

**FRESNO COUNTY ZOO AUTHORITY
FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORT**

For the Year Ended June 30, 2025



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAconnect.com

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	4
BASIC FINANCIAL STATEMENTS:	
Government-Wide Financial Statements:	
Statement of Net Position	8
Statement of Activities	9
Fund Financial Statements:	
Balance Sheet – Governmental Fund	10
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund	11
Statement of Fiduciary Net Position – Private-Purpose Trust Funds	12
Statement of Changes in Fiduciary Net Position – Private-Purpose Trust Funds	13
Notes to the Financial Statements	14
REQUIRED SUPPLEMENTARY INFORMATION (Other than MD&A):	
Budgetary Comparison Schedule – General Fund	20
Note to Budgetary Comparison Schedule – General Fund	21
OTHER AUDITOR'S REPORT:	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	22



INDEPENDENT AUDITORS' REPORT

Board of Directors
Fresno County Zoo Authority
Fresno, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the general fund, and the aggregate remaining fund information of the Fresno County Zoo Authority, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Fresno County Zoo Authority'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 general fund, and the aggregate remaining fund information of the Fresno County Zoo Authority, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fresno County Zoo Authority 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 Fresno County Zoo Authority'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.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Fresno County Zoo Authority'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 Fresno County Zoo Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2025, on our consideration of the Fresno County Zoo Authority'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 Fresno County Zoo Authority'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 Fresno County Zoo Authority's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Roseville, California
December 18, 2025

FRESNO COUNTY ZOO AUTHORITY
Management's Discussion and Analysis
For the Year Ended June 30, 2025

This section of the Fresno County Zoo Authority (Authority) financial report presents a discussion and analysis of the Authority's financial performance during the fiscal year ended June 30, 2025. Please read the information contained in this discussion and analysis in conjunction with the Authority's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Authority exceeded liabilities and deferred inflows of resources (referred to as net position) at the end of the 2024-2025 fiscal year by \$3,767,674. This amount is considered restricted net position.
- Liabilities of the Authority totaled \$14,512 on June 30, 2025. This amount primarily consists of expenses related to professional and specialized services provided by the County of Fresno.
- The Authority's total net position increased by \$408,731 during fiscal year 2024-2025.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements are comprised of three components: 1) **Government-wide** financial statements, 2) **Fund** financial statements, and 3) **Notes** to the basic financial statements. Required Supplementary Information (RSI) is included in addition to the basic financial statements.

Government-wide Financial Statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business. Therefore, the statements are reported using the accrual basis of accounting. Please refer to Note 1 for further information on the accrual basis of accounting.

The *Statement of Net Position* presents information on all of the Authority's assets and deferred outflows of resources, along with its liabilities and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The *Statement of Activities* presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both of these government-wide financial statements distinguish functions of the Authority that are principally supported by intergovernmental revenues and sales taxes (*governmental activities*) from other functions that are intended to recover all, or a portion, of their costs through user fees and charges (*business-type activities*). The governmental activities of the Authority are general government activities only. During the fiscal year reported, the Authority did not have any business-type activities.

The government-wide financial statements can be found on pages 8-9 of this report.

Funds are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. The *Fund Financial*

FRESNO COUNTY ZOO AUTHORITY
Management's Discussion and Analysis
For the Year Ended June 30, 2025

Statements are reported using the modified accrual basis of accounting, which was designed to reflect budgetary processes used by governments. See Note 1-C for further information regarding the modified accrual basis of accounting. The Authority's funds can be divided into two categories: governmental funds (General Fund) and fiduciary funds (private-purpose trust funds).

Statement of Net Position (condensed)

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Assets:		
Current assets	\$ 3,782,186	\$ 3,373,321
Total assets	<u>\$ 3,782,186</u>	<u>\$ 3,373,321</u>
Liabilities:		
Current liabilities	\$ 14,512	\$ 14,378
Total liabilities	<u>\$ 14,512</u>	<u>\$ 14,378</u>
Net position:		
Restricted	\$ 3,767,674	\$ 3,358,943
Total net position	<u>\$ 3,767,674</u>	<u>\$ 3,358,943</u>

Statement of Activities (condensed)

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Revenues:		
General revenues	\$ 534,964	\$ 509,937
Total revenues	<u>\$ 534,964</u>	<u>\$ 509,937</u>
Expenses:		
Governmental activities	\$ 126,233	\$ 162,452
Total expenses	<u>\$ 126,233</u>	<u>\$ 162,452</u>
Net position beginning	\$ 3,358,943	\$ 3,011,458
Change in net position	\$ 408,731	\$ 347,485
Net position ending	<u>\$ 3,767,674</u>	<u>\$ 3,358,943</u>

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Authority's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing

FRESNO COUNTY ZOO AUTHORITY
Management's Discussion and Analysis
For the Year Ended June 30, 2025

so, readers may better understand the long-term impact of the Authority's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The Authority's General Fund budgetary comparison schedule is presented in the Required Supplementary Information. The Authority adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule is thus provided for the General Fund to demonstrate compliance with this budget.

The Authority reports one individual major governmental fund. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance.

The governmental fund financial statements can be found on pages 10-11 of this report.

Fiduciary funds are used to account for resources held by the Authority in a trustee or custodial capacity for others (i.e., Fresno Chaffee Zoo). Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Authority's own programs. The type of fiduciary funds used by the Authority can be further classified as a *private-purpose trust funds*. There are two basic financial statements used to report information on fiduciary funds: the statement of fiduciary net position (required for all fiduciary funds) and the statement of changes in fiduciary net position (required for all fiduciary funds).

The fiduciary funds financial statements can be found on pages 12-13 of this report.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 14-19 of this report.

Required Supplementary Information is presented for the budgetary comparison schedule of the General Fund, which is presented immediately following the notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Authority, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$3,767,674 at the close of fiscal year 2024-2025. The Authority has no investments in capital assets.

Governmental activities: Governmental activities increased the Authority's net position by \$408,731 during fiscal year 2024-2025. The key element of this increase relates to sales tax revenue exceeding total expenditures by \$305,840.

FINANCIAL ANALYSIS OF THE AUTHORITY FUNDS

As noted earlier, the Authority uses **fund accounting** to ensure and demonstrate compliance with finance-related legal requirements.

FRESNO COUNTY ZOO AUTHORITY
Management's Discussion and Analysis
For the Year Ended June 30, 2025

Governmental funds. The general government functions are contained in the General Fund. The focus of the Authority's governmental fund is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the Authority's financing requirements.

On June 30, 2025, the Authority's governmental fund reported a fund balance of \$3,767,674, an increase of \$408,731 in comparing to the balance of \$3,358,943 reported on June 30, 2024.

Revenues for the governmental fund totaled \$534,964 in fiscal year 2024-2025. Revenue was primarily comprised from Measure Z sales tax revenue 81%. The remaining 19% was interest.

Expenditures for governmental funds totaled \$126,233 in fiscal year 2024-2025.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the 2024-2025 fiscal year, actual revenues were above those estimated in the final budget by \$41,739 due to a net increase in interest revenue. Actual expenditures were below current year final budgeted amounts by \$51,484.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Fresno County Auditor-Controller's Office, 2281 Tulare Street, Fresno, California 93721.

THIS PAGE INTENTIONALLY BLANK

BASIC FINANCIAL STATEMENTS

FRESNO COUNTY ZOO AUTHORITY
STATEMENT OF NET POSITION
June 30, 2025

	Governmental Activities
ASSETS	
Cash and investments	\$ 3,679,863
Interest receivable	26,906
Due from other governments	75,417
Total assets	<u>3,782,186</u>
LIABILITIES	
Accrued liabilities	14,512
Total liabilities	<u>14,512</u>
NET POSITION	
Restricted	3,767,674
Total net position	<u>\$ 3,767,674</u>

The accompanying notes are an integral part of this statement.

FRESNO COUNTY ZOO AUTHORITY
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

Functions/Programs Governmental activities-	Program Revenues -			Net Expenses and Changes in Net Position of Governmental Activities
	Expenses	Charges for Services	Operating Grants and Contributions	
General government	\$ 126,233	\$ —	\$ —	\$ (126,233)
Total	\$ 126,233	\$ —	\$ —	\$ (126,233)

General revenues:

Sales tax	432,073
Interest	102,891
Total general revenues	534,964
Change in net position	408,731
Net position - beginning	3,358,943
Net position - ending	\$ 3,767,674

The accompanying notes are an integral part of this statement.

FRESNO COUNTY ZOO AUTHORITY
BALANCE SHEET
GOVERNMENTAL FUND
June 30, 2025

ASSETS	<u>General Fund</u>
Cash and investments	\$ 3,679,863
Interest receivable	26,906
Due from other governments	75,417
Total assets	<u>3,782,186</u>
Total assets	<u>\$3,782,186</u>
 LIABILITIES AND FUND BALANCE	
 Liabilities:	
Accrued liabilities	<u>14,512</u>
Total liabilities	<u>14,512</u>
 Fund balance:	
Restricted	<u>3,767,674</u>
Total fund balance	<u>3,767,674</u>
Total liabilities, and fund balance	<u>\$ 3,782,186</u>
 Net Position	
Total fund balance - governmental fund	\$3,767,674
Differences	<u>—</u>
Net position - governmental activities	<u>\$ 3,767,674</u>

The accompanying notes are an integral part of this statement.

FRESNO COUNTY ZOO AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND
For the Year Ended June 30, 2025

REVENUES	General Fund
Measure Z sales tax	\$ 432,073
Interest	<u>102,891</u>
Total revenues	<u>534,964</u>
EXPENDITURES	
Current:	
PeopleSoft charges	617
Printing	4,018
Data processing	5,162
Professional and specialized services	<u>116,436</u>
Total expenditures	<u>126,233</u>
Excess of revenues over expenditures	<u>408,731</u>
Net change in fund balance	408,731
FUND BALANCE	
Fund balance - beginning	<u>3,358,943</u>
Fund balance - ending	<u>\$ 3,767,674</u>
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities	
Net change in fund balance - governmental fund	\$ 408,731
Differences	<u>—</u>
Change in net position - governmental activities	<u>\$ 408,731</u>

The accompanying notes are an integral part of this statement.

FRESNO COUNTY ZOO AUTHORITY
STATEMENT OF FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
For the Year Ended June 30, 2025

	<u>Operations</u>	<u>Capital Projects</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 6,160,595	\$ 46,062,911	\$ 52,223,506
Due from other governments	1,229,583	2,459,167	3,688,750
Interest receivable	48,548	326,122	374,670
Due from other agencies	—	723,304	723,304
Total assets	<u>7,438,726</u>	<u>49,571,504</u>	<u>57,010,230</u>
LIABILITIES			
Due to non-profit	2,122,485	324,430	2,446,915
Total liabilities	<u>2,122,485</u>	<u>324,430</u>	<u>2,446,915</u>
NET POSITION			
Held in trust for operations	5,316,241	—	5,316,241
Held in trust for capital projects	—	49,247,074	49,247,074
Total net position	<u>\$5,316,241</u>	<u>\$49,247,074</u>	<u>\$54,563,315</u>

The accompanying notes are an integral part of this statement.

FRESNO COUNTY ZOO AUTHORITY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
For the Year Ended June 30, 2025

	Operations	Capital Projects	Total
ADDITIONS			
Measure Z sales tax	\$ 7,057,182	\$ 14,114,366	\$ 21,171,548
Interest	186,469	1,187,142	1,373,611
Reimbursements	—	838,723	838,723
 Total additions	 7,243,651	 16,140,231	 23,383,882
DEDUCTIONS			
Disbursements to non-profit	7,706,736	2,499,336	10,206,072
 Total deductions	 7,706,736	 2,499,336	 10,206,072
 Change in net position	 (463,085)	 13,640,895	 13,177,810
Net position held in trust - beginning	5,779,326	35,606,179	41,385,505
Net position held in trust - ending	<u>\$ 5,316,241</u>	<u>\$ 49,247,074</u>	<u>\$ 54,563,315</u>

The accompanying notes are an integral part of this statement.

THIS PAGE INTENTIONALLY BLANK

FRESNO COUNTY ZOO AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Fresno County Zoo Authority (Authority) was created by the approval of Measure Z by the voters of Fresno County (County) in November 2004. Measure Z authorized the imposition of a 0.1% sales and use tax (the sales tax) in the County for 10 years. The Authority may spend up to 2% of the revenue for its own administrative expenses. The remaining 98% of the revenue must be used exclusively for the support of zoos, zoological facilities, and related zoological purposes within the County. Of this 98%, at least 2/3 must be spent on capital improvement projects, and up to 1/3 may be spent on operations and maintenance of the facilities. The 0.1% sales tax commenced April 1, 2005, and has since been reapproved multiple times by voters, most recently on June 7, 2022. Measure Z was approved for an additional fifteen years and is now set to expire in 2040.

The basic financial statements of the Authority include all of its financial activities. The Authority is the sole independent agency responsible for administering Measure Z funds and is governed by a seven-member board consisting of six qualified electors (Fresno County voters) and the City of Fresno Mayor. The six qualified electors are appointed by the Fresno County Board of Supervisors.

B. Basis of Presentation

Government-wide Financial Statements

The statement of net position and the statement of activities report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The Authority does not have any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

FRESNO COUNTY ZOO AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

The fund financial statements provide information about the Authority's individual funds including governmental and fiduciary funds. Separate statements for each fund category are presented. The balance sheet and statement of revenues, expenditures, and changes in fund balance focus on the presentation of the major governmental fund, the General Fund. These two statements are used to report information regarding the Authority's own operations and programs (up to 2% of Measure Z sales tax revenue). The statement of fiduciary net position and the statement of changes in fiduciary net position provide information regarding the 98% of sales tax proceeds and related disbursements, which are exclusively restricted for the support of zoos, zoological facilities, and related zoological purposes within the County. Disbursements of Measure Z funds during the fiscal year ended June 30, 2025, were made to the Fresno's Chaffee Zoo Corporation (the entity operating the Fresno Chaffee Zoo).

The Authority reports the following major governmental fund:

- The *General Fund* is used to account for the revenue (up to 2% of Measure Z sales tax revenue) and expenditures necessary to carry out basic operating activities of the Authority. Activities of the General Fund include professional and specialized services required for the administration of Measure Z funds.

The Authority reports the following fiduciary funds:

- The *Private-Purpose Trust Funds* are used to account for the portion of Measure Z sales tax proceeds (and related disbursements) exclusively restricted for the support of zoos, zoological facilities, and related zoological purposes within the County (no less than 98% of total Measure Z proceeds). During the fiscal year ended June 30, 2025, disbursements of Measure Z funds were made to the Fresno's Chaffee Zoo Corporation (FCZC), which is the entity operating the Fresno Chaffee Zoo.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*.

Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due and payable.

FRESNO COUNTY ZOO AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Position or Fund Balance

Cash and Investments

Investments for the Authority are reported at fair value.

Due from Other Governments

Due from other governments represent sales tax receipts in the months subsequent to the Authority's fiscal year-end relating to the prior year's sales activity. The Authority has contracted with the California State Board of Equalization for collection and distribution of the 0.1% sales tax. The Board of Equalization receives an administrative fee for providing this service. The Authority records sales tax revenues net of such fees.

Due from Other Agencies

Due from other agencies represent a repayment of appropriated funds from the FCZC to The Authority. The Authority had previously released funds to FCZC for the proposed construction of the African River Exhibit. After the funds had been expensed and the project indefinitely postponed, The Authority requested repayment. On November 20, 2024, The Authority approved a repayment plan that consists of quarterly principal and interest payments.

Accrued Liabilities

The Authority has agreements with the County, whereby the County provides legal, accounting, and other professional and technical services. Accrued liabilities reported on the financial statements of the Authority primarily consist of professional and specialized services provided by the County.

Net Position

The classification of net position into three components – net investment in capital assets, restricted net position, and unrestricted net position – is required by Governmental Accounting Standards Board (GASB) Statement No. 34 (and subsequently GASB Statement No. 63). These classifications are defined as follows:

- Net Investment in Capital Assets – This category consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of debt issued to finance the acquisition, improvement, or construction of those assets.
- Restricted – This category represents net position that has external restrictions imposed by creditors, grantors, contributors, and laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted – This category represents funds which are undesignated and available for general operations.

FRESNO COUNTY ZOO AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

Use of Management Estimates

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

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A reconciliation of the total fund balance for the governmental fund to the total net position of governmental activities has been prepared as part of the basic financial statements. However, no differences were reported between total fund balance and total net position for the fiscal year ended June 30, 2025.

A reconciliation of the total net change in fund balance for the governmental fund to the total change in net position of governmental activities has been prepared as part of the basic financial statements. However, no differences were reported between total net change in fund balance and total change in net position for the fiscal year ended June 30, 2025.

NOTE 3 – CASH, INVESTMENTS, AND DEPOSITS

The Authority, under contract, maintains specific cash deposits and investments with the Fresno County Auditor-Controller/Treasurer-Tax Collector, and participates in the common investment pool of the County. The County is restricted by State code in the types of investments in which it can engage.

NOTE 4 – BUDGET/DISBURSEMENTS

The Authority adopts an annual appropriated budget for its General Fund which is approved by its board members. A budgetary comparison schedule is thus provided for the General Fund to demonstrate compliance with this budget.

Measure Z-funded line items of Fresno's Chaffee Zoo Corporation's (FCZC) operating and capital projects budgets for calendar years 2024 and 2025 were approved by the Authority's board members. FCZC is the entity operating the Fresno Chaffee Zoo and functions separately from the Authority. FCZC operates on a calendar year basis (ending December 31). The Authority's oversight of FCZC extends only to the administration of Measure Z funds.

During the fiscal year ended June 30, 2025, disbursements totaling \$10,206,072 were made to FCZC: \$7,706,736 for operations and \$2,499,336 for capital projects.

FRESNO COUNTY ZOO AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

Undistributed sales tax revenue net of expenses incurred during the fiscal year are classified as “net position held in trust” in the statement of fiduciary net position. The balance reported on June 30, 2025, is as follows:

Held in Trust For:	
Operations	\$ 5,316,241
Capital projects	49,247,074
Total	\$ 54,563,315

NOTE 5 – LIABILITIES

Liabilities of the Authority totaled \$14,512 on June 30, 2025. This amount primarily consisted of expenses related to professional and specialized services provided by the County of Fresno.

NOTE 6 - FUND BALANCE

In the fund financial statements, governmental funds report fund balance as non-spendable, restricted, committed, assigned or unassigned based primarily on the extent to which the Authority is bound to honor constraints on how specific amounts can be spent.

- **Non-spendable** - Amounts that are not in spendable form (such as inventory) or are required either legally or contractually to be maintained intact.
- **Restricted** - Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional or enabling legislation.
- **Committed** - Amounts constrained to specific purposes by the Authority itself, using the Authority's highest level of decision-making authority (the Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the Authority takes the same highest-level action to remove or change the constraint. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned** - Amounts the Authority *intends* to use for a specific purpose. Intent can be expressed by the Authority at either the highest level of decision-making authority or by an official or body to which the Authority delegates the authority. This is also the classification for residual funds.
- **Unassigned** - The residual classification for the Authority's General Fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The Authority establishes and modifies or rescinds fund balance commitments by passage of an ordinance or policy. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget as a designation or commitment of the fund, such as approved construction contracts. Assigned fund balance is established by the Authority through adoption or amendment of the budget or future year budget plan as intended for a specific purpose.

FRESNO COUNTY ZOO AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, followed by the unrestricted committed, assigned, and unassigned resources as they are needed.

The Authority's General Fund balance of \$3,767,674 is considered restricted. This is because the monies are derived from Measure Z and are required to be spent in a manner that is consistent with the limitations placed on its use.

**REQUIRED SUPPLEMENTARY INFORMATION
(Other than MD&A)**

FRESNO COUNTY ZOO AUTHORITY
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>			Variance with Final Budget
	Original	Final	Actual Amounts	
Resources:				
Measure Z Sales tax	\$ 433,225	\$ 433,225	\$ 432,073	\$ (1,152)
Interest	<u>60,000</u>	<u>60,000</u>	<u>102,891</u>	<u>42,891</u>
Total resources	493,225	493,225	534,964	41,739
Charges to appropriations:				
Current:				
Office expenses	5,000	5,000	—	5,000
Professional and specialized services	161,667	161,667	116,436	45,231
Postage	1,000	1,000	—	1,000
Data processing services	5,800	5,800	5,162	638
Memberships	—	—	—	—
Transportation, travel, and education	2,500	2,500	—	2,500
Publications and legal notices	500	500	—	500
Telephone	250	250	—	250
Printing	—	—	4,018	(4,018)
PeopleSoft charges	<u>1,000</u>	<u>1,000</u>	<u>617</u>	<u>383</u>
Total charges to appropriations	177,717	177,717	126,233	51,484
Change in net position	<u>\$ 315,508</u>	<u>\$ 315,508</u>	<u>\$ 408,731</u>	<u>\$ 93,223</u>
NET POSITION				
Fund Balance - beginning			3,358,943	
Fund Balance - ending			<u>\$ 3,767,674</u>	

**NOTE TO BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Budgets and Budgetary Data

The Authority adopts a legal annual operating budget for its General Fund. All budget transfers and expenditures are approved by the Authority's Board of Directors or by the Authority Administrator prior to disbursement. The legal level of budgetary control is at the object level. The final budget revenue and expenditure amounts represent the original budget modified by any amendments and adjustments that have occurred during the year. The Authority uses an encumbrance system as an extension of normal budgetary accounting. Under the encumbrance system, the expenditure of monies is encumbered in order to reserve that portion of applicable appropriations. Encumbrances are combined with expenditures for budgetary comparison purposes. Unencumbered appropriations lapse at year-end; encumbered appropriations at year-end are carried forward in the ensuing new fiscal year's budget but are kept separate from the new fiscal year's budget. The encumbrances are reported as prior budget year appropriations on all financial reports but are available for expenditure in the new fiscal year.

A budgetary comparison schedule for the General Fund is presented on Page 20. Its purpose is to demonstrate compliance with the approved budget for fiscal year 2024-2025. Actual expenditures appearing on the schedule are presented using the accrual basis of accounting.

THIS PAGE INTENTIONALLY BLANK

OTHER AUDITOR'S REPORT

THIS PAGE INTENTIONALLY BLANK



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

Board of Directors
Fresno County Zoo Authority
Fresno, 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, the general fund, and the aggregate remaining fund information of Fresno County Zoo Authority, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Fresno County Zoo Authority's basic financial statements, and have issued our report thereon dated December 18, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Fresno County Zoo Authority'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 Fresno County Zoo Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Fresno County Zoo Authority'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 Fresno County Zoo Authority'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.



CliftonLarsonAllen LLP

Fresno, California
December 18, 2025



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAglobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.