	\$ 3,623,225
CalPERS Pension	21,090,515	6,451,720	1,721,103	1,523,713
<b>Total</b>	<u>\$ 54,583,961</u>	<u>\$ 19,607,477</u>	<u>\$ 7,381,276</u>	<u>\$ 5,146,938</u>

**A. California State Teachers' Retirement System (CalSTRS)**

**Plan Description**

The District contributes to the California State Teachers' Retirement System (CalSTRS); a cost-sharing multiple employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate annual comprehensive financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, P.O. Box 15275, Sacramento, CA 95851-0275.

**Benefits Provided**

The CalSTRS defined benefit plan has two benefit formulas:

1. CalSTRS 2% at 60: Members first hired on or before December 31, 2012, to perform service that could be creditable to CalSTRS. CalSTRS 2% at 60 members are eligible for normal retirement at age 60, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service. Early retirement options are available at age 55 with five years of credited service or as early as age 50 with 30 years of credited service. The age factor for retirements after age 60 increases with each quarter year of age to 2.4 percent at age 63 or older. Members who have 30 years or more of credited service receive an additional increase of up to 0.2 percent to the age factor, known as the career factor. The maximum benefit with the career factor is 2.4 percent of final compensation.
2. CalSTRS 2% at 62: Members first hired on or after January 1, 2013, to perform service that could be creditable to CalSTRS. CalSTRS 2% at 62 members are eligible for normal retirement at age 62, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service. An early retirement option is available at age 55. The age factor for retirement after age 62 increases with each quarter year of age to 2.4 percent at age 65 or older.

**Contributions**

Active plan CalSTRS 2% at 60 and 2% at 62 members are required to contribute 10.25% and 10.205% of their salary for fiscal year 2025, respectively, and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by CalSTRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2025 was 19.10% of annual payroll. The contribution requirements of the plan members are established by state statute. Contributions to the plan from the District were \$5,889,831 for the year ended June 30, 2025.

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

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**NOTE 10 – PENSION PLANS (continued)**

**A. California State Teachers’ Retirement System (CalSTRS) (continued)**

**On-Behalf Payments**

The District was the recipient of on-behalf payments made by the State of California to CalSTRS for K-12 education. These payments consist of state general fund contributions of approximately \$3,102,902 to CalSTRS.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2025, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	33,493,446
State's proportionate share of the net pension liability associated with the District		<u>15,367,145</u>
<b>Total</b>	<b>\$</b>	<b><u>48,860,591</u></b>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2023 and rolling forward the total pension liability to June 30, 2024. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2024, the District’s proportion was 0.050 percent, which was a decrease of 0.001 percent from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized pension expense of \$3,623,225. In addition, the District recognized pension expense and revenue of \$(1,468,233) for support provided by the State. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual earnings on plan investments	\$ -	\$ 135,145
Differences between expected and actual experience	3,788,540	1,464,649
Changes in assumptions	146,615	2,287,486
Changes in proportion and differences between District contributions and proportionate share of contributions	3,330,771	1,772,893
District contributions subsequent to the measurement date	5,889,831	-
<b>Total</b>	<b><u>\$ 13,155,757</u></b>	<b><u>\$ 5,660,173</u></b>

**MONROVIA UNIFIED SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS, continued  
 JUNE 30, 2025**

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**NOTE 10 – PENSION PLANS (continued)**

**A. California State Teachers’ Retirement System (CalSTRS) (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)**

The \$5,889,831 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2026	\$ 1,620,621	\$ 3,779,147
2027	1,620,622	(1,496,026)
2028	1,547,314	1,156,192
2029	1,547,313	1,067,924
2030	713,125	770,440
2031	216,931	382,496
<b>Total</b>	<b>\$ 7,265,926</b>	<b>\$ 5,660,173</b>

**Actuarial Assumptions**

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2023, and rolling forward the total pension liability to June 30, 2024 using the following actuarial assumptions, applied to all periods included in the measurement:

Consumer Price Inflation	2.75%
Investment Rate of Return*	7.10%
Wage Growth	3.50%

\* Net of investment expenses, but gross of administrative expenses.

CalSTRS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are based on MP-2021 series tables adjusted to fit CalSTRS experience.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2017 through June 30, 2022.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best-estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant (Pension Consulting Alliance–PCA) as an input to the process.

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

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**NOTE 10 – PENSION PLANS (continued)**

**A. California State Teachers’ Retirement System (CalSTRS) (continued)**

**Actuarial Assumptions (continued)**

The actuarial investment rate of return assumption was adopted by the board in January 2024 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS’ independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of expected 20-year geometrically linked real rates of return and the assumed asset allocation for each major asset class as of June 30, 2024, are summarized in the following table:

<b>Asset Class</b>	<b>Assumed Asset Allocation</b>	<b>Long-Term Expected Real Rate of Return*</b>
Public Equity	38%	5.25%
Real Estate	15%	4.05%
Private Equity	14%	6.75%
Fixed Income	14%	2.45%
Risk Mitigating Strategies	10%	2.25%
Inflation Sensitive	7%	3.65%
Cash/Liquidity	2%	0.05%
	100%	

\*Real return is net of assumed 2.75% inflation.

**Discount Rate**

The discount rate used to measure the total pension liability was 7.10 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates in accordance with the rate increases per AB 1469. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10 percent) and assuming that contributions, benefit payments, and administrative expense occur midyear. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.10 percent, 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 (6.10 percent) or 1-percentage-point higher (8.10 percent) than the current rate:

	<b>1% Decrease (6.10%)</b>	<b>Current Discount Rate (7.10%)</b>	<b>1% Increase (8.10%)</b>
District’s proportionate share of the net pension liability	\$ 59,573,881	\$ 33,493,446	\$ 11,715,201

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalSTRS financial report.

**MONROVIA UNIFIED SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2025**

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**NOTE 10 – PENSION PLANS (continued)**

**B. California Public Employees' Retirement System (CalPERS)**

**Plan Description**

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

**Benefits Provided**

The benefits for the defined benefit plan are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Members become fully vested in their retirement benefits earned to date after five years of credited service.

**Contributions**

Active plan members who entered into the plan prior to January 1, 2013, are required to contribute 7.0% of their salary. The California Public Employees' Pension Reform Act (PEPRA) specifies that new members entering into the plan on or after January 1, 2013, shall pay the higher of fifty percent of normal costs or 8.0% of their salary. Additionally, for new members entering the plan on or after January 1, 2013, the employer is prohibited from paying any of the employee contribution to CalPERS unless the employer payment of the member's contribution is specified in an employment agreement or collective bargaining agreement that expires after January 1, 2013.

The District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2025 was 27.05% of annual payroll. Contributions to the plan from the District were \$3,391,957 for the year ended June 30, 2025.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2025, the District reported a liability of \$21,090,515 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2023 and rolling forward the total pension liability to June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2024, the District's proportion was 0.059 percent, which was a decrease of 0.009 percent from its proportion measured as of June 30, 2023.

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

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**NOTE 10 – PENSION PLANS (continued)**

**B. California Public Employees’ Retirement System (CalPERS) (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)**

For the year ended June 30, 2025, the District recognized pension expense of \$1,523,713. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual earnings on plan investments	\$ 819,245	\$ -
Differences between expected and actual experience	1,768,131	150,944
Changes in assumptions	466,172	-
Changes in proportion and differences between District contributions and proportionate share of contributions	6,215	1,570,159
District contributions subsequent to the measurement date	3,391,957	-
<b>Total</b>	<u>\$ 6,451,720</u>	<u>\$ 1,721,103</u>

The \$3,391,957 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2026	\$ 1,179,749	\$ 1,170,584
2027	1,932,945	550,519
2028	206,290	-
2029	(259,221)	-
<b>Total</b>	<u>\$ 3,059,763</u>	<u>\$ 1,721,103</u>

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

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**NOTE 10 – PENSION PLANS (continued)**

**B. California Public Employees’ Retirement System (CalPERS) (continued)**

**Actuarial Assumptions**

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2023, and rolling forward the total pension liability to June 30, 2024 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Discount Rate	6.90%
Salary Increases	Varies by Entry Age and Service

CalPERS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are derived using CalPERS’ membership data for all funds. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 80% of scale MP 2020.

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period from 2000 through 2019.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, both short-term and long-term market return expectations as well as the expected pension fund cash flows were taken into account. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+-years) using a building block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

**MONROVIA UNIFIED SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS, continued  
 JUNE 30, 2025**

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**NOTE 10 – PENSION PLANS (continued)**

**B. California Public Employees’ Retirement System (CalPERS) (continued)**

**Actuarial Assumptions (continued)**

The table below reflects 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 geometric rates of return are net of administrative expenses.

<b>Asset Class</b>	<b>Assumed Asset Allocation</b>	<b>Real Return Years 1 – 10*</b>
Global Equity – cap-weighted	30.0%	4.54%
Global Equity – non-cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed securities	5.0%	0.50%
Investment grade corporates	10.0%	1.56%
High yield	5.0%	2.27%
Emerging market debt	5.0%	2.48%
Private debt	5.0%	3.57%
Real assets	15.0%	3.21%
Leverage	(5.0)%	(0.59)%
	100.0%	

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

**Discount Rate**

The discount rate used to measure the total pension liability was 6.90 percent. A projection of the expected benefit payments and contributions was performed to determine if assets would run out. The test revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Schools Pool. The results of the crossover testing for the Schools Pool are presented in a detailed report that can be obtained at CalPERS’ website.

**Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, 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 (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current rate:

	<b>1% Decrease (5.90%)</b>	<b>Current Discount Rate (6.90%)</b>	<b>1% Increase (7.90%)</b>
District’s proportionate share of the net pension liability	\$ 31,330,136	\$ 21,090,515	\$ 12,631,773

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS financial report.

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

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**NOTE 11 – COMMITMENTS AND CONTINGENCIES**

**A. Grants**

The District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2025.

**B. Litigation**

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2025.

**NOTE 12 – PARTICIPATION IN JOINT POWERS AUTHORITIES**

The District participates in one joint ventures under joint powers authority (JPA), the Alliance of Schools for Cooperative Insurance Programs (ASCIP). The relationship between the District and the JPA is such that the JPA is not a component unit of the District for financial reporting purposes.

The JPA has budgeting and financial reporting requirements independent of member units, and their financial statements are not presented in these financial statements. However, fund transactions between the JPA and the District are included in these statements. The audited financial statements are generally available from the JPA.

**NOTE 13 – RISK MANAGEMENT**

**Workers' Compensation**

The District participated in ASCIP for workers' compensation. The intent of ASCIP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in ASCIP. The workers' compensation experience of the participating districts is calculated as one experience and a common premium rate is applied too all districts in ASCIP. Each participant pays its workers' compensation premium based on an actuarial study.

**Property and Liability**

The District participated in ASCIP for property and liability coverage. The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in the coverage from the prior year.

**Employee Medical Benefits**

The District contracted with Aetna Health Care, Kaiser Permanente, Delta Care, SafeGuard, and VSP to provide employee health benefits.

**MONROVIA UNIFIED SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2025**

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**NOTE 14 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

**A. Refunded Debt**

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the District recognized deferred outflows or inflows of resources in the District-wide financial statements. The deferred outflow of resources pertains to the difference in the carrying value of the refunded debt and its reacquisition price (deferred amount on refunding). Previous financial reporting standards require this to be presented as part of the District's long-term debt. This deferred outflow of resources is recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the new debt, whichever is shorter. At June 30, 2025, the deferred amount on refunding was \$709,553.

**B. Pension Plans**

Pursuant to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the District recognized deferred outflows of resources related to pensions and deferred inflows of resources related to pensions in the District-wide financial statements. Further information regarding the deferred outflows of resources and deferred inflows of resources can be found at Note 10. At June 30, 2025, total deferred outflows related to pensions was \$19,607,477 and total deferred inflows related to pensions was \$7,381,276.

**NOTE 15 – SUBSEQUENT EVENTS**

**General Obligation Bonds**

On October 16, 2025, the District issued \$22,000,000 of General Obligation Bonds Election 2022, 2025 Series B to finance the acquisition and improvement of various capital facilities of the District and \$12,230,000 of 2025 General Obligation Refunding Bonds to finance and refinance the acquisition, construction, furnishing and equipping of District facilities.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

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**MONROVIA UNIFIED SCHOOL DISTRICT  
GENERAL FUND – BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual* (Budgetary Basis)	Variances - Final to Actual
	Original	Final		
<b>REVENUES</b>				
LCFF sources	\$ 62,918,559	\$ 62,850,930	\$ 62,854,117	\$ 3,187
Federal sources	3,168,357	4,626,670	4,167,020	(459,650)
Other state sources	10,499,423	11,414,468	11,769,809	355,341
Other local sources	7,940,076	9,931,364	11,736,136	1,804,772
<b>Total Revenues</b>	<b>84,526,415</b>	<b>88,823,432</b>	<b>90,527,082</b>	<b>1,703,650</b>
<b>EXPENDITURES</b>				
Certificated salaries	31,251,846	31,256,326	30,609,874	646,452
Classified salaries	12,474,579	12,818,273	11,758,902	1,059,371
Employee benefits	21,698,792	21,761,545	21,067,807	693,738
Books and supplies	6,045,492	4,021,123	4,746,211	(725,088)
Services and other operating expenditures	17,594,771	19,915,535	17,795,764	2,119,771
Capital outlay	616,897	440,734	546,575	(105,841)
Other outgo				
Excluding transfers of indirect costs	3,248,215	3,799,089	4,140,224	(341,135)
Transfers of indirect costs	(267,186)	(245,592)	(370,163)	124,571
<b>Total Expenditures</b>	<b>92,663,406</b>	<b>93,767,033</b>	<b>90,295,194</b>	<b>3,471,839</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(8,136,991)</b>	<b>(4,943,601)</b>	<b>231,888</b>	<b>5,175,489</b>
<b>Other Financing Sources (Uses)</b>				
Other sources	-	120,747	635,314	514,567
Transfers out	(76,227)	(7,923,426)	(2,723,426)	5,200,000
Other uses	-	(93,464)	(93,464)	-
<b>Net Financing Sources (Uses)</b>	<b>(76,227)</b>	<b>(7,896,143)</b>	<b>(2,181,576)</b>	<b>5,714,567</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(8,213,218)</b>	<b>(12,839,744)</b>	<b>(1,949,688)</b>	<b>10,890,056</b>
<b>Fund Balance - Beginning</b>	<b>29,561,656</b>	<b>32,103,350</b>	<b>32,103,350</b>	<b>-</b>
<b>Fund Balance - Ending</b>	<b>\$ 21,348,438</b>	<b>\$ 19,263,606</b>	<b>\$ 30,153,662</b>	<b>\$ 10,890,056</b>

\* The actual amounts reported on this schedule do not agree with the amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance because audit reclassifying entries are not included in this schedule.

**MONROVIA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALSTRS  
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
District's proportion of the net pension liability	0.050%	0.051%	0.048%	0.051%	0.050%	0.052%	0.052%	0.054%	0.054%	0.056%
District's proportionate share of the net pension liability	\$ 33,493,446	\$ 39,216,315	\$ 33,547,039	\$ 23,150,849	\$ 48,749,571	\$ 46,684,110	\$ 48,035,162	\$ 50,248,289	\$ 43,829,672	\$ 37,398,482
State's proportionate share of the net pension liability associated with the District	15,367,145	18,789,979	16,800,455	11,648,651	25,130,410	25,469,299	27,502,337	29,726,384	24,955,124	19,779,621
<b>Total</b>	<u>\$ 48,860,591</u>	<u>\$ 58,006,294</u>	<u>\$ 50,347,494</u>	<u>\$ 34,799,500</u>	<u>\$ 73,879,981</u>	<u>\$ 72,153,409</u>	<u>\$ 75,537,499</u>	<u>\$ 79,974,673</u>	<u>\$ 68,784,796</u>	<u>\$ 57,178,103</u>
District's covered payroll	\$ 31,879,806	\$ 31,788,639	\$ 28,728,280	\$ 30,993,395	\$ 27,545,210	\$ 28,078,968	\$ 28,381,483	\$ 28,695,175	\$ 27,411,007	\$ 25,627,624
District's proportionate share of the net pension liability as a percentage of its covered payroll	105.06%	123.37%	116.77%	74.70%	176.98%	166.26%	169.25%	175.11%	159.90%	145.93%
Plan fiduciary net position as a percentage of the total pension liability	83.55%	80.62%	81.20%	87.21%	71.82%	72.56%	70.99%	69.46%	70.04%	74.02%

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

**MONROVIA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALPERS  
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
District's proportion of the net pension liability	0.059%	0.068%	0.075%	0.075%	0.075%	0.079%	0.079%	0.080%	0.052%	0.087%
District's proportionate share of the net pension liability	\$ 21,090,515	\$ 24,483,034	\$ 25,878,914	\$ 15,278,482	\$ 23,088,154	\$ 22,971,263	\$ 21,084,235	\$ 19,166,574	\$ 16,735,504	\$ 12,837,152
District's covered payroll	\$ 12,360,375	\$ 11,953,291	\$ 11,556,146	\$ 10,891,203	\$ 10,910,354	\$ 10,923,480	\$ 10,644,447	\$ 10,238,105	\$ 10,155,449	\$ 9,728,027
District's proportionate share of the net pension liability as a percentage of its covered payroll	170.63%	204.82%	223.94%	140.28%	211.62%	210.29%	198.08%	187.21%	164.79%	131.96%
Plan fiduciary net position as a percentage of the total pension liability	72.29%	69.96%	69.76%	80.97%	70.00%	70.05%	70.85%	71.87%	73.90%	79.43%

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

**MONROVIA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS - CALSTRS  
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Contractually required contribution	\$ 5,889,831	\$ 6,089,043	\$ 6,071,630	\$ 4,860,825	\$ 6,620,433	\$ 4,710,231	\$ 4,571,256	\$ 4,095,448	\$ 3,609,853	\$ 2,941,201
Contributions in relation to the contractually required contribution*	(5,889,831)	(6,089,043)	(6,071,630)	(4,860,825)	(6,620,433)	(4,710,231)	(4,571,256)	(4,095,448)	(3,609,853)	(2,941,201)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 30,836,812	\$ 31,879,806	\$ 31,788,639	\$ 28,728,280	\$ 30,993,395	\$ 27,545,210	\$ 28,078,968	\$ 28,381,483	\$ 28,695,175	\$ 27,411,007
Contributions as a percentage of covered payroll	19.10%	19.10%	19.10%	16.92%	21.36%	17.10%	16.28%	14.43%	12.58%	10.73%

\*Amounts do not include on-behalf contributions

**MONROVIA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS - CALPERS  
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Contractually required contribution	\$ 3,391,957	\$ 3,297,748	\$ 3,032,550	\$ 2,647,513	\$ 2,254,479	\$ 2,151,631	\$ 1,972,999	\$ 1,653,189	\$ 1,421,868	\$ 1,203,116
Contributions in relation to the contractually required contribution*	(3,391,957)	(3,297,748)	(3,032,550)	(2,647,513)	(2,254,479)	(2,151,631)	(1,972,999)	(1,653,189)	(1,421,868)	(1,203,116)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 12,539,582	\$ 12,360,375	\$ 11,953,291	\$ 11,556,146	\$ 10,891,203	\$ 10,910,354	\$ 10,923,480	\$ 10,644,447	\$ 10,238,105	\$ 10,155,449
Contributions as a percentage of covered payroll	27.05%	26.68%	25.37%	22.91%	20.70%	19.72%	18.06%	15.53%	13.89%	11.85%

\*Amounts do not include on-behalf contributions

**MONROVIA UNIFIED SCHOOL DISTRICT  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
 FOR THE YEAR ENDED JUNE 30, 2025**

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**NOTE 1 – PURPOSE OF SCHEDULES**

**Budgetary Comparison Schedule**

This schedule is 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 schedule presents 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.

**Schedule of the District’s Proportionate Share of the Net Pension Liability**

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. The schedule presents the District’s proportion (percentage) of the collective net pension liability, the District’s proportionate share (amount) of the collective net pension liability, the District’s covered payroll, the District’s proportionate share (amount) of the collective net pension liability as a percentage of the employer’s covered payroll, and the pension plan’s fiduciary net position as a percentage of the total pension liability.

**Changes in Benefit Terms**

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

**Changes in Assumptions**

There were no changes in economic assumptions since the previous valuations for CalSTRS or CalPERS.

**Schedule of District Contributions**

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. The schedule presents the District’s statutorily or contractually required employer contribution, the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the difference between the statutorily or contractually required employer contribution and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the District’s covered payroll, and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution as a percentage of the District’s covered payroll.

**NOTE 2 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

For the year ended June 30, 2025, the District incurred an excess of expenditures over appropriations in individual major funds presented in the Budgetary Comparison Schedule by major object code as follows:

	<b>Expenditures and Other Uses</b>		
	<b>Budget</b>	<b>Actual</b>	<b>Excess</b>
General Fund			
Books and supplies	\$ 4,021,123	\$ 4,746,211	\$ 725,088
Capital outlay	\$ 440,734	\$ 546,575	\$ 105,841
Other outgo			
Excluding transfers of indirect costs	\$ 3,799,089	\$ 4,140,224	\$ 341,135

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## **SUPPLEMENTARY INFORMATION**

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**MONROVIA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025**

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster</u>	<u>AL Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<b>U. S. DEPARTMENT OF EDUCATION:</b>			
<i>Passed through California Department of Education:</i>			
Title I, Part A			
Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	\$ 1,006,139
Comprehensive Support and Improvement for LEAs	84.010	15438	1,925
Subtotal Title I, Part A			<u>1,008,064</u>
Adult Education			
Adult Education: Adult Basic Education & ESL	84.002A	14508	128,964
Adult Education: Adult Secondary Education	84.002	13978	62,834
Adult Education: English Literacy and Civics Education	84.002A	14109	104,636
Subtotal Adult Education			<u>296,434</u>
Title II, Part A, Supporting Effective Instruction Local Grants	84.367	14341	253,089
Title III			
Title III, English Learner Student Program	84.365	14346	141,284
Title III, Immigrant Education Program	84.365	15146	22,103
Subtotal Title III			<u>163,387</u>
Title IV, Part A, Student Support and Academic Enrichment Grants	84.424	15396	128,043
Department of Rehabilitation: Workability II, Transitions Partnership Program	84.126	10006	121,007
Special Education Cluster			
IDEA Basic Local Assistance Entitlement, Part B, Sec 611	84.027	13379	981,220
IDEA Mental Health Average Daily Attendance (ADA) Allocation, Part B, Sec 611	84.027A	15197	58,431
IDEA Preschool Grants, Part B, Section 619 (Age 3-4-5)	84.173	13430	24,134
IDEA Preschool Staff Development, Part B, Sec 619	84.173A	13431	257
Subtotal Special Education Cluster			<u>1,064,042</u>
Strengthening Career and Technical Education for the 21st Century (Perkins V)	84.048	14894	47,363
COVID-19 Emergency Acts Funding/Education Stabilization Fund Discretionary Grants:			
Elementary and Secondary School Emergency Relief III (ESSER III) Fund	84.425	15559	493,916
Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve, Emergency Needs	84.425	15620	77,276
Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve, Learning Loss	84.425	15621	220,142
Subtotal Education Stabilization Fund Discretionary Grants			<u>791,334</u>
<b>Total U. S. Department of Education</b>			<u><u>3,872,763</u></u>
<b>U. S. DEPARTMENT OF AGRICULTURE:</b>			
<i>Passed through California Department of Education:</i>			
Child Nutrition Cluster			
School Breakfast Program - Needy	10.553	13526	499,407
National School Lunch Program	10.555	13391	1,365,275
USDA Commodities	10.555	*	206,527
Meal Supplements	10.555	*	3,866
Summer Food Service Program for Children	10.559	13004	50,632
Local Food for Schools	10.555	15708	8,491
Subtotal Child Nutrition Cluster			<u>2,134,198</u>
<i>Passed through California Department of Social Services:</i>			
Child and Adult Care Food Program (CACFP)			
CACFP Claims - Centers and Family Day Care	10.558	13393	584,833
<b>Total U. S. Department of Agriculture</b>			<u>2,719,031</u>
<b>Total Federal Expenditures</b>			<u><u>\$ 6,591,794</u></u>

\* - Pass-Through Entity Identifying Number not available or not applicable

**MONROVIA UNIFIED SCHOOL DISTRICT  
 SCHEDULE OF AVERAGE DAILY ATTENDANCE (ADA)  
 FOR THE YEAR ENDED JUNE 30, 2025**

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	<b>Second Period Report</b>	<b>Revised Second Period Report*</b>	<b>Annual Report</b>	<b>Revised Annual Report*</b>
SCHOOL DISTRICT				
TK/K through Third				
Regular ADA	1,511.69	1,509.87	1,513.21	1,511.88
Extended Year Special Education	0.38	0.38	0.38	0.38
Special Education - Nonpublic Schools	0.37	0.37	0.52	0.52
Total TK/K through Third	<u>1,512.44</u>	<u>1,510.62</u>	<u>1,514.11</u>	<u>1,512.78</u>
Fourth through Sixth				
Regular ADA	1,021.96	1,020.93	1,020.54	1,019.74
Extended Year Special Education	0.21	0.21	0.21	0.21
Special Education - Nonpublic Schools	0.32	0.32	0.52	0.52
Total Fourth through Sixth	<u>1,022.49</u>	<u>1,021.46</u>	<u>1,021.27</u>	<u>1,020.47</u>
Seventh through Eighth				
Regular ADA	654.71	653.92	652.64	652.02
Extended Year Special Education	0.09	0.09	0.09	0.09
Special Education - Nonpublic Schools	2.06	2.06	2.20	2.20
Extended Year Special Education - Nonpublic Schools	0.05	0.05	0.05	0.05
Total Seventh through Eighth	<u>656.91</u>	<u>656.12</u>	<u>654.98</u>	<u>654.36</u>
Ninth through Twelfth				
Regular ADA	1,427.04	1,426.17	1,418.82	1,418.03
Extended Year Special Education	0.18	0.18	0.18	0.18
Special Education - Nonpublic Schools	10.55	10.55	10.24	10.24
Extended Year Special Education - Nonpublic Schools	0.38	0.38	0.38	0.38
Total Ninth through Twelfth	<u>1,438.15</u>	<u>1,437.28</u>	<u>1,429.62</u>	<u>1,428.83</u>
<b>TOTAL SCHOOL DISTRICT</b>	<u><b>4,629.99</b></u>	<u><b>4,625.48</b></u>	<u><b>4,619.98</b></u>	<u><b>4,616.44</b></u>

\*Revisions to the Second Period Report and Annual Report were required as a result of Finding #2025-002, revisions have not yet been made.

**MONROVIA UNIFIED SCHOOL DISTRICT  
SCHEDULE OF INSTRUCTIONAL TIME  
FOR THE YEAR ENDED JUNE 30, 2025**

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<b>Grade Level</b>	<b>Minutes Requirement</b>	<b>Actual Instructional Minutes</b>	<b>Credited Minutes Per the Approved Form J-13A*</b>	<b>Total Minutes Offered</b>	<b>Required Number of Days</b>	<b>Actual Number of Days</b>	<b>Credited Days Per the Approved Form J-13A*</b>	<b>Total Days Offered</b>	<b>Status</b>
Kindergarten	36,000	49,565	835	50,400	180	177	3	180	Complied
Grade 1	50,400	50,465	835	51,300	180	177	3	180	Complied
Grade 2	50,400	50,465	835	51,300	180	177	3	180	Complied
Grade 3	50,400	50,465	835	51,300	180	177	3	180	Complied
Grade 4	54,000	55,190	915	56,105	180	177	3	180	Complied
Grade 5	54,000	55,190	915	56,105	180	177	3	180	Complied
Grade 6	54,000	60,665	1,021	61,686	180	177	3	180	Complied
Grade 7	54,000	60,665	1,021	61,686	180	177	3	180	Complied
Grade 8	54,000	60,665	1,021	61,686	180	177	3	180	Complied
Grade 9	64,800	63,967	1,065	65,032	180	177	3	180	Complied
Grade 10	64,800	63,967	1,065	65,032	180	177	3	180	Complied
Grade 11	64,800	63,967	1,065	65,032	180	177	3	180	Complied
Grade 12	64,800	63,967	1,065	65,032	180	177	3	180	Complied

\*The District submitted a Form J-13A for the number of instructional days and the number of instructional minutes indicated above, as of the date of issuance, the Form J-13A has not been approved.

**MONROVIA UNIFIED SCHOOL DISTRICT  
 SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS  
 FOR THE YEAR ENDED JUNE 30, 2025**

	<b>2026 (Budget)</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>
General Fund - Budgetary Basis**				
Revenues And Other Financing Sources	\$ 87,377,482	\$ 91,162,396	\$ 88,803,055	\$ 95,811,130
Expenditures And Other Financing Uses	91,284,608	93,112,084	88,949,488	82,620,982
Net change in Fund Balance	<u>\$ (3,907,126)</u>	<u>\$ (1,949,688)</u>	<u>\$ (146,433)</u>	<u>\$ 13,190,148</u>
Ending Fund Balance	<u>\$ 26,246,536</u>	<u>\$ 30,153,662</u>	<u>\$ 32,103,350</u>	<u>\$ 31,429,913</u>
Available Reserves*	<u>\$ 2,738,539</u>	<u>\$ 2,793,401</u>	<u>\$ 2,668,414</u>	<u>\$ 2,598,563</u>
Available Reserves As A Percentage Of Outgo	<u>3.00%</u>	<u>3.00%</u>	<u>3.00%</u>	<u>3.15%</u>
Long-term Liabilities	<u>\$ 138,971,873</u>	<u>\$ 147,805,666</u>	<u>\$ 163,023,244</u>	<u>\$ 161,357,334</u>
Average Daily Attendance At P-2	<u>4,544</u>	<u>4,630</u>	<u>4,621</u>	<u>4,609</u>

The General Fund ending fund balance has decreased by \$1,276,251 over the past two years. The fiscal year 2025-26 budget projects a further decrease of \$3,907,126. For a District this size, the State recommends available reserves of at least 3% of General Fund expenditures, transfers out, and other uses (total outgo).

The District has incurred operating deficits in two of the past three years and anticipates incurring an operating deficit during the 2025-26 fiscal year. Total long-term obligations have decreased by \$13,551,668 over the past two years.

Average daily attendance has increased by 21 ADA over the past two years. A decrease of 86 ADA is anticipated during the 2025-26 fiscal year.

\*Available reserves consist of all unassigned fund balance within the General Fund.

\*\*The actual amounts reported in this schedule are for the General Fund only, and do not agree with the amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances because the amounts on that schedule include prior audit adjustments.

**MONROVIA UNIFIED SCHOOL DISTRICT  
RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH AUDITED FINANCIAL  
STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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There were no differences between the annual financial and budget report and the audited financial statements for the year ended June 30, 2025.

**MONROVIA UNIFIED SCHOOL DISTRICT  
COMBINING BALANCE SHEET  
JUNE 30, 2025**

	Student Activity Fund	Adult Education Fund	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Building Fund	Capital Facilities Fund	Special Reserve Fund for Capital Outlay Projects	Debt Service Fund	Non-Major Governmental Funds
<b>ASSETS</b>										
Cash and investments	\$ 399,505	\$ 983,655	\$ 2,100,817	\$ 5,118,919	\$ 947,646	\$ 3,542,979	\$ 7,099,800	\$ 5,378,998	\$ 1,981	\$ 25,574,300
Accounts receivable	32	620,772	21,447	604,929	8,811	37,201	935,376	50,117	245	2,278,930
Stores inventory	-	-	-	79,262	-	-	-	-	-	79,262
<b>Total Assets</b>	<b>\$ 399,537</b>	<b>\$ 1,604,427</b>	<b>\$ 2,122,264</b>	<b>\$ 5,803,110</b>	<b>\$ 956,457</b>	<b>\$ 3,580,180</b>	<b>\$ 8,035,176</b>	<b>\$ 5,429,115</b>	<b>\$ 2,226</b>	<b>\$ 27,932,492</b>
<b>LIABILITIES</b>										
Accrued liabilities	\$ 79,425	\$ 154,570	\$ 61,049	\$ 116,482	\$ -	\$ 297,865	\$ 9,239	\$ 38,650	\$ -	\$ 757,280
Unearned revenue	-	-	488,650	-	-	-	-	-	-	488,650
<b>Total Liabilities</b>	<b>79,425</b>	<b>154,570</b>	<b>549,699</b>	<b>116,482</b>	<b>-</b>	<b>297,865</b>	<b>9,239</b>	<b>38,650</b>	<b>-</b>	<b>1,245,930</b>
<b>FUND BALANCES</b>										
Non-spendable	-	-	-	80,050	-	-	-	-	-	80,050
Restricted	320,112	63,347	1,572,565	5,606,578	-	3,282,315	8,025,937	5,390,465	2,226	24,263,545
Committed	-	1,386,510	-	-	956,457	-	-	-	-	2,342,967
<b>Total Fund Balances</b>	<b>320,112</b>	<b>1,449,857</b>	<b>1,572,565</b>	<b>5,686,628</b>	<b>956,457</b>	<b>3,282,315</b>	<b>8,025,937</b>	<b>5,390,465</b>	<b>2,226</b>	<b>26,686,562</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 399,537</b>	<b>\$ 1,604,427</b>	<b>\$ 2,122,264</b>	<b>\$ 5,803,110</b>	<b>\$ 956,457</b>	<b>\$ 3,580,180</b>	<b>\$ 8,035,176</b>	<b>\$ 5,429,115</b>	<b>\$ 2,226</b>	<b>\$ 27,932,492</b>

See accompanying notes to supplementary information.

**MONROVIA UNIFIED SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2025**

	Student Activity Fund	Adult Education Fund	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Building Fund	Capital Facilities Fund	Special Reserve Fund for Capital Outlay Projects	Debt Service Fund	Non-Major Governmental Funds
<b>REVENUES</b>										
Federal sources	\$ -	\$ 296,434	\$ -	\$ 2,719,031	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,015,465
Other state sources	-	2,096,153	1,405,563	1,646,454	-	-	-	-	-	5,148,170
Other local sources	303,505	692,047	131,015	219,969	47,782	764,817	2,920,172	276,379	(6,285)	5,349,401
<b>Total Revenues</b>	<b>303,505</b>	<b>3,084,634</b>	<b>1,536,578</b>	<b>4,585,454</b>	<b>47,782</b>	<b>764,817</b>	<b>2,920,172</b>	<b>276,379</b>	<b>(6,285)</b>	<b>13,513,036</b>
<b>EXPENDITURES</b>										
Current										
Instruction	-	997,272	728,665	-	-	-	-	-	-	1,725,937
Instruction-related services										
Instructional supervision and administration	-	1,160,676	-	-	-	-	-	-	-	1,160,676
Instructional library, media, and technology	-	14,535	-	-	-	-	-	-	-	14,535
School site administration	-	85,121	353,034	-	-	-	-	-	-	438,155
Pupil services										
Food services	-	-	-	3,389,971	-	-	-	-	-	3,389,971
All other pupil services	-	207,867	35,622	-	-	-	-	-	-	243,489
General administration										
All other general administration	-	133,758	119,605	116,800	-	-	-	-	-	370,163
Plant services	-	140,101	94,601	5,715	-	440	-	-	-	240,857
Facilities acquisition and construction	-	-	-	-	-	8,437,827	-	34,281	-	8,472,108
Ancillary services	271,387	-	-	-	-	-	-	-	-	271,387
Debt service										
Principal	-	-	-	-	-	-	-	-	215,000	215,000
Interest and other	-	-	-	-	-	-	-	-	5,280	5,280
<b>Total Expenditures</b>	<b>271,387</b>	<b>2,739,330</b>	<b>1,331,527</b>	<b>3,512,486</b>	<b>-</b>	<b>8,438,267</b>	<b>-</b>	<b>34,281</b>	<b>220,280</b>	<b>16,547,558</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>32,118</b>	<b>345,304</b>	<b>205,051</b>	<b>1,072,968</b>	<b>47,782</b>	<b>(7,673,450)</b>	<b>2,920,172</b>	<b>242,098</b>	<b>(226,565)</b>	<b>(3,034,522)</b>
<b>Other Financing Sources (Uses)</b>										
Transfers in	-	250,000	-	-	-	-	-	-	220,280	470,280
Transfers out	-	(146,854)	-	-	-	-	-	-	-	(146,854)
<b>Net Financing Sources (Uses)</b>	<b>-</b>	<b>103,146</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>220,280</b>	<b>323,426</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>32,118</b>	<b>448,450</b>	<b>205,051</b>	<b>1,072,968</b>	<b>47,782</b>	<b>(7,673,450)</b>	<b>2,920,172</b>	<b>242,098</b>	<b>(6,285)</b>	<b>(2,711,096)</b>
<b>Fund Balance - Beginning</b>	<b>287,994</b>	<b>1,001,407</b>	<b>1,367,514</b>	<b>4,613,660</b>	<b>908,675</b>	<b>10,955,765</b>	<b>5,105,765</b>	<b>5,148,367</b>	<b>8,511</b>	<b>29,397,658</b>
<b>Fund Balance - Ending</b>	<b>\$ 320,112</b>	<b>\$ 1,449,857</b>	<b>\$ 1,572,565</b>	<b>\$ 5,686,628</b>	<b>\$ 956,457</b>	<b>\$ 3,282,315</b>	<b>\$ 8,025,937</b>	<b>\$ 5,390,465</b>	<b>\$ 2,226</b>	<b>\$ 26,686,562</b>

See accompanying notes to supplementary information.

**MONROVIA UNIFIED SCHOOL DISTRICT  
 NOTES TO SUPPLEMENTARY INFORMATION  
 JUNE 30, 2025**

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**NOTE 1 – PURPOSE OF SCHEDULES**

**Schedule of Expenditures of Federal Awards**

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the 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* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

The following schedule provides reconciliation between revenues reported on the Statement of Revenue, Expenditures, and Changes in Fund Balance, and the related expenditures reported on the Schedule of Expenditures of Federal Awards. The reconciling amounts represent Federal funds that have been recorded as revenues in a prior year that have been expended by June 30, 2025 or Federal funds that have been recorded as revenues in the current year and were not expended by June 30, 2025.

	<b>AL</b>	
	<b>Number</b>	<b>Amount</b>
Total Federal Revenues reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance		\$ 6,685,258
Build America Bonds	*	<u>(93,464)</u>
Total Expenditures reported in the Schedule of Expenditures of Federal Awards		<u>\$ 6,591,794</u>

\*AL Number is not applicable.

The District has not elected to use the de minimis indirect cost rate of not more than 15 percent.

**Schedule of Average Daily Attendance (ADA)**

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

**Schedule of Instructional Time**

This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the article 8 (commencing with section 46200) of chapter 2 of part 26 of the *Education Code*.

**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.

**Reconciliation of Annual Financial and Budget Report with Audited Financial Statements**

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Annual Financial and Budget Report Unaudited Actuals to the audited financial statements.

**Combining Statements – Non-Major Funds**

These statements provide information on the District's non-major funds.

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## **OTHER INFORMATION**

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**MONROVIA UNIFIED SCHOOL DISTRICT  
 LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE  
 JUNE 30, 2025**

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The Monrovia Unified School District was established on July 1, 1961 and is comprised of an area of approximately 13 square miles located in East Central Los Angeles County. There were no changes in the boundaries of the District during the current year. The District is operating five elementary schools, two middle schools, one high school, one continuation high school, and one independent study school. The District also operates facilities for pre-school children, a child development center, and an adult education center.

**GOVERNING BOARD**

<b>Member</b>	<b>Office</b>	<b>Term Expires</b>
Rob Hammond	President	November 2028
Maritza Travanti	Vice President	November 2026
Selene Lockerbie	Clerk	November 2026
Daniel Gomez Tagle	Member	November 2028
Michael Ocon	Member	November 2028

**DISTRICT ADMINISTRATORS**

Dr. Paula Hart Rodas  
*Superintendent*

Dr. Geoff Zamarripa  
*Assistant Superintendent, Educational Services*

Dr. Vanessa Landesfeind  
*Assistant Superintendent, Human Resources*

Dr. Greg Gero  
*Assistant Superintendent, Business Services*

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## **OTHER INDEPENDENT AUDITORS' REPORTS**

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**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 Auditors' Report

Governing Board  
Monrovia Unified School District  
Monrovia, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Monrovia Unified School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Monrovia Unified School District's basic financial statements, and have issued our report thereon dated March 31, 2026.

**Report on Internal Control over Financial Reporting**

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

A handwritten signature in blue ink that reads "Christy White, Inc". The signature is written in a cursive style.

San Diego, California  
March 31, 2026

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; AND REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**Independent Auditors' Report

Governing Board  
Monrovia Unified School District  
Monrovia, California

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

We have audited Monrovia 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 Monrovia Unified School District's major federal programs for the year ended June 30, 2025. Monrovia Unified School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Monrovia Unified School District complied, in all material respects, with the types of 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, 2025.

***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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Monrovia 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 audit opinion on compliance for each major federal program. Our audit does not provide a legal determination of Monrovia 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 the laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Monrovia Unified School District's federal programs.

## **Auditor's Responsibilities for the Audit for 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 Monrovia 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance 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. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user of the report on compliance about Monrovia Unified School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Monrovia Unified School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Monrovia 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 Monrovia 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.

## Report on Internal Control Over Compliance (continued)

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.

A handwritten signature in blue ink that reads "Christy White, Inc". The signature is written in a cursive, flowing style.

San Diego, California  
March 31, 2026

**REPORT ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER  
COMPLIANCE FOR STATE PROGRAMS**

Independent Auditors' Report

Governing Board  
Monrovia Unified School District  
Monrovia, California

**Report on State Compliance**

***Opinion on State Compliance***

We have audited Monrovia Unified School District's compliance with the requirements specified in the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* applicable to Monrovia Unified School District's state program requirements as identified in the table in the Auditor's Responsibilities for the Audit of State Compliance section of our report for the year ended June 30, 2025.

In our opinion, Monrovia Unified School District complied, in all material respects, with the laws and regulations of the applicable laws and regulations of the applicable state programs for the year ended June 30, 2025.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* (the K-12 Audit Guide). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of State Compliance section of our report.

We are required to be independent of Monrovia 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. Our audit does not provide a legal determination of Monrovia 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 the laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Monrovia Unified School District's state programs.

**Auditor’s Responsibilities for the Audit of State Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the state compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Monrovia 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 generally accepted auditing standards, *Government Auditing Standards*, and the K-12 Audit Guide will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Monrovia Unified School District's compliance with the requirements of the applicable state programs as a whole.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, and the K-12 Audit Guide, 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 Monrovia Unified School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- Obtain an understanding of Monrovia 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 K-12 Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of Monrovia Unified School District's internal control over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine Monrovia Unified School District's compliance with the state laws and regulations applicable to the following items:

<b>PROGRAM NAME</b>	<b>PROCEDURES PERFORMED</b>
<b>Local Education Agencies Other Than Charter Schools</b>	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Independent Study	Yes
Continuation Education	No
Instructional Time	Yes
Instructional Materials	Yes
Ratio of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	Not Applicable
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	Not Applicable
Middle or Early College High Schools or Programs	Not Applicable
K-3 Grade Span Adjustment	Yes
Apprenticeship: Related and Supplemental Instruction	Not Applicable
Comprehensive School Safety Plan	Yes
District of Choice	Not Applicable
Home to School Transportation Reimbursement	Yes

**Auditor’s Responsibilities for the Audit of State Compliance (continued)**

<b>PROGRAM NAME</b>	<b>PROCEDURES PERFORMED</b>
<b>School Districts, County Offices of Education, and Charter Schools</b>	
Proposition 28 Arts and Music in Schools	Yes
After/Before School Education and Safety Program	Yes
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not Applicable
Immunizations	Yes
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant	Yes
Expanded Learning Opportunities Program	Yes
Transitional Kindergarten	Yes
Kindergarten Continuance	Yes
<b>Charter Schools</b>	
Attendance; for charter schools	Not Applicable
Mode of Instruction; for charter schools	Not Applicable
Nonclassroom-Based Instruction/Independent Study; for charter schools	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction; for charter schools	Not Applicable
Annual Instructional Minutes - Classroom Based	Not Applicable
Charter School Facility Grant Program	Not Applicable

We did not perform testing for Continuation Education because ADA was below the threshold for testing.

The term “Not Applicable” is used above to mean either the District did not offer the program during the current fiscal year, the District did not participate in 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.

**Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are described in the accompanying schedule of findings and questioned costs as Findings #2025-001 and #2025-002. Our opinion on state compliance is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on Monrovia Unified School District’s response to the noncompliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Monrovia Unified School District’s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### ***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 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 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 State Compliance section 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 K-12 Audit Guide. Accordingly, this report is not suitable for any other purpose.



San Diego, California  
March 31, 2026

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## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

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**MONROVIA UNIFIED SCHOOL DISTRICT  
SUMMARY OF AUDITORS' RESULTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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**FINANCIAL STATEMENTS**

Type of auditors' report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Non-compliance material to financial statements noted?	<u>No</u>

**FEDERAL AWARDS**

Internal control over major program:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Type of auditors' report issued:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a)?	<u>No</u>
Identification of major programs:	

<u>AL Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425	Education Stabilization Fund
10.553, 10.555	Discretionary Grants
	Child Nutrition Cluster

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	<u>No</u>

**STATE AWARDS**

Internal control over state programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Any audit findings disclosed that are required to be reported in accordance with 2024-25 Guide for Annual Audits of California K-12 Local Education Agencies ?	<u>Yes</u>
Type of auditors' report issued on compliance for state programs:	<u>Unmodified</u>

**MONROVIA UNIFIED SCHOOL DISTRICT  
FINANCIAL STATEMENT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2025**

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**FIVE DIGIT CODE**

20000  
30000

**AB 3627 FINDING TYPE**

Inventory of Equipment  
Internal Control

*There were no financial statement findings for the year ended June 30, 2025.*

**MONROVIA UNIFIED SCHOOL DISTRICT  
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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**FIVE DIGIT CODE**

50000

**AB 3627 FINDING TYPE**

Federal Compliance

*There were no federal award findings or questioned costs for the year ended June 30, 2025.*

**MONROVIA UNIFIED SCHOOL DISTRICT  
STATE AWARD FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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**FIVE DIGIT CODE**

10000  
40000  
42000  
43000  
60000  
61000  
62000  
70000  
71000  
72000

**AB 3627 FINDING TYPE**

Attendance  
State Compliance  
Charter School Facilities Programs  
Apprenticeship: Related and Supplemental Instruction  
Miscellaneous  
Classroom Teacher Salaries  
Local Control Accountability Plan  
Instructional Materials  
Teacher Misassignments  
School Accountability Report Card

**FINDING #2025-001: CLASSROOM TEACHER SALARIES (61000)**

**Criteria:** As set forth in California Education Code section 41372, a unified school district should expend a minimum of 55% of the District's current expenses of education towards salaries of classroom teachers.

**Condition:** The District did not meet the minimum percentage requirement of 55%, the district only spent 50.79% on classroom teacher salaries during the fiscal year.

**Effect:** The District's current expense of education for the year ended June 30, 2025, was \$72,717,509 and the total salaries and benefits for classroom teachers was \$36,933,485. The District was below the minimum required percentage of 55% by 4.21% which calculates out to a deficiency of \$3,061,407.

**Cause:** The deficiency amount was due to the continued spending of one-time COVID relief funding.

**Questioned Costs:** The questioned costs are the deficiency of \$3,061,407.

**Repeat Finding:** Yes, see prior year Finding #2024-002.

**Recommendation:** We recommend that in the future, the District monitor their expenses towards salaries of classroom teachers against their total expenses to be sure that they meet the 55% minimum requirement.

**Corrective Action Plan:**

For FY 2024-25, the District failed to meet the 55% classroom teacher salary requirement due to several factors:

- Outsourced Student Support: Costs for mental health services and specialized staff (BCBAs, speech pathologists, and nurses/LVNs) were shifted to external vendors, increasing the formula's denominator;
- Outsourced Instructional Support: Reliance on contract agencies for Instructional Aides and Behavior Assistants further inflated the denominator;
- Staffing Challenges: Although sign-on bonuses were implemented to attract in-house applicants, a persistent shortage necessitated an increase in vendor contracts, leading to rising Special Education costs.

The District will continue to attract in-house applicants to reduce outsourcing of these services.

**MONROVIA UNIFIED SCHOOL DISTRICT  
STATE AWARD FINDINGS AND QUESTIONED COSTS, continued  
FOR THE YEAR ENDED JUNE 30, 2025**

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**FINDING #2025-002: ATTENDANCE REPORTING (10000)**

**Criteria:** The Second Period report submitted to the California Department of Education (CDE) should reconcile to the supporting documents that support the local education agency’s Average Daily Attendance (ADA) in accordance with California Education Code Section 46000 et seq.

**Condition:** During the testing of average daily attendance for the District’s second reporting period and annual attendance reports, it was noted that the school sites were not in attendance for several days in January 2025 due to the Eaton Fire. Subsequent to year-end closing procedures, the District filed for a J-13A waiver because of the emergency school closures. The impact on ADA is as follows:

Second Period Attendance Report

- Regular ADA: Total net overstatement of 4.51 ADA, resulting from 1.82 ADA overstatement in Grades TK/K-3, 1.03 ADA overstatement in Grades 4-6, 0.79 ADA overstatement in Grades 7-8, and 0.87 ADA overstatement in Grades 9-12.

Annual Attendance Report

- Regular ADA: Total net overstatement of 3.54 ADA, resulting from 1.33 ADA overstatement in Grades TK/K-3, 0.80 ADA overstatement in Grades 4-6, 0.62 ADA overstatement in Grades 7-8, and 0.79 ADA overstatement in Grades 9-12.

**Cause:** The Second Period and Annual Attendance Reports did not eliminate the school days following the emergency school closures.

**Effect:** Incorrect reporting of Regular ADA in the Second Period and Annual Attendance Reports can result in noncompliance with state regulations.

**Questioned Costs:** The fiscal impact is \$57,985, as calculated in the table below. The revisions noted for the District’s Second Period Attendance Report have not yet been made in the State’s Principal Apportionment Data Collection (PADC) software.

	<b>Second Period ADA Understatement (Overstatement)</b>	<b>2024-25 Derived Value of ADA by Grade Span</b>	<b>Questioned Costs</b>
Grades TK/K-3	(1.82)	\$ 12,902	\$ (23,481)
Grades 4-6	(1.03)	\$ 11,863	\$ (12,219)
Grades 7-8	(0.79)	\$ 12,214	\$ (9,649)
Grades 9-12	(0.87)	\$ 14,524	\$ (12,636)
	<u>(4.51)</u>		<u>\$ (57,985)</u>

There are no questioned costs related to the overstatement noted for the Annual Attendance Report since the District is not funded on Annual Attendance. The revisions noted for District’s Annual Attendance Report have not yet been made in the PADC software.

**Repeat Finding:** No, this is not a repeat finding.

**MONROVIA UNIFIED SCHOOL DISTRICT  
STATE AWARD FINDINGS AND QUESTIONED COSTS, continued  
FOR THE YEAR ENDED JUNE 30, 2025**

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**FINDING #2025-002: ATTENDANCE REPORTING (10000) (continued)**

**Recommendation:** We recommend that proper procedures be established to ensure that the data within the attendance system and data reported on the Second Period and Annual Attendance Reports are accurate.

**Corrective Action Plan:**

The following steps have been taken to correct the error:

- P-2 ADA Report: The divisor has been adjusted from 135 to 132 days to account for the 3-day closure within the P-2 reporting period.
- Annual ADA Report: The divisor has been adjusted from 180 to 177 days.
- System Coding: Our Student Information System (SIS) has been updated to mark January 8–10, 2025, as "School Not In Session." Consequently, no attendance or absences are recorded for these dates.
- PADC Input: Upon approval of Form J13A, the District will enter the revised P2 ADA and Annual ADA Reports into the PADC system once it reopens for revisions.

**MONROVIA UNIFIED SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2025**

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**FINDING #2024-001: CASH DISBURSEMENTS – PURCHASE ORDERS (30000)**

**Criteria:** Proper internal controls require adequate segregation of duties, prior approval of the expenditure and sufficient supporting documentation such as a vendor invoice. Prior approval is necessary to ensure that expenditures are appropriate uses of the funds and to ensure that expenses are being properly budgeted.

**Condition:** During the review of internal controls over cash disbursements, 9 of the 25 cash disbursements were not supported by a purchase order to indicate prior approval. Additionally, 3 of the 25 cash disbursements had purchase orders approved for less than the invoice amount. Finally, 1 of the 25 cash disbursements issued had an invoice that did not support the amount paid to the vendor.

**Effect:** Without prior approval of the expenditures, budgeting issues in the future and misuse of the funds would go undetected.

**Cause:** Purchase orders are not being consistently or accurately created before the expenditure and invoice.

**Repeat Finding:** Yes, see prior year Finding #2023-001.

**Recommendation:** We recommend that the district prepare purchase order for all items prior to the purchase and ensure all amounts paid agree to the invoice and approved purchase order.

**Corrective Action Plan:** District staff will be provided with training on purchasing and account payment procedural requirements to ensure future compliance with District policy.

**Current Status:** Implemented.

**MONROVIA UNIFIED SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS, continued  
FOR THE YEAR ENDED JUNE 30, 2025**

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**FINDING #2024-002: CLASSROOM TEACHER SALARIES (61000)**

**Criteria:** As set forth in California Education Code section 41372, a unified school district should expend a minimum of 55% of the District's current expenses of education towards salaries of classroom teachers.

**Condition:** The District did not meet the minimum percentage requirement of 55%, the district only spent 50.82% on classroom teacher salaries during the fiscal year.

**Effect:** The District's current expense of education for the year ended June 30, 2024, was \$81,387,156 and the total salaries and benefits for classroom teachers was \$41,364,838. The District was below the minimum required percentage of 55% by 4.18% which calculates out to a deficiency of \$3,401,983.

**Cause:** The deficiency amount was due to the continued spending of one-time COVID relief funding.

**Questioned Costs:** The questioned costs are the deficiency of \$3,401,983.

**Repeat Finding:** Yes, see prior year Finding #2023-002.

**Recommendation:** We recommend that in the future, the District monitor their expenses towards salaries of classroom teachers against their total expenses to be sure that they meet the 55% minimum requirement.

**Corrective Action Plan:** For the 23-24 fiscal year, the District will request that the State Board of Education waive Education Code Section 41372 minimum classroom teacher salaries current expense of education calculation requirements due to the disproportional effects of extraordinary revenues received by the District through Federal and State programs.

District staff will be provided with training on requirements to effectively budget and monitor applicable revenues and expenses to ensure future compliance with Education Code Section 41372.

**Current Status:** Not implemented, see Finding #2025-001.