SIERRA JOINT COMMUNITY COLLEGE DISTRICT

FINANCIAL STATEMENTS

June 30, 2024

SIERRA JOINT COMMUNITY COLLEGE DISTRICT

FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Sierra Joint Community College District
Rocklin, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities, the fiduciary activities and the discretely presented component units of Sierra Joint Community College District (the "District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the fiduciary activities and the discretely presented component units of the Sierra Joint Community College District, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 13 and the Schedule of Changes in Net OPEB Liability, the Schedule of Money-Weighted Rate of Return of OPEB Plan Investments, the Schedule of the District's Proportionate Share of the Net Pension Liability, and the Schedule of the District's Contributions on pages 65 to 70 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

(Continued)

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditure 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* and other supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information, except for the Combining Statement of Net Position by Fund and Combining Statement of Revenues, Expenses, and Change in Net Position by Fund, has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards and other information as listed in the table of contents, except for the Combining Statement of Net Position by Fund and Combining Statement of Revenues, Expenses, and Change in Net Position by Fund, are fairly stated in all material respects in relation to the basic financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated December 11, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Crowe LLP

Crowe LLP

Sacramento, California
December 11, 2024

INTRODUCTION

This section of Sierra Joint Community College District's financial statements presents our discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2024. The discussion has been prepared by management and should be read in conjunction with the financial statements and notes, which follow this section.

The Sierra Joint Community College District was established in 1936, covers over 3,200 square miles and serves Placer, Nevada and parts of El Dorado and Sacramento counties. The District includes one comprehensive community college and two centers. Students may choose from 99 associate degree majors and 113 achievement or skill certificate programs, complete courses toward the first two years of a bachelor's degree program or pursue courses for professional or other purposes.

The District attained fiscal independence from Placer County Office of Education in 2008-2009. The application process required an extensive evaluation of our accounting controls to ensure they met the standards required by the Board of Governors. The District passed this evaluation and was granted fiscal independence by the Board of Governors effective July 1, 2009.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Sierra Joint Community College District's financial statements are presented in accordance with Governmental Accounting Standards Board (GASB) Statements No. 34, "*Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments and No. 35, Basic Financial Statements – and Management Discussion and Analysis - for Public College and Universities*". The following discussion and analysis provides an overview of the District's financial activities for the fiscal year ended June 30, 2024 and the intent of this discussion and analysis is to look at the District's financial performance as a whole. To provide a complete understanding of the District's financial standing, this analysis should be read in conjunction with the entire Independent Auditor's Report, particularly the District's financial statements, and the notes to the basic financial statements. The California Community College Chancellor's Office, through its Fiscal and Accountability Standards Committee, has recommended the Business Type Activity (BTA) model for financial reporting and the District has adopted the BTA reporting model for these financial statements.

As required, the annual report consists of three basic financial statements that provide information on the District as a whole:

- Statement of Net Position
- Statement of Revenues, Expenses and Change in Net Position
- Statement of Cash Flows

(Continued)

FINANCIAL HIGHLIGHTS

- Prior to the 2018-19 fiscal year, the District was primarily funded under an FTES-based funding model. Starting in 2018-19, a new funding model, the Student Centered Funding Formula (SCFF) was introduced that shifted allocations from enrollment-based funding to one that allocates resources based on student enrollment (70%), student demographics (20%) and student success (10%). In order to ease the transition to the new SCFF, the state provided several years of a funding guarantee called the 'Hold Harmless Provision'. The Hold Harmless funding provision is equal to a district's 2017-18 Total Computational Revenue adjusted for COLA and will continue through the 2024-25 fiscal year. In addition to the above-mentioned funding options, when the amount of property tax and student enrollment fee revenue received by the district exceed the state funding guarantee, the district becomes what is known as 'Community Supported' or 'Basic Aid'. The District receives and reports funding at the highest of the three funding options.

- The 2023-24 total General Fund revenues, excluding the recording of State On-Behalf payments of $3.73M were $165.9M compared to $176.7M earned in 2022-23, a decrease of $10.8M or 6.1%.

- Revenues for categorical programs and other grants in the Restricted General Fund decreased to $34.8M in 2023-24 from $52.2M in 2022-23, primarily due to having spent Covid -19 related grant programs in the prior year.

- The District's unrestricted fund balance, after commitments, leaves a 2023-24 ending fund balance of $29.3M or 15.9% of general fund expenditures. The Board of Trustees has adopted a goal to increase reserves to 16.7% of General Fund expenditures by September, 2025 in accordance with the Chancellor's Office recommendations.

- State On-behalf Pension contributions were calculated in the amount of $3.7M for 2023-24, comprised of $3.7M for CalSTRS and $0 for CalPERS, an increase of $421k as compared to 2022-23. Districts are required under GASB 24 to recognize the state's on-behalf contributions. These costs paid by the State of California are reflected in the benefit expenses and a corresponding amount of state revenue is also recorded resulting in no impact to fund balance.

- Health benefits expenses, for both employees and retirees increased by approximately $545k over the prior year. For employees hired before July 1, 1994, the District pays medical premiums upon retirement. The District has accounted for retiree benefits on a "pay-as-you-go basis." The Net OPEB Liability as of June 30, 2024, is $16.2M when considering $15.3M of assets held in a GASB 74 qualifying OPEB Trust. Accounting principles provide that the cost of retiree benefits should be accrued over employees' working lifetime. In accordance with this principle, GASB issued in June of 2015 Accounting Standards 74 and 75 for retiree health benefits. These standards apply to all public employers that pay any part of the cost of retiree health benefits for current or future retirees. The year ended June 30, 2017 marks the first year these Accounting Standards were applied to the financial statements.

- The District paid down principal of $14M in capital debt.

- The District is required to allocate 50 percent of unrestricted general fund expenses to classroom instructional costs (50 percent law). The District continues to be in compliance and has exceeded this requirement. In 2023-2024, the District expended 50.10% on classroom instructional compensation.

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Statement of Net Position

The Statement of Net Position includes all assets and liabilities using the accrual basis of accounting. Net position – the difference between assets and liabilities, is one way to measure the financial condition of the District. A summary of the Statement of Net Position as of June 30, 2024 and June 30, 2023 is shown below:

	2023-24	2022-23	Increase (Decrease)	Percent Change
ASSETS				
Current assets				
Cash and cash equivalents	$ 202,187,651	$ 208,724,644	$ (6,536,993)	-3.1%
Accounts receivable and other assets, net	6,052,594	6,036,697	15,897	0.3%
Total Current Assets	**208,240,245**	**214,761,341**	**(6,521,096)**	**-3.0%**
Noncurrent assets				
Restricted cash and cash equivalents	134,697,396	150,180,034	(15,482,638)	-10.3%
Notes receivable	0	0	-	#DIV/0!
Capital assets (net of depreciation)	353,873,558	298,034,627	55,838,931	18.7%
Total Noncurrent Assets	**488,570,954**	**448,214,661**	**40,356,293**	**9.0%**
TOTAL ASSETS	**696,811,199**	**662,976,002**	**33,835,197**	**5.1%**
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow of resources - loss on refunding	444,726	584,118	(139,392)	-23.9%
Deferred outflow of resources - OPEB	501,234	1,050,670	(549,436)	-52.3%
Deferred outflow of resources - pensions	35,606,178	20,483,406	15,122,772	73.8%
TOTAL ASSETS AND DEFERRED OUTFLOWS	**$ 733,363,337**	**$ 685,094,196**	**$ 48,269,141**	**7.0%**
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	$ 45,652,753	$ 26,607,390	$ 19,045,363	71.6%
Unearned revenue	30,297,675	48,542,010	(18,244,335)	-37.6%
Current portion of long-term obligations	19,651,377	18,468,975	1,182,402	6.4%
Total Current Liabilties	**95,601,805**	**93,618,375**	**1,983,430**	**2.1%**
Noncurrent liabilities				
Non-current portion of long-term obligations	349,376,515	359,533,280	(10,156,765)	-2.8%
Other long-term obligations	18,628,915	18,176,287	452,628	2.5%
Total Noncurrent Liabilties	**368,005,430**	**377,709,567**	**(9,704,137)**	**-2.6%**
TOTAL LIABILITIES	**463,607,235**	**471,327,942**	**(7,720,707)**	**-1.6%**
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pensions	8,705,000	22,003,000	(13,298,000)	-60.4%
Deferred inflows of resources - OPEB	0	0	0	#DIV/0!
Total Outflow of Resources	**8,705,000**	**22,003,000**	**(13,298,000)**	**-60.4%**
NET POSITION				
Net investment in capital assets	135,942,137	130,815,976	5,126,161	3.9%
Restricted for:				
Scholarships and loans	2,756	2,756	0	0.0%
Capital projects	204,459,251	230,407,047	(25,947,796)	-11.3%
Debt service	30,473,334	29,254,016	1,219,318	4.2%
Student Center, Clubs, Fee	2,262,260	2,365,848	(103,588)	100.0%
Unrestricted	(112,088,637)	(201,082,389)	88,993,752	-44.3%
TOTAL NET POSITION	**261,051,101**	**191,763,254**	**69,287,847**	**36.1%**
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	**$ 733,363,336**	**$ 685,094,196**	**$ 48,269,140**	**7.0%**

(Continued)

- Approximately 99% of the cash balance is cash deposited in the Placer County Treasury Pool and approximately 1% is cash deposited in local financial institutions. The Statement of Cash Flows contained within these financial statements provides greater detail regarding the sources and uses of cash and the net increase or decrease of cash during the fiscal year.

- The District receives cash unevenly throughout the year, as the main source of revenue is property taxes, which are collected and received in December and April. In the event the District has insufficient cash to meet its needs during the months immediately preceding December and April, the District arranges for Dry Period Financing through the Placer County Treasury. This form of borrowing is very efficient, flexible, and cost effective for the District given the relatively small amounts and short timeframes that an advance of cash might be needed to support operations.

- The majority of the accounts receivable balance is from student enrollment fees, federal and state grant programs and federal and state entitlement programs.

- Capital Assets, net of depreciation, are $354M, and a deferred loss on refunding of approximately $445k. Construction commitments for all capital projects at June 30, 2024 were $96.4M. See Note 5, Capital Assets, in the Notes to Basic Financial Statements for detailed information.

- At year-end, the District had $270.0M in General Obligation Bonds and associated unamortized bond premium and accreted interest, Certificates of Participation (COP), and Lease Obligations outstanding. The District continued to pay down its debt, retiring $16.1M of the COPs, capital leases, and bonds exclusive of debt refunding. See Note 7, Long-Term Liabilities in the Notes to Basic Financial Statements for detailed information.

- The District has adopted Governmental Accounting Standards Board Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* in 2016-17. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. GASB Statement 75 requires the liability of employers and non-employer contributing entities to employees, for defined benefit OPEB (net OPEB liability), to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position.

- The District engaged an actuarial service to calculate the Net OPEB Liability as of June 30, 2024, which was $16.2M, a decrease of $2.5M from June 30, 2023. The District has set aside funds to cover retiree health liabilities in a GASB 74 qualifying trust. The Fiduciary Net Position of this trust at June 30, 2024 was $15.2M, an increase of approximately $1.4M over June 30, 2023 when the balance was $13.9M. See Note 10 in the Financial Statements for additional detail.

- Compensated absences (accrued vacation not used at June 30), reflected as liability, totaled $2.4M.

(Continued)

- The District has three General Obligation Bonds and Ratings are based on the District's fiscal stability, and overall creditworthiness. The table below reflects the most recent rating assigned by the major rating agencies.

Credit Ratings	Standard & Poor's	Moody's
SFID #1 (Tahoe-Truckee Campus)	AA	Aaa
SFID #2 (Nevada County Campus)	AA	Aa1
SFID #4 (Rocklin Campus)	AA+	Aaa

Statement of Revenues, Expenses, and Change in Net Position

The Statement of Revenues, Expenses and Change in Net Position presents the operating results of the District, as well as the non-operating revenues and expenses.

	2023-24	2022-23	Increase (Decrease)	Percent Change
OPERATING REVENUES				
Net tuition & fees	$ 12,807,127	$ 10,609,276	$ 2,197,851	20.7%
Grants & contracts	72,180,808	135,871,545	(63,690,737)	-46.9%
Auxiliary	230,732	284,963	(54,231)	-19.0%
TOTAL OPERATING REVENUES	**85,218,667**	**146,765,784**	**(61,547,117)**	**-41.9%**
OPERATING EXPENSES				
Salaries	84,846,631	75,833,719	9,012,912	11.9%
Employee benefits	15,363,394	31,618,117	(16,254,723)	-51.4%
Supplies, materials & other	28,254,450	26,405,733	1,848,717	7.0%
Student financial aid & scholarships	39,266,706	29,746,356	9,520,350	32.0%
Utilities	3,843,564	3,699,368	144,196	3.9%
Depreciation	9,978,436	8,198,261	1,780,175	21.7%
TOTAL OPERATING EXPENSES	**181,553,181**	**175,501,554**	**6,051,627**	**3.4%**
NON-OPERATING & CAPITAL ACTIVITY				
State taxes & other revenues	9,455,820	11,242,321	(1,786,501)	-15.9%
Local property taxes & revenues	132,846,321	128,183,598	4,662,723	3.6%
Federal grants and contracts, non-capital	-	8,031,947	(8,031,947)	100.0%
Pell grants	20,505,483	15,538,140	4,967,343	32.0%
Investment income	10,414,329	4,297,418	6,116,911	142.3%
Interest expense	(8,236,557)	(6,796,304)	(1,440,253)	21.2%
Other Non-Operating Revenue	644,858	570,816	74,042	13.0%
Loss on disposal of capital asset	(7,893)	(329,562)	321,669	-97.6%
TOTAL NON-OPERATING & CAPITAL ACTIVITY	**165,622,361**	**160,738,374**	**4,883,987**	**3.0%**
CHANGE IN NET POSITION	69,287,847	132,002,604	(62,714,757)	-47.5%
BEGINNING NET POSITION	191,763,254	59,760,650	132,002,604	220.9%
ENDING NET POSITION	**$ 261,051,101**	**$ 191,763,254**	**$ 69,287,847**	**36.1%**

(Continued)

The primary operating revenues are from local property taxes, grants and contracts, and student tuition and fees. The primary operating expense of the District are salaries and benefits paid to instructional and classified support staff, and student aid.

- The major components of tuition and fees are the $46 per unit enrollment fee that is charged to all students registering for classes and the additional $414 per unit fee that is charged to all non-resident students. Net tuition and fees increased by approximately $2.2M or 20.7%. This increase is related to the return of students as we recover from the impact of COVID-19.

- Apportionment Funding: The 2023-2024 funding formula revenues for the unrestricted general fund reflect an increase over the 2022-2023 fiscal year. 2022-2023 revenues from the state funding formula totaled approximately $107.3M and increased to approximately $116.1M for 2023-2024. This represents a $8.8M or 8.2% total increase.

- The interest income is primarily the result of earnings on cash held at the Placer County Treasury.

- Expenses for employee salaries and statutory benefits decreased by $7.2M from 2022-23 or 7.2%. The decrease is due to a $20.0M reduction of pension expense related to GASB 68 pension costs and GASB 75 OPEB costs from 2022-23, and a reduction of $0.8M in one-time payments to staff ($1.7M in 2023-24 vs $2.5M in 2022-23). This was partially offset by increases which include step, column, longevity, CalPERS rate increases, and an 8% on schedule salary increase, and State on behalf expenses for CalSTRS increased by $421k from 2022-23. The percentage of personnel costs compared to total operating expenses is 53.7%.

- During the 2023-24 fiscal year, assets worth $89.0M were placed in service and $58.6M were added to construction in progress, while $86k net of accumulated depreciation were retired. Depreciation expense increased to $10.0M. The District uses the straight line, mid-year convention.

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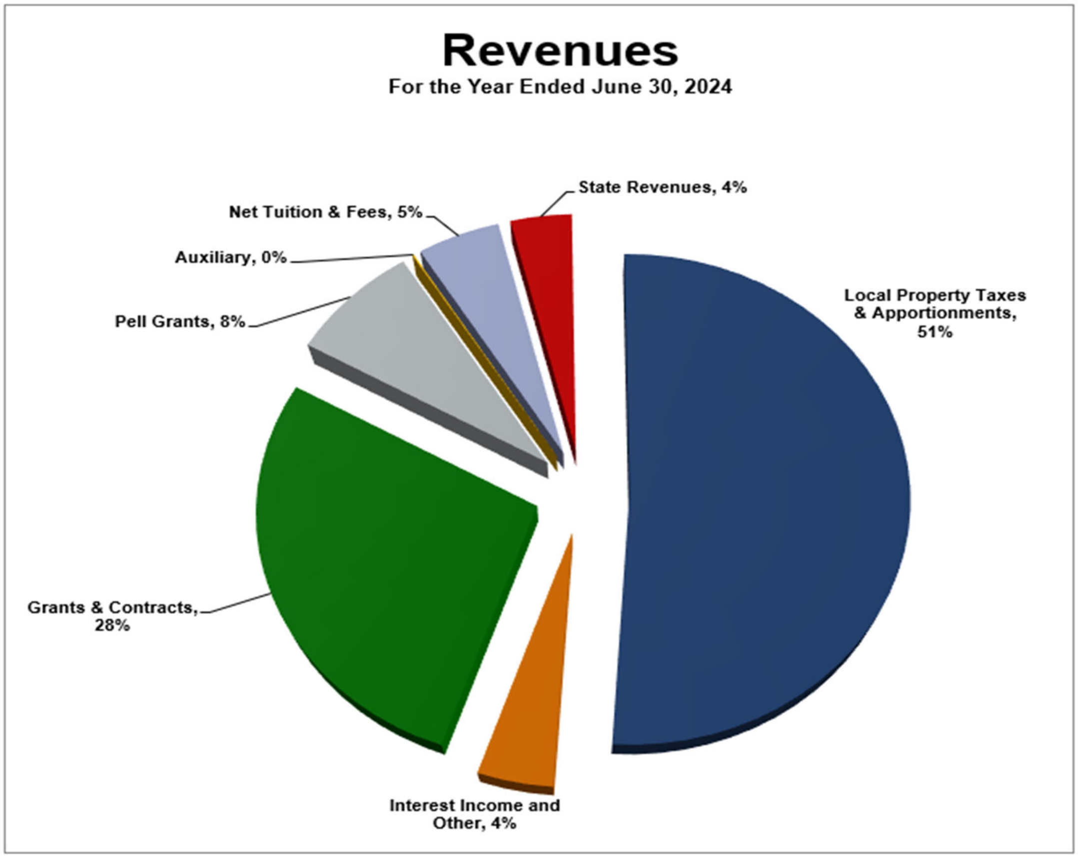

Revenues
For the Year Ended June 30, 2024
State Revenues, 4%
Net Tuition & Fees, 5%
Auxiliary, 0%
Pell Grants, 8%
Local Property Taxes & Apportionments, 51%
Grants & Contracts, 28%
Interest Income and Other, 4%

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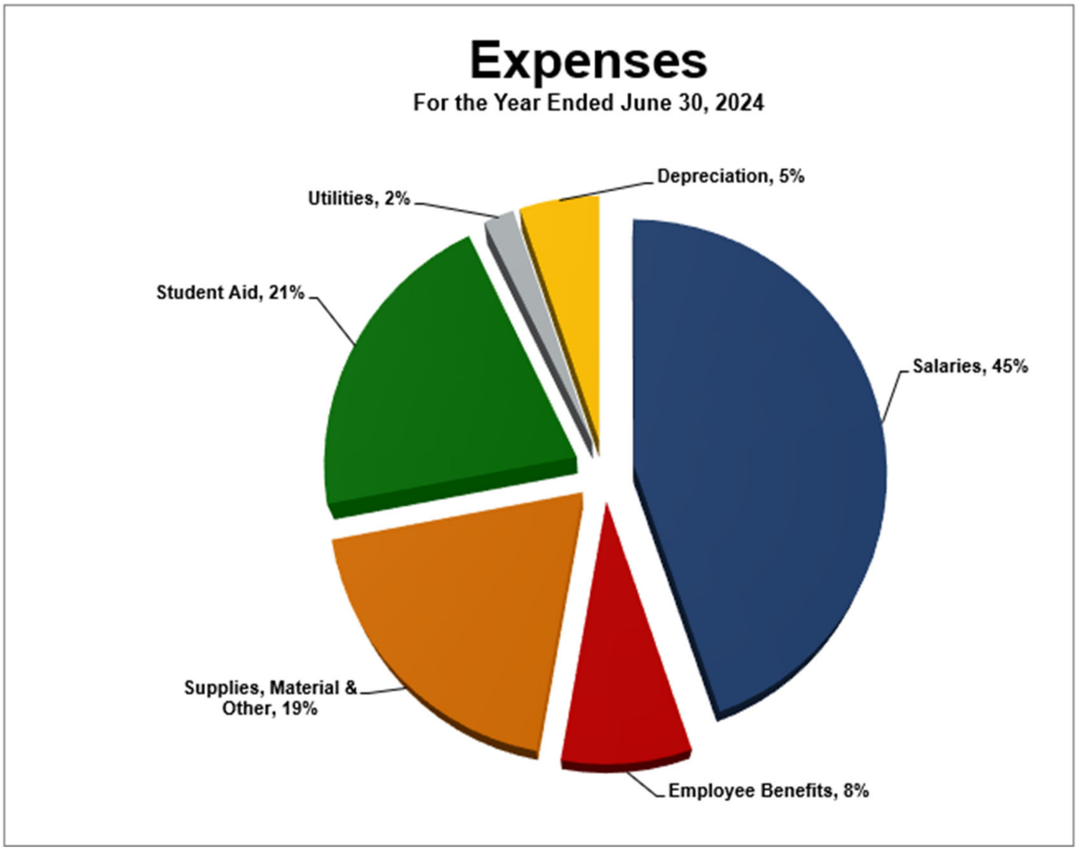

Statement of Cash Flows

The Statement of Cash Flows provides information about cash receipts and cash payments during the fiscal year. The statement also helps users assess the District's ability to generate positive cash flows, meet obligations as they come due and the need for external financing.

A summary of the Statement of Cash Flows for the years ended June 30, 2024 and June 30, 2023 is shown below.

	2023-24	2022-23	Increase (Decrease)	Percent Change
NET CASH PROVIDED BY (USED IN)				
Operating activities	$ (123,946,667)	$ (4,141,006)	$ (119,805,661)	2893.2%
Non-capital financing activities	141,413,517	140,329,356	1,084,161	0.8%
Capital and related financing activites	(45,209,120)	10,698,995	(55,908,115)	-522.6%
Investing activities	5,722,639	2,524,891	3,197,748	126.6%
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(22,019,631)**	**149,412,236**	**(171,431,867)**	**-114.7%**
CASH BALANCE, BEGINNING OF YEAR	**358,904,678**	**209,492,442**	**149,412,236**	**71.3%**
CASH BALANCE, END OF YEAR	**$ 336,885,047**	**$ 358,904,678**	**$ (22,019,631)**	**-6.1%**

(Continued)

- Operating activities includes tuition and fees, grants and operating payments. Net cash used increased by $119.8M to $123.9M. The increase is largely due to the $80.5M grant received in 2022-23 for the student housing building project. Increases in payments to suppliers, to/on behalf of employees and students, which were slightly offset by an increase in tuition and fees.

- There is consistent significant cash in-flow in non-capital financing activities which includes property taxes, Pell grants, and local revenues. Property taxes continue to increase and are $111M, an increase of $6.0M from 2022-23. Federal grants decreased $8M driven by reduced funding from HEERF and COVID-19 aid in returning students to classes, both in-person and remotely.

- Capital and related financing activities correlate to bond issuances and redemptions. Measure E Series C bonds were issued in June 2023 and provided $63M in funding to support the bond construction program. Construction projects and spending of capital debt are also reported in capital and related financing activities. $9.9M was invested in capital assets funded by Measure E during 2023-24.

- Cash flow is adequate for a medium size district; the District participates in the Placer County Treasury investment pool to maximize interest earnings on unspent cash and minimize risk.

A LOOK FORWARD

General Revenue Outlook: Despite future economic uncertainty, funding levels provided from the State to California's 73 community college districts in 2024-25 remains steady. The State Budget provided a slight increase of approximately $141M in additional ongoing funding to the community colleges.

On-Schedule Salary Increase: The District negotiated with employee bargaining groups to provide an on-schedule salary increase of 2.4% (2.86% for part-time faculty) effective July 2024 and an off-schedule, one-time payment of approximately 3% to be paid in November 2024. The District's labor-relations climate remains generally collaborative and positive.

Community Supported Status: The District receives most of its revenues from local property tax and student fee revenues. Funding received from these sources exceeds the District's allocation under the state's community college funding formula, making the District what is known as "community supported" or "basic aid." Under state law, the District keeps the funding above the state's formula calculation, as these revenues are generated locally and cannot be taken by the state. Because of the relative stability of local property tax revenues compared to the more volatile capital gains-driven state revenues, the District benefits from greater fiscal stability than most other community college districts. The District became community supported in 2019-20 when local revenues exceeded its eligibility for funding under the community college funding formula (Student Centered Funding Formula or SCFF).

Major Expenditure Items: Given the District's conservative approach to allocating surplus revenues and in keeping with the District's policy of utilizing Community Support revenues for one-time purposes the 2024-25 budget includes the following increases over prior-year levels (amounts are ongoing unless otherwise noted):

• Transfer Community Support revenue to construction projects (one-time)	$9.2M
• On-schedule employee salary increase	$2.1M
• Additional staffing/employee reclassifications	$1M
• Dual enrollment ISAs	$129k

(Continued)

• Health & welfare increases	$327k
• Retiree health & welfare increases	$300k

Student Enrollment: Like community colleges across the state, the District's enrollments declined by almost 20 percent during and immediately following the pandemic. There are a number of reasons for this and include increased wages for entry-level jobs as well as the negative impacts of the pandemic on family structures, housing, and health. Because of our community supported status, this enrollment decline does not reduce funding levels, but our mission calls on us to serve the educational needs of our community. Accordingly, the District is actively working to recover lost enrollments through outreach campaigns, augmenting student financial aid, and adjusting course offerings and modalities (online vs. in-person formats). We are starting to see increases in enrollments compared to the recent low-point, with a year-over-year increase of approximately 10 percent in 2023-24.

Major Progress on Bond-Funded Construction Program: In June 2018, local voters approved Measure E, a $350M facilities bond to fund improvements on the Rocklin Campus. These monies, along with state facilities funding, other district funds, and proceeds from development of surplus property, will support an extensive program of new construction and modernization projects covering the entire campus. Since passage of Measure E, the District has been working intensively to implement this construction program. Highlights of progress to date include:

- Completion of a $49.9M, 1,501 car parking garage, on time and under budget
- Completion of a $5.0M renovation of the Student Union and cafeteria kitchen
- Completion of a $1.8M renovation of the N Building (career technical education)
- Completion of a $26.8M Infrastructure project to replace/upgrade all campus utilities, ahead of schedule and under budget
- Completion of a $69.6M New Instructional Building that will house roughly three-quarters of lecture space on Rocklin Campus
- Continued progress with Gym Modernization project (no Measure E funds used) with an expected completion date of Spring 2025
- Continued progress with the Student Housing project (no Measure E funds used) with an expected completion date of Fall 2025
- Award of over $160M in state funding for: the Gym Modernization project ($28.8M), New Science Building ($29.8M); Applied Technology Center ($21.3M); and Student Housing ($80.5M).

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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

Sierra Joint Community College District
Mr. David Martin
Vice President-Administrative Services
5100 Sierra College Boulevard
Rocklin, CA 95677

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
STATEMENT OF NET POSITION
June 30, 2024

ASSETS		
Current assets		
Cash and cash equivalents	$	202,187,651
Receivables, net		5,653,937
Inventory		42,064
Prepaid expenses		356,592
Total current assets		208,240,244
Noncurrent assets		
Restricted cash, cash equivalents and investments		134,697,396
Non-depreciable capital assets		95,225,794
Depreciable capital assets, net		256,897,910
Leased assets, net		1,749,854
Total noncurrent assets		488,570,954
Total assets		696,811,198
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources - loss on refunding		444,726
Deferred outflows of resources - OPEB		501,234
Deferred outflows of resources - pensions		35,606,178
Total deferred outflows of resources		36,552,138
Total assets and deferred outflows	$	733,363,336
LIABILITIES		
Current liabilities		
Accounts payable	$	37,041,255
Unearned revenue		30,297,675
Accrued payroll		5,405,605
Compensated absences payable		2,417,488
Long-term debt - current portion		16,785,509
Accrued interest on debt		3,205,893
Lease liabilities		448,380
Total current liabilities		95,601,805
Noncurrent liabilities		
Accreted interest on bonds		18,628,915
Long-term debt - noncurrent portion		349,376,515
Total noncurrent liabilities		368,005,430
Total liabilities		463,607,235
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources - pensions		8,705,000
NET POSITION		
Net investment in capital assets		135,942,137
Restricted for		
Scholarships and loans		2,756
Capital projects		204,459,251
Debt services		30,473,334
Students		2,262,260
Unrestricted		(112,088,637)
Total net position		261,051,101
Total liabilities, deferred inflows and net position	$	733,363,336

See accompanying notes to the basic financial statements.

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
DISCRETELY PRESENTED COMPONENT UNIT
SIERRA COLLEGE FOUNDATION
(A Nonprofit Organization)
STATEMENT OF FINANCIAL POSITION
June 30, 2024

ASSETS	
Cash and cash equivalents	$ 699,213
Investments	18,035,494
Prepaid expenses	17,350
Receivables	57,564
Total assets	$ 18,809,621
LIABILITIES	
Accounts payable and accrued expenses	$ 132,139
Total liabilities	132,139
NET ASSETS	
Net assets, without donor restriction	5,292,624
Net assets, with donor restriction	13,384,858
Total net assets	18,677,482
Total liabilities and net assets	$ 18,809,621

See accompanying notes to the basic financial statements.

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
DISCRETELY PRESENTED COMPONENT UNIT
SIERRA COLLEGE ENTERPRISE SERVICES
(A Nonprofit Organization)
STATEMENT OF NET POSITION
June 30, 2024

ASSETS	
Cash and cash equivalents	$ 15,522,467
Receivables	166,419
Total assets	$ 15,688,886
NET POSITION	
Unrestricted	15,688,886
Total net position	$ 15,688,886

See accompanying notes to the basic financial statements.

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
For the Year Ended June 30, 2024

Operating revenues	
Tuition and fees	$ 20,169,197
Less: fee waivers and allowances	(7,362,070)
Net tuition and fees	12,807,127
Grants and contracts, non-capital	
Federal	7,221,366
State	62,003,793
Local	2,955,649
Auxiliary enterprise sales and charges	230,732
Total operating revenues	85,218,667
Operating expenses	
Salaries	84,846,631
Employee benefits	15,363,394
Supplies, materials, and other operating expenses and services	28,254,450
Student financial aid and scholarships	39,266,706
Utilities	3,843,564
Depreciation and amortization	9,978,436
Total operating expenses	181,553,181
Loss from operations	(96,334,514)
Non-operating revenues (expenses)	
State apportionment, non-capital	1,409,132
Local property taxes	110,911,269
State taxes and other revenues	8,046,688
Pell grants	20,505,483
Investment income, noncapital	5,722,639
Other non-operating revenues	644,858
Loss on disposal of capital asset	(7,893)
Total non-operating revenues (expenses)	147,232,176
Gain before capital revenues	50,897,662
Capital revenues (expense)	
Local property taxes and revenues	21,935,052
Interest expense on capital asset-related debt	(8,236,557)
Investment income, capital	4,691,690
Total capital revenues (expense)	18,390,185
Change in net position	69,287,847
Net position, July 1, 2023	191,763,254
Net position, June 30, 2024	$ 261,051,101

See accompanying notes to the basic financial statements.

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
DISCRETELY PRESENTED COMPONENT -
SIERRA COLLEGE FOUNDATION
(A Nonprofit Organization)
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

	Without Donor Restriction	With Donor Restriction	Total
Revenues, gains and other support:			
Contributions and grants	$ 67,814	$ 2,283,400	$ 2,351,214
Investment income	132,153	203,877	336,030
Realized gain on sale of investments	95,364	359,375	454,739
Net unrealized gain on investments	570,457	483,574	1,054,031
Donated from the College District - in-kind	179,657	-	179,657
Administrative service fee	145,000	-	145,000
Special events and other revenues	688,432	192,880	881,312
Total revenues, gains and other support before assets released from restrictions	1,878,877	3,523,106	5,401,983
Net assets released from restrictions	924,089	(924,089)	-
Total revenues, gains and other support	2,802,966	2,599,017	5,401,983
District support and Foundation expenses:			
Scholarships	377,933	-	377,933
Academic program support	640,610	-	640,610
Administration	406,886	-	406,886
Fundraising	361,756	-	361,756
Total District support and Foundation expenses	1,787,185	-	1,787,185
Change in net assets	1,015,781	2,599,017	3,614,798
Net assets, July 1, 2023	4,276,843	10,785,841	15,062,684
Net assets, June 30, 2024	$ 5,292,624	$ 13,384,858	$ 18,677,482

See accompanying notes to the basic financial statements.

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
DISCRETELY PRESENTED COMPONENT -
SIERRA COLLEGE ENTERPRISE SERVICES
(A Nonprofit Organization)
STATEMENT OF REVENUES, EXPENSES,
AND CHANGE IN NET POSITION
For the Year Ended June 30, 2024

Non-operating revenues:	
Gain on sale of assets	$ 15,501,878
Investment income	187,008
Total non-operating revenues	15,688,886
Change in net position	15,688,886
Net position, July 1, 2023	-
Net position, June 30, 2024	$ 15,688,886

See accompanying notes to the basic financial statements.

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2024

Cash flows from operating activities	
Tuition and fees	$ 12,877,246
Federal, state and local grants and contracts	53,665,648
Payments to suppliers	(31,798,476)
Payments to/on behalf of employees	(119,657,746)
Payments to/on behalf of students	(39,264,071)
Auxiliary enterprises sales and charges	230,732
Net cash used in operating activities	(123,946,667)
Cash flows from noncapital financing activities	
State apportionments and receipts	1,409,132
Pell grants	20,505,483
Local property taxes	110,911,269
State taxes and other revenues	8,046,688
Gifts and grants for other than capital purposes	540,945
Net cash provided by noncapital financing activities	141,413,517
Cash flows from capital and related financing activities	
Local property taxes and other revenues for capital purposes	21,935,052
Proceeds from sales of capital assets	103,913
Purchase of capital assets	(48,818,170)
Principal paid on capital debt	(14,360,175)
Interest paid on capital debt, net	(8,761,430)
Interest on capital investments	4,691,690
Net cash used in capital and related financing activities	(45,209,120)
Cash flows provided by investing activities	
Interest income on investments	5,722,639
Net change in cash and cash equivalents	(22,019,631)
Cash and cash equivalents, beginning of year	358,904,678
Cash and cash equivalents, end of year	$ 336,885,047

(Continued)

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2024

Reconciliation of loss from operations to net cash used in operating activities	
Loss from operations	$ (96,334,514)
Adjustments to reconcile loss from operations to net cash used in operating activities	
Depreciation expense	9,978,436
Changes in assets and liabilities:	
Receivables, net	(74,171)
Inventory and prepaid expenses	58,275
Deferred outflows of resources - OPEB	549,436
Deferred outflows of resources - pensions	(15,122,772)
Accounts payable	117,363
Accrued payroll	424,542
Unearned revenue	(18,244,335)
Compensated absences	172,677
Net OPEB liability	(2,497,604)
Net pension liability	10,324,000
Deferred inflows of resources - pensions	(13,298,000)
Deferred inflows of resources - OPEB	-
Net cash used in operating activities	$ (123,946,667)
Supplementary disclosure of non-cash transactions	
Amortization of premiums on debt	$ 786,305
Amortization of deferred loss on refunding	139,392
Accretion of interest	1,692,620
Additions to capital assets in accounts payable	19,091,922
Reduction of lease liability and lease asset due to lease cancellation	1,042,416

See accompanying notes to the basic financial statements.

DISCRETELY PRESENTED COMPONENT UNIT - SIERRA COLLEGE FOUNDATION
(A Nonprofit Organization)
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2024

Cash flows from operating activities	
Donations received from contributions and other revenues	$ 3,358,978
Contributions and other revenue restricted for long term investments	(1,910,176)
Payments to suppliers for goods and services	(903,950)
Payments to/on behalf of employees	(391,016)
Payments to/on behalf of students	(377,933)
Other receipts and payments	413,321
Net cash provided by operating activities	189,224
Cash flows from investing activities	
Purchase of investments	(11,120,116)
Investment management fees	(77,291)
Proceeds from sales of investments	9,030,021
Net cash used in investing activities	(2,167,386)
Cash flows provided by financing activities	
Contributions and other revenue restricted for long term investments	1,910,176
Net cash provided by financing activities	1,910,176
Net change in cash and cash equivalents	(67,986)
Cash and cash equivalents - beginning of year	767,199
Cash and cash equivalents - end of year	$ 699,213
Reconciliation of change in net assets to net cash provided by operating activities:	
Change in net assets	$ 3,614,798
Realized gain on sales of investments	(454,739)
Investment management fees	77,291
Net change in the fair value of investments	(1,054,031)
Contributions and other revenue restricted for long term investments	(1,910,176)
Changes in assets and liabilities:	
Receivables	(16,948)
Prepaid expenses	(1,600)
Accounts payable and accrued expenses	(65,371)
Net cash provided by operating activities	$ 189,224

See accompanying notes to the basic financial statements.

STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2024

Cash flows from investing activities	
Interest received	$ 20,589
Net cash provided by investing activities	20,589
Cash flows from capital and related financing activities	
Proceeds from sales of capital assets	15,501,878
Net cash provided by capital and related financing activities	15,501,878
Net change in cash and cash equivalents	15,522,467
Cash and cash equivalents - beginning of year	-
Cash and cash equivalents - end of year	$ 15,522,467

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
TRUST FUND
June 30, 2024

	OPEB Trust
ASSETS	
Cash and cash equivalents	$ 3,369,871
Investments	
Mutual Fund - Equities	6,219,518
Mutual Fund - Fixed Income	8,347,764
Mutual Fund - Real Estate	689,491
Total assets	18,626,644
LIABILITIES	
Accounts payable	3,369,871
NET POSITION	
Net position restricted for OPEB	$ 15,256,773

See accompanying notes to the basic financial statements.

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
TRUST FUND
For the Year Ended June 30, 2024

		OPEB Trust
Additions and return on investment		
Net investment return:		
Net change in the fair value of plan investments	$	1,343,816
Net realized gains and losses on sale of investments		(437,991)
Interest and dividends		553,528
Total net investment return		1,459,353
Contributions		
Employer		2,880,154
Employer match		10,301
Plan member		10,301
Total additions and return on investment		4,360,109
Deductions:		
Benefits paid - employer		2,880,154
Administrative expenses		108,216
Total deductions		2,988,370
Net decrease in fiduciary net position		1,371,739
Net position restricted for OPEB, July 1, 2023		13,885,034
Net position restricted for OPEB, June 30, 2024	$	15,256,773

See accompanying notes to the basic financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: Sierra Joint Community College District (the "District") is a political subdivision of the State of California and provides educational services to the local residents of the surrounding area. While the District is a political subdivision of the State, it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board ("GASB") Codification Section (Cod. Sec) 2100.101. The District is classified as a state instrumentality under Internal Revenue Code Section 115.

The decision to include potential component units in the reporting entity was made by applying the criteria set forth in accounting principles generally accepted in the United States of America (GAAP) and GASB Cod. Sec. 2100.101. The three criteria for requiring a legally separate, tax-exempt organization to be presented as a component unit are the "direct benefit" criterion, the "entitlement/ability to access" criterion, and the "significance" criterion. The District identified the Sierra Community College Financing Corporation (the "Financing Corporation"), the Sierra College Foundation (the "Foundation"), and the Sierra College Enterprise Services (the "SCES") as its potential component units.

The Financing Corporation is an organization whose activities to date have been limited to the issuance of Certificates of Participation and entering into lease arrangements with the District as discussed in Note 7. The District and the Financing Corporation have financial and operational relationships which met the reporting entity definition of GASB Cod. Sec. 2100.101 for inclusion of the Financing Corporation as a component unit of the District. Accordingly, the financial activities of the Financing Corporation have been blended with the financial statements of the District. The Financing Corporation had no activity for the year ended June 30, 2024.

The Foundation is a non-profit, tax-exempt organization dedicated to providing financial benefits generated from fundraising efforts and investment earnings to the District. The funds contributed by the Foundation to the benefit of the District are significant to the District's financial statements. The District applied the criteria for identifying component units in accordance with GASB Cod. Sec. 2100.138 and therefore, the District has classified the Foundation as a component unit that will be discretely presented in the District's financial statements.

The SCES is a separately incorporated governmental not-for-profit, tax-exempt auxiliary organization dedicated to providing various support functions of the District as specifically outlined in applicable laws and regulations. The funds held by the SCES to the benefit of the District are significant to the District's financial statements. The District applied the criteria for identifying component units in accordance with GASB Cod. Sec. 2100.138 and therefore, the District has classified the SCES as a component unit that will be discretely presented in the District's financial statements.

Copies of the Foundation's and the SCES' annual financial report may be obtained from the District Business Office, 5100 Sierra College Blvd., Rocklin, California 95677.

Basis of Presentation and Accounting: For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities as defined by GASB. Under this model, the District's financial statements provide a comprehensive entity-wide perspective of the District's financial position and activities. Accordingly, the District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when the obligation has been incurred. All significant intra-agency transactions have been eliminated. The SCES follows the same basis of presentation and accounting as the District.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary funds for which the District acts only as an agent or trust are not included in the business-type activities of the District. These funds are reported in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position at the fund financial statement level.

The Foundation's financial statements are prepared on the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recognized when they are incurred in accordance with accounting principles generally accepted in the United States of America. Recognition of contributions is dependent upon whether the contribution is restricted or unrestricted. Net assets are classified on the Statement of Financial Position as net assets without donor restriction or net assets with donor restriction based on the absence or existence of donor-imposed restrictions. The Foundation's statements were prepared in accordance with the pronouncements of the Financial Accounting Standards Board ("FASB"). As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the District's report for these differences.

Cash and Cash Equivalents: For the purposes of the financial statements, cash equivalents are defined as financial instruments with an original maturity of three months or less. Funds invested in the Placer County Treasury are considered cash equivalents.

Restricted Cash, Cash Equivalents and Investments: Cash that is externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other noncurrent assets, is classified as non-current assets in the statement of net position.

Fair Value of Investments and Investment Pools: The District records its investment in Placer County Treasury at fair value. Changes in fair value are reported as revenue in the Statement of Revenues, Expenses and Change in Net Position. The fair value of investments, including the Placer County Treasury external investment pool, at June 30, 2024 approximated their carrying value. Foundation investments in debt and equity securities are carried at fair value. Realized gains and losses and unrealized appreciation (depreciation) of those investments are reflected in the Statement of Activities. Fair values of investments in county and State investment pools are determined by the pool sponsor.

Receivables: Receivables consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty and staff, the majority of each residing in the State of California. Receivable also include amounts due from the Federal Government, State and Local Governments, or private sources, in connection with reimbursements of allowable expenditures made pursuant to the District's grants and contracts. The District provides an allowance for doubtful accounts as an estimation of amounts that may not be received. The allowance is based on management's estimates and historical analysis.

Foundation receivables consist of unconditional promises to give. Unconditional promises to give are expected to be collected within one year and are recorded at net realizable value. The Foundation utilizes the allowance method for accounting for uncollectible receivables. No allowance was necessary at June 30, 2024.

Inventory: Inventories are determined on the first-in, first-out (FIFO) method and are stated at the lower of cost or market.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets: Capital assets are recorded at cost at the date of acquisition or, if donated, at acquisition value for the contributed assets, except for intangible right-to-use lease assets, the measurement of which is discussed in the 'Leases" note below. For equipment, the District's capitalization policy includes all items with a unit cost of $5,000 or more and estimated useful life of greater than one year. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 50 years for buildings, 25 years for portable buildings, 20 years for site and building improvements, 5-20 years for equipment and vehicles, and 5 years for technology equipment, such as computers.

Leases: The District is a lessee for leases of property and equipment. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The District recognizes lease liabilities with an initial, individual value of $500,000 or more.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Amortization is computed using the straight-line method over the estimated useful life or remaining lease term. Buildings are amortized over 3.5 years which represents the years remaining on the lease upon adoption of GASB Statement No. 87 on July 1, 2021. Site improvements are amortized over 15 years which represents the useful life of the improvements upon initial capitalization as a capitalized lease, which was reclassified to a financing lease upon adoption of GASB Statement No. 87.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term liabilities on the statement of net position.

Compensated Absences: Compensated absences costs are accrued when earned by employees. Accumulated unpaid employee vacation benefits are recognized at year-end as liabilities of the District.

Accumulated Sick Leave: Normal sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expenditure or expense in the period taken since such benefits do not vest nor is payment probable.

Unearned Revenue: Revenue from Federal, State and local special projects and programs is recognized when qualified expenditures have been incurred. Tuition, fees and other support received but not earned are recorded as unearned revenue until earned.

Postemployment Benefits Other Than Pensions (OPEB): For purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Sierra Joint Community College District's Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and interest-earning investment contracts that are reported at cost. There is not a separately issued report of the plan.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources: In addition to assets, the Statement of Net Position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s), and as such will not be recognized as an outflow of resources (expense/expenditures) until then. The District has recognized a deferred loss on refunding reported in the Statement of Net Position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter life of the refunded or refunding debt. Additionally, the District has recognized a deferred outflow of resources related to the recognition of the pension liability and OPEB liability reported in the Statement of Net Position.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and as such, will not be recognized as an inflow of resources (revenue) until that time. The District has recognized a deferred inflow of resources related to the recognition of the pension liability and OPEB liability reported which is in the Statement of Net Position.

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 State Teachers' Retirement Plan (STRP) and Public Employers Retirement Fund B (PERF B) and additions to/deductions from STRP's and PERF B's fiduciary net position have been determined on the same basis as they are reported by STRP and PERF B. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Certain investments are reported at fair value.

The following is a summary of pension amounts in aggregate:

	CalSTRS	CalPERS	Total
Deferred outflows of resources	$ 17,710,239	$ 17,895,939	$ 35,606,178
Deferred inflows of resources	$ 5,786,000	$ 2,919,000	$ 8,705,000
Net pension liability	$ 45,982,000	$ 53,112,000	$ 99,094,000
Pension expense	$ 9,947,007	$ 7,661,419	$ 17,608,426

Net Position: The District's net position is classified as follows:

Net investment in capital assets: This represents the District's total investment in capital assets and leased assets, net of associated outstanding debt obligations and lease liabilities related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted net position: Restricted expendable net position includes resources in which the District is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties. Nonexpendable restricted net position consist of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity and invested for the purpose of producing present and future income, which may either be expended or added to principal. At June 30, 2024, there is no balance of nonexpendable restricted net position.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unrestricted net position: Unrestricted net position represents resources derived from student tuition and fees, State apportionments, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the District or SCES, respectively, and may be used at the discretion of the governing board to meet current expenses for any purpose.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the District or SCES, respectively, typically first applies the expense toward restricted resources, then to unrestricted resources. This practice ensures fully utilizing restricted funding each fiscal year.

Net Assets: The Foundation’s net assets are classified as follows:

Net assets without donor restriction - Net assets not subject to donor-imposed stipulations.

Net assets with donor restriction - Net assets consisting of cash and other assets received with donor stipulations that limit the use of the donated assets or that are nonexpendable and consist of endowment and similar type funds in which the donor has stipulated as condition of the gift, that the principal be maintained in perpetuity. When a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the Statement of Activities as net assets released from restrictions.

The Foundation’s endowment currently consists of funds established for the purpose of supporting education at the District. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of the gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard prudence prescribed by UPMIFA.

The Foundation follows its adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specific period(s) as well as board-designated funds.

The investment objective is to optimize earnings on all invested funds, while maintaining the preservation of capital. Risk will be minimized by investing in high quality fixed income instruments. To the extent that corporate obligations are purchased, those purchases will be diversified in terms of issuer and industry sector.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

State Apportionments: Certain current year apportionments from the State are based on various financial and statistical information of the previous year. Any prior year corrections due to a recalculation will be recorded in the year computed by the State.

Classification of Revenue: The District has classified its revenues as either operating or nonoperating revenues. Certain significant revenue streams relied upon for operations are recorded as nonoperating revenues, as defined by GASB Cod. Sec. Co5.101 including State appropriations, local property taxes, and investment income. Nearly all the District's expenses are from exchange transactions. Revenues and expenses are classified according to the following criteria:

Operating revenues and expenses: Operating revenues and expenses include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of fee waivers and allowances, (2) sales and services of auxiliary enterprises, and (3) most Federal, State and local grants and contracts and Federal appropriations. All expenses are considered operating expenses except for interest expense on capital asset related debt.

Nonoperating revenues and expenses: Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as Pell grants, gifts and contributions, and other revenue sources described in GASB Cod. Sec. Co5.101, such as State appropriations and investment income. Interest expense on capital related debt is the only non-operating expense.

Contributions: Contributions are recognized as revenues in the period received. Unconditional promises to give (pledges) are recognized as revenue when the commitment is communicated to the Foundation. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are met. Contributions of assets other than cash are recorded at their estimated fair value at the date of donation. Contributions are considered available for unrestricted use unless specifically restricted by the donor. Event revenues received in advance are unearned and recognized in the period as the events occur.

Fee Waivers: Student tuition and fee revenue are reported net of the Board of Governors fee waivers in the Statement of Revenues, Expenses and Change in Net Position. Certain governmental grants, and other federal, state and nongovernmental programs are recorded as operating revenues, while Federal Pell Grants are classified as non-operating revenues in the District's financial statements.

Property Taxes: Secured property taxes attach as an enforceable lien on property as of March 1, and are payable in two installments on December 10 and April 10. Unsecured property taxes are payable in one installment on or before August 31. The Placer, Nevada, Sacramento, Yuba and El Dorado Counties each bill and collect taxes for the District. Tax revenues are recognized by the District when received.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Accordingly, actual results may differ from those estimates.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tax Status of the Foundation: The Foundation is a nonprofit public benefit corporation exempt from federal income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. The Foundation has been classified as an organization that is not a private foundation and has been designated as a “publicly supported” organization. Contributions to the Foundation are deductible under Section 170(c)(2). The Foundation believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Foundation does not expect the total amount of unrecognized total benefits to significantly change in the next 12 months. Interest and penalties on tax assessments are classified as an expense when incurred. For the year ended June 30, 2024, the Foundation did not incur any interest or penalties.

The Foundation would recognize interest and penalties related to unrecognized tax benefits in tax expense. During the year ended June 30, 2024, the Foundation did not recognize any interest or penalties. The Foundation files exempt organization returns in the U.S. Federal and California jurisdictions. The returns remain subject to examination by the U.S. Federal jurisdiction for three years after the return is filed and for four years by the California jurisdiction. There are currently no tax years under examination.

Tax Status of the SCES: The SCES is a nonprofit public benefit corporation exempt from federal income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. The SCES has been classified as an organization that is not a private foundation and has been designated as a “publicly supported” organization. The SCES believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The SCES does not expect the total amount of unrecognized total benefits to significantly change in the next 12 months. Interest and penalties on tax assessments are classified as an expense when incurred. For the year ended June 30, 2024, the SCES did not incur any interest or penalties.

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash, cash equivalents and investments at June 30, 2024, consisted of the following:

	District	Foundation	SCES	Trust Fund
Pooled funds				
Cash in County Treasury	$ 305,176,035	$ -	$ -	$ -
Deposits				
Cash on hand and in banks	1,317,061	699,213	15,522,467	3,369,871
Funds invested by Fiscal Agents	30,391,951	-	-	-
Investments	-	18,035,494	-	15,256,773
Total cash, cash equivalents and investments	336,885,047	18,734,707	15,522,467	18,626,644
Less: restricted cash, cash equivalents and investments	134,697,396	-	-	-
Net cash, cash equivalents and investments	$ 202,187,651	$ 18,734,707	$ 15,522,467	$ 18,626,644

(Continued)

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Pooled Funds: In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the interest-bearing Placer County Treasurer's Pooled Investment Fund. The District is considered to be an involuntary participant in an external investment pool. The fair value of the District's investment in the pool is reported in the financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio).

During the fiscal year ended June 30, 2024, the District earned $10,414,329 in investment income from its cash in the Placer County Treasury.

Cash and Investments with Fiscal Agents: Cash and investments with Fiscal Agents totaling $30,391,951 represents cash and investments held by third party custodians relating to SFID debt service. These funds are maintained in the interest-bearing Placer County Treasurer's Pooled Investment Fund and are carried at fair value. The fair value of the District's investment in the pool is reported in the financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio).

Foundation Investments: At June 30, 2024, the Foundation's investments consisted of the following:

Cash and cash equivalents	$ 1,318,090
Mutual funds	14,794,052
Real estate investment trusts	1,104,392
Investment in Foundation for California Community Colleges Scholarship Endowment (FCCC/Osher)	727,465
Equity security	91,495
Total investments	$ 18,035,494

Included in total investments at June 30, 2024 is an equity investment in a closely-held company in the amount of $91,495. This investment without readily determinable fair value is carried at cost because of the Foundation's inability to exercise significant influence over the company.

The Foundation invests in a pooled scholarship endowment fund, FCCC/Osher, managed by the Foundation for California Community Colleges ("FCCC"). The objective of the Foundation's investment in FCCC/Osher is to grow the Foundation's investments through the Bernard Osher Foundation pledge to match funds contributed to FCCC/Osher. The investment managers engaged by FCCC are required to follow specific guidelines set forth by FCCC with respect to the various types of allowable investments purchased and held by the pool. Accordingly, the estimated fair value of these investments is based on information provided by external investment managers engaged by FCCC. At June 30, 2024, the Foundation investment in pool consisted of 7% cash and short term investments, 34% fixed income securities, and 59% equity securities.

Trust Investments: The Trust agreement authorizes the use of a broad range of investment choices that have distinctly different risks and return characteristics. In general, investments held in the Trust Fund are for the primary purpose of meeting present and future OPEB liability obligations and may be invested in accordance with California Government Code Sections 53600 through 53622 that, subject to applicable legal requirements, may provide greater latitude to increase purchasing power and capital growth potential if deemed prudent to do so.

(Continued)

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

The Trust Fund's investment portfolio is invested with the objective of achieving a target net annual rate of return of 5.5% as well as an additional 1% to cover the costs of trust administration. At June 30, 2024, 41% of the Trust's investment value is held in equities, 54% is held in fixed income and 5% in real estate securities.

As stated in the Investment Policy, the Trust will invest predominantly in equities and fixed income securities. The fair value of the Trust's individual investments at June 30, 2024 are as follows:

Mutual funds - equities	$ 6,219,518
Mutual funds - fixed income	8,347,764
Mutual funds - real estate	689,491
	$ 15,256,773

Custodial Credit Risk: The District limits custodial credit risk by ensuring uninsured balances are collateralized by the respective financial institution. Cash balances held in banks are insured up to $250,000 by the Federal Deposit Insurance Corporation ("FDIC") and are collateralized by the respective financial institution. At June 30, 2024, the carrying amount of the District's cash on hand and in banks for the primary governmental entity was $1,317,061 and the bank balance was $2,128,600. The bank balance amount insured was $250,000.

Cash balances held in banks at the Foundation are also insured up to $250,000 by the FDIC. Cash equivalents held by a broker are insured up to $500,000 by the Securities Investor Protection Corporation ("SIPC"). At June 30, 2024, the carrying amount of the Foundation's cash on hand and in banks and cash equivalents was $2,017,303 and the bank balance was $2,176,873. The bank balance amount insured by the Federal Deposit Insurance Corporation or Securities Investor Protection Corporation was $1,012,560.

Cash balances held in banks at the SCES are held in a Certificate of Deposit Account Registry Service (CDARS). Deposits held in CDARS are insured from deposits ranging from $250,000 to $10,000,000. SCES does not hold more than $250,000 at any individual financial institution through CDARS. Accordingly all cash held in banks at the SCES are fully insured.

The California Government Code requires California banks and savings and loan associations to secure the District's deposits by pledging government securities as collateral. The market value of pledged securities must equal 110 percent of an agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150 percent of an agency's total deposits and collateral is considered to be held in the name of the District. All cash held by the financial institutions that is not insured is collateralized.

(Continued)

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Credit Risk: Generally, 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. Presented below is the minimum rating required by (where applicable) the California Government Code, the Placer County Treasury Investment Policy based on California Government Code Section 53635, the District's investment policy, or debt agreements, and the actual rating as of year-end for each investment type. This table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentrations of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds or Notes	5 years	None	None
U.S. Treasury Obligations	5 years	None	100%
U.S. Agency Securities	5 years	None	75%
Bankers Acceptance	180 days	40%	30%
Commercial Paper	270 days	40%	40%
Negotiable Certificates of Deposit	5 years	30%	30%
Collateralized Certificates of Deposit	N/A	None	20%
Repurchase Agreements	1 year	25%	20%
Corporate Notes	5 years	30%	30%
Local Agency Investment Funds (LAIF)	N/A	40MM	40MM
CDARS Certificates of Deposit	N/A	30%	30%

The District's Trust investment policy requires all fixed income investments to be of investment grade quality or higher at purchase; that is, at the time of purchases, rated no lower than "BBB" by Standard and Poor's. At June 30, 2024, the Trust investments consisted of open and closed-end mutual funds, therefore there are no credit ratings to disclose.

Investments Authorized by Debt Agreements: Investment of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the District's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustees. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Placer County Investment Pool	Five years	None	None

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. As of year-end, the maximum average maturity of the investments contained in the County investment pool is five years.

(Continued)

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the maturity date of each investment:

Investment Type	Weighted Average Maturity (in Years)
Placer County Investment Pool	1.59

The District's OPEB Trust (the "Trust") investments consisted of open and closed-end mutual funds, therefore, there are no significant interest rate risk related to the investments held, as there are no maturities related to the mutual funds held.

Concentration of Credit Risk: The District's investment policy places limits on the amount it may invest in any one issuer. At June 30, 2024, the District had no concentration of credit risk.

The District's Trust investment policy requires that not more than 5 percent of the Trust assets be invested in any single equity security or debt security. However, the limitation does not apply to the percentage of Trust assets invested in a single diversified mutual fund, nor does the limitation apply to obligations of the U.S. Government and its agencies or U.S. agency mortgage-backed pass-through securities. At June 30, 2024, the Trust investment had no holdings that exceeded 5% of the Trust assets.

NOTE 3 - FAIR VALUE MEASUREMENTS - INVESTMENTS

The following presents information about the Trust's and Foundation's assets and liabilities measured at fair value on a recurring basis as of June 30, 2024, and indicates the fair value hierarchy of the valuation techniques utilized by the Foundation to determine such fair value based on the hierarchy:

Level 1 - Quoted market prices or identical instruments traded in active exchange markets. Level 1 investments include mutual funds, corporate stocks, and real estate investment trusts.

Level 2 - Significant other observable inputs such as quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable or can be corroborated by observable market data. Level 2 investments include corporate bonds and U.S. Treasury notes.

Level 3 - Significant unobservable inputs that reflect a reporting entity's own assumptions about the methods that market participants would use in pricing an asset or liability. Level 3 investments include the investment in FCCC/Osher.

Valuation Approach: The District's mutual fund investments are generally classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices or broker or dealer quotations.

There were no changes in the valuation techniques used during the year ended June 30, 2024. There were no transfers of assets between the fair value levels for the year ended June 30, 2024.

(Continued)

NOTE 3 - FAIR VALUE MEASUREMENTS – INVESTMENTS (Continued)

The Trust is required or permitted to record the following assets at fair value on a recurring basis:

Description	Level 1	Level 2	Level 3	Total
Investment securities				
Mutual fund - equities	$ 6,219,518	$ -	$ -	$ 6,219,518
Mutual fund - fixed income	8,347,764	-	-	8,347,764
Mutual fund - real estate	689,491	-	-	689,491
Total investment securities	$ 15,256,773	$ -	$ -	$ 15,256,773

The Foundation is required or permitted to record the following assets at fair value on a recurring basis:

Description	Level 1	Level 2	Level 3	Total
Investment securities				
Cash and cash equivalents	$ 1,318,090	$ -	$ -	$ 1,318,090
Mutual funds - equities	9,349,225	-	-	9,349,225
Mutual funds - fixed income	5,444,827	-	-	5,444,827
Real estate investment trusts	1,104,392	-	-	1,104,392
Investment in FCCC/Osher	-	-	727,465	727,465
Total investment securities	17,216,534	-	727,465	17,943,999
Investments held at cost				91,495
Total investments	$ 17,216,534	$ -	$ 727,465	$ 18,035,494

Included in total investments at June 30, 2024 is an equity investment in a closely-held company in the amount of $91,495. This investment without readily determinable fair value is carried at cost because of the Foundation's inability to exercise significant influence over the company.

The fair value of the funds held by FCCC is based upon the Foundation's proportionate share of the FCCC/Osher pooled investment portfolio (Level 3 inputs). Foundation management reviews the valuations and returns in comparison to industry benchmarks and other information provided by FCCC, but there is currently no visibility provided by FCCC to the specific listing of underlying investment holdings.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Foundation had no non-recurring assets and no liabilities at June 30, 2024, which were required to be disclosed using the fair value hierarchy.

(Continued)

NOTE 4 - RECEIVABLES

Receivables at June 30, 2024 are summarized as follows:

	District	Foundation	SCES
Federal	$ 622,567	$ -	$ -
State	3,413,774	-	-
Local and other	2,370,701	57,564	166,419
	6,407,042	57,564	166,419
Less allowance for doubtful accounts	(753,105)	-	-
	$ 5,653,937	$ 57,564	$ 166,419

NOTE 5 - CAPITAL ASSETS AND LEASED ASSETS

Capital asset and leased asset activity consists of the following:

	Balance July 1, 2023	Additions	Deductions	Transfers	Balance June 30, 2024
Capital assets					
Non-depreciable					
Land	$ 8,595,603	$ -	$ -	$ -	$ 8,595,603
Construction in progress	117,001,048	58,615,856	(3,875)	(88,982,838)	86,630,191
Depreciable					
Buildings	179,640,304	5,383,608	-	59,553,151	244,577,063
Building & site improvements	70,019,310	448,866	-	27,061,154	97,529,330
Machinery and equipment	26,082,508	2,419,346	(90,712)	2,368,533	30,779,675
Total	401,338,773	66,867,676	(94,587)	-	468,111,862
Less accumulated depreciation					
Buildings	50,830,681	4,258,318	-	-	55,088,999
Building & site improvements	39,942,163	3,311,273	-	-	43,253,436
Machinery and equipment	15,986,614	1,745,803	(86,694)	-	17,645,723
Total	106,759,458	9,315,394	(86,694)	-	115,988,158
Capital assets, net	$ 294,579,315	$ 57,552,282	$ (7,893)	$ -	$ 352,123,704
Leased assets					
Buildings	$ 2,972,778	-	(1,042,416)	-	$ 1,930,362
Site improvements	2,836,667	-	-	-	2,836,667
Total	5,809,445	-	(1,042,416)	-	4,767,029
Less amortization					
Buildings	1,148,550	521,209	-	-	$ 1,669,759
Site improvements	1,205,583	141,833	-	-	1,347,416
Total	2,354,133	663,042	-	-	3,017,175
Leased asset, net	$ 3,455,312	$ (663,042)	$ (1,042,416)	$ -	$ 1,749,854

(Continued)

NOTE 6 - UNEARNED REVENUE

Unearned revenue for the District consisted of the following:

Unearned tuition and other student fees	$ 2,891,231
Unearned local revenue	3,729,481
Unearned Federal and State revenue	23,676,963
Total unearned revenue	$ 30,297,675

NOTE 7 - LONG-TERM LIABILITIES

General Obligation Bonds: On June 21, 2007, the District issued Measure G, Series B SFID No. 1 bonds to fund the acquisition, construction and development of a new campus. Capital appreciation bonds of $4,535,973 bear interest at rates ranging from 4.96% to 5.01%. Interest on such capital appreciation bonds is compounded semiannually each year. The capital appreciation bonds mature June 1, 2032 and are payable only at maturity. In 2015, the District issued refunding bonds which defeased serial bonds of the Series B SFID No. 1 General Obligation Bonds. For financial reporting purposes, the debt has been considered defeased and therefore removed from the District's financial statements.

Accreted interest on the capital appreciation bonds was $5,781,523 at June 30, 2024.

The following is a schedule of the future payments for the Series B SFID No. 1 General Obligation Bonds:

Year Ending June 30,	Principal	Interest	Total
2025	$ -	$ -	$ -
2026	-	-	-
2027	-	-	-
2028	537,566	902,434	1,440,000
2029	535,642	974,358	1,510,000
2030-2032	3,462,764	7,737,236	11,200,000
Subtotal	4,535,972	9,614,028	14,150,000
Plus: Unamortized premium	93,711	-	93,711
Total	$ 4,629,683	$ 9,614,028	$ 14,243,711

On June 21, 2007, the District issued Measure G, Series B SFID No. 2 bonds to fund the acquisition, construction and development of a new campus. Serial Bonds of $4,260,000 matured August 1, 2012. Capital appreciation bonds of $22,136,517 bear interest at rates ranging from 4.15% to 6.32%. Bonds maturing August 1, 2013 to August 1, 2031 are payable only at maturity on August 1 of each year. Final capital appreciation bonds mature June 1, 2032 and are payable only at maturity. Interest on such capital appreciation bonds is compounded semiannually each year.

Accreted interest on the capital appreciation bonds was $13,348,354 at June 30, 2024.

(Continued)

NOTE 7 - LONG-TERM LIABILITIES (Continued)

The following is a schedule of the future payments for the Series B SFID No. 2 General Obligation Bonds:

Year Ending June 30,	Principal	Interest	Total
2025	$ 1,027,331	$ 1,332,668	$ 2,359,999
2026	1,022,670	1,452,330	2,475,000
2027	1,021,228	1,578,772	2,600,000
2028	1,017,270	1,707,730	2,725,000
2029	1,007,433	1,832,567	2,840,000
2030-2032	5,436,716	13,553,285	18,990,001
Subtotal	10,532,648	21,457,352	31,990,000
Plus: Unamortized premium	150,092	-	150,092
Total	$ 10,682,740	$ 21,457,352	$ 32,140,092

During the year ended June 30, 2015, the District issued $7,585,000 of 2015 General Obligation Refunding Bonds. The current interest bonds bear interest at rates of 3.00% to 5.00%, maturing August 1, 2026. Proceeds were used to advance refund a portion of the outstanding 2004 Series B SFID No. 1 General Obligation Bonds and to pay the costs of issuing the 2015 Refunding Bonds. For financial reporting purposes, the refunded debt has been considered defeased and therefore removed from the District's financial statements.

The following is a schedule of the future payments for the 2015 Refunding Bonds:

June 30,	Principal	Interest	Total
2025	$ 995,000	$ 141,625	$ 1,136,625
2026	1,105,000	89,125	1,194,125
2027	1,230,000	30,750	1,260,750
Subtotal	3,330,000	261,500	3,591,500
Plus: Unamortized premium	318,664	-	318,664
Total	$ 3,648,664	$ 261,500	$ 3,910,164

During the year ended June 30, 2019, the District issued $80,000,000 of 2018 General Obligation Bonds, Series A. The current interest bonds bear interest at rates of 3.59% to 4.00%, maturing August 1, 2053. Proceeds are to be used to finance the acquisition, construction, modernization and equipping of District sites and facilities.

(Continued)

NOTE 7 - LONG-TERM LIABILITIES (Continued)

The following is a schedule of the future payments for the 2018 GO Bonds, Series A:

June 30,	Principal	Interest	Total
2025	$ -	$ 2,460,400	$ 2,460,400
2026	-	2,460,400	2,460,400
2027	-	2,460,400	2,460,400
2028	-	2,460,400	2,460,400
2029	-	2,460,400	2,460,400
2030-2034	1,945,000	12,226,700	14,171,700
2035-2039	7,235,000	11,248,500	18,483,500
2040-2044	11,445,000	9,397,900	20,842,900
2045-2049	16,915,000	6,584,500	23,499,500
2050-2054	23,970,000	2,524,400	26,494,400
Subtotal	61,510,000	54,284,000	115,794,000
Plus: Unamortized premium	2,708,567	-	2,708,567
Total	$ 64,218,567	$ 54,284,000	$ 118,502,567

On February 18, 2021, the District issued $97,000,000 of 2018 General Obligation Bonds, Series B. The current bonds bear interest at rates of 2.00% to 4.00%, maturing August 1, 2053. The Series B Bonds are being issued to finance the acquisition, construction, modernization and equipping of District sites and facilities within the Improvement District No. 4 and pay the costs of issuing the Series B Bonds.

The following is a schedule of the future payments for the 2018 GO Bonds, Series B:

June 30,	Principal	Interest	Total
2025	$ 795,000	$ 1,856,719	$ 2,651,719
2026	980,000	1,821,219	2,801,219
2027	1,155,000	1,778,519	2,933,519
2028	1,335,000	1,728,719	3,063,719
2029	1,525,000	1,671,519	3,196,519
2030-2034	8,980,000	7,289,444	16,269,444
2035-2039	10,005,000	5,935,672	15,940,672
2040-2044	13,255,000	4,767,894	18,022,894
2045-2049	17,135,000	3,244,903	20,379,903
2050-2054	21,810,000	1,202,325	23,012,325
Subtotal	76,975,000	31,296,933	108,271,933
Plus: Unamortized premium	3,869,978	-	3,869,978
Total	$ 80,844,978	$ 31,296,933	$ 112,141,911

(Continued)

NOTE 7 - LONG-TERM LIABILITIES (Continued)

On February 18, 2021, the District issued $11,450,000 of 2021 General Obligation Refunding Bonds, Series A. The current bonds bear interest at rates of 0.149% to 1.445%, maturing August 1, 2029. Proceeds are being issued by the District to advance refund a portion of the District's outstanding 2013 General Obligation Refunding Bonds, Series A, and pay the costs of issuing the Series A Refunding Bonds. For financial reporting purposes, the refunded debt has been considered defeased and removed from the District's financial statements.

The following is a schedule of the future payments for the 2021 Refunding Bonds, Series A:

Year Ending June 30,	Principal	Interest	Total
2025	$ 1,520,000	$ 102,599	$ 1,622,599
2026	1,615,000	94,752	1,709,752
2027	1,720,000	82,656	1,802,656
2028	1,830,000	65,463	1,895,463
2029	1,955,000	42,630	1,997,630
2030	2,085,000	15,064	2,100,064
Total	$ 10,725,000	$ 403,164	$ 11,128,164

On February 18, 2021, the District issued $9,195,000 of 2021 General Obligation Refunding Bonds, Series B. The current bonds bear interest at rates of 0.149% to 1.485%, maturing August 1, 2029. Proceeds are being issued by the District to advance refund a portion of the District's outstanding 2013 General Obligation Refunding Bonds, Series B, and pay the costs of issuing the Series B Refunding Bonds. For financial reporting purposes, the refunded debt has been considered defeased and removed from the District's financial statements.

The following is a schedule of the future payments for the 2021 Refunding Bonds, Series B:

Year Ending June 30,	Principal	Interest	Total
2025	$ 1,220,000	$ 83,407	$ 1,303,407
2026	1,290,000	77,068	1,367,068
2027	1,375,000	67,402	1,442,402
2028	1,460,000	53,674	1,513,674
2029	1,590,000	35,265	1,625,265
2030	1,690,000	12,548	1,702,548
Total	$ 8,625,000	$ 329,364	$ 8,954,364

(Continued)

NOTE 7 - LONG-TERM LIABILITIES (Continued)

On June 8, 2023, the District issued $63,000,000 of 2018 General Obligation Bonds, Series C. The current bonds bear interest at rates of 5.00% to 4.00%, maturing August 1, 2053. The Series C Bonds are being issued to finance the acquisition, construction, modernization and equipping of District sites and facilities within the Improvement District No. 4 and pay the costs of issuing the Series C Bonds.

The following is a schedule of the future payments for the 2018 General Obligation Bonds, Series C:

Year Ending June 30,	Principal	Interest	Total
2025	$ 9,750,000	$ 2,657,000	$ 12,407,000
2026	7,350,000	2,657,000	10,007,000
2027	455,000	2,229,500	2,684,500
2028	580,000	2,034,375	2,614,375
2029	670,000	2,008,500	2,678,500
2030-2034	4,455,000	9,492,000	13,947,000
2035-2039	6,280,000	8,247,875	14,527,875
2040-2044	8,535,000	6,516,375	15,051,375
2045-2049	11,095,000	4,359,150	15,454,150
2050-2054	13,830,000	1,971,400	15,801,400
Subtotal	63,000,000	42,173,175	105,173,175
Plus: Unamortized premium	3,013,345	-	3,013,345
Total	$ 66,013,345	$ 42,173,175	$ 108,186,520

Certificates of Participation: During 2012, the Financing Corporation issued $11,962,000 of Certificates of Participation (COPs) with an average interest rate of 2.29%. Proceeds were used to advance refund outstanding 1998, 2004 and 2007 COPs. The net proceeds related to the advance refunding issuance and fund balances from prior issuances totaling $12,889,141 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments and the 1998, 2004 and 2007 COPs were defeased. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. The remaining balance of the defeased bonds at June 30, 2024 is $406,000.

Following is a schedule of the future payments for the 2012 Certificates of Participation:

Year Ending June 30,	Principal	Interest	Total
2025	$ 406,000	$ 5,156	$ 411,156

Lease liability: The District leases equipment and a building under long-term, material lease agreements which are scheduled to mature through 2028. During fiscal year 2024, the District decided not to renew the building lease. As a result the long term liability associated with the building lease was reduced by approximately $1 million.

(Continued)

NOTE 7 - LONG-TERM LIABILITIES (Continued)

The annual requirements to amortize the leases outstanding as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 448,380	$ 17,720	$ 466,100
2026	192,057	13,439	205,496
2027	196,436	9,060	205,496
2028	200,917	4,581	205,498
Total	$ 1,037,790	$ 44,800	$ 1,082,590

Changes in Long-Term Debt: A schedule of changes in long-term debt for the year ended June 30, 2024 is as follows:

	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024	Amounts Due Within One Year
Debt					
General Obligation Bonds	$ 253,197,795	$ -	$ 13,964,175	$ 239,233,620	$ 15,307,331
Accreted interest	18,653,082	1,692,620	1,215,825	19,129,877	500,962
Unamortized Bond Premium	10,940,662	-	786,305	10,154,357	571,216
Other long-term liabilities					
Certificates of Participation	802,000	-	396,000	406,000	406,000
Lease liability	2,785,003	-	1,747,213	1,037,790	448,380
Compensated absences	2,244,811	172,677	-	2,417,488	2,417,488
Net pension liability	88,770,000	10,324,000	-	99,094,000	-
Net OPEB Liability	18,681,279	-	2,497,604	16,183,675	-
	$ 396,074,632	$ 12,189,297	$ 20,607,122	$ 387,656,807	$ 19,651,377

NOTE 8 - NET PENSION LIABILITY - STATE TEACHERS' RETIREMENT PLANS

General Information about the State Teachers' Retirement Plan

Plan Description: Teaching-certificated employees of the District are provided with pensions through the State Teachers' Retirement Plan (STRP) - a cost-sharing multiple-employer defined benefit pension plan administered by the California State Teachers' Retirement System (CalSTRS). The Teachers' Retirement Law (California Education Code Section 22000 et seq.), as enacted and amended by the California Legislature, established this plan and CalSTRS as the administrator. The benefit terms of the plan may be amended through legislation. CalSTRS issues a publicly available financial report that can be obtained at http://www.calstrs.com.com.

Benefits Provided: The STRP Defined Benefit Program has two benefit formulas:

- 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 62: Members first hired on or after January 1, 2013, to perform service that could be creditable to CalSTRS.

NOTE 8 - NET PENSION LIABILITY - STATE TEACHERS' RETIREMENT PLANS (Continued)

The Defined Benefit (DB) Program provides retirement benefits based on members' final compensation, age and years of service credit. In addition, the retirement program provides benefits to members upon disability and to survivors/beneficiaries upon the death of eligible members. There are several differences between the two benefit formulas which are noted below.

CalSTRS 2% at 60 - 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, up to the 2.4 percent maximum.

CalSTRS calculates retirement benefits based on a one-year final compensation for members who retired on or after January 1, 2001, with 25 or more years of credited service, or for classroom teachers with less than 25 years of credited service if the employer elected to pay the additional benefit cost prior to January 1, 2014. One-year final compensation means a member's highest average annual compensation earnable for 12 consecutive months calculated by taking the creditable compensation that a member could earn in a school year while employed on a fulltime basis, for a position in which the person worked. For members with less than 25 years of credited service, final compensation is the highest average annual compensation earnable for any 36 consecutive months of credited service.

CalSTRS 2% at 62 - 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.

All CalSTRS 2% at 62 members have their final compensation based on their highest average annual compensation earnable for 36 consecutive months of credited service.

<u>Contributions</u>: Required member, employer and state contribution rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. Current contribution rates were established by California Assembly Bill 1469 (CalSTRS Funding Plan), which was passed into law in June 2014, and established a schedule of contribution rate increases shared among members, employers, and the State of California to bring CalSTRS toward full funding by 2046. Under the CalSTRS Funding Plan, authority to adjust contribution rates annually within approved ranges was delegated to the Board of CalSTRS.

A summary of statutory contribution rates and other sources of contributions to the Defined Benefit Program pursuant to the CalSTRS Funding Plan are as follows:

Members - Under CalSTRS 2% at 60, the member contribution rate was 10.250 percent of applicable member earnings for fiscal year 2022-23.

Under CalSTRS 2% at 62, members pay 9% toward the normal cost and an additional 1.205 percent as per the CalSTRS Funding Plan for a total member contribution rate of 10.205 percent. The contribution rate for CalSTRS 2% at 62 members is adjusted if the normal cost increases or decreases by more than 1% since the last time the member contribution rate was set. Based on the June 30, 2022, valuation adopted by the CalSTRS board in May 2023, the increase in normal cost was less than 1 percent. Therefore, the contribution rate for CalSTRS 2% at 62 members did not change effective July 1, 2023.

(Continued)

NOTE 8 - NET PENSION LIABILITY - STATE TEACHERS' RETIREMENT PLANS (Continued)

Employers – Employers are required to contribute a base contribution rate set in statute at 8.25%. Pursuant to the CalSTRS Funding Plan, employers also have a supplemental contribution rate to eliminate their share of the CalSTRS unfunded actuarial obligation by 2046. The CalSTRS Funding Plan authorizes the CalSTRS board to adjust the employer supplemental contribution rate up or down by a maximum of 1% for a total rate of no higher than 20.25% and no lower than 8.25%. In May 2023, the CalSTRS board voted to keep the employer supplemental contribution rate at 10.85% for fiscal year 2023-24 for a total employer contribution rate of 19.10%.

The CalSTRS employer contribution rates effective for fiscal year 2023-2024 through fiscal year 2046-47 are summarized in the table below:

Effective Date	Base Rate	Supplemental Rate Per CalSTRS Funding Plan	Total
July 1, 2023	8.250%	10.850%	19.100%
July 1, 2024 to June 30, 2046	8.250%	(1)	(1)
July 1, 2046	8.250%	Increase from AB 1469 rate ends in 2046-47	

(1) The CalSTRS Funding Plan authorizes the board to adjust the employer contribution rate up or down by up to 1% each year, but no higher than 20.250% total and no lower than 8.250%.

The District contributed $8,549,239 to the plan for the fiscal year ended June 30, 2024.

State – The state is required to contribute 10.828 percent of the members' creditable compensation from two fiscal years prior.

The state is required to contribute a base contribution rate set in statute at 2.017%. Pursuant to the CalSTRS Funding Plan, the state also has a supplemental contribution rate, which the board can increase by up to 0.5% each fiscal year to help eliminate the state's share of the CalSTRS unfunded actuarial obligation by 2046. In May 2023, the CalSTRS board voted to keep the state supplemental contribution rate at 6.311% for fiscal year 2022-23 for a total contribution rate of 10.828%.

The CalSTRS state contribution rates effective for fiscal year 2023-2024 and beyond are summarized in the table below.

Effective Date	Base Rate	Supplemental Rate Per CalSTRS Funding Plan	SBMA Funding(1)	Total
July 01, 2023	2.017%	6.311%	2.50%	10.828%
July 01, 2024 to June 30, 2046	2.017%	(2)	2.50%	(2)
July 01, 2046	2.017%	(3)	2.50%	(3)

NOTE 8 - NET PENSION LIABILITY - STATE TEACHERS' RETIREMENT PLANS (Continued)

(1) The SBMA contribution rate excludes the $72 million that is reduced from the required contribution in accordance with Education Code section 22954.

(2) The CalSTRS board has limited authority to adjust the state contribution rate annually through June 2046 in order to eliminate the remaining unfunded actuarial obligation. The board cannot increase the supplemental rate by more than 0.5% in a fiscal year, and if there is no unfunded actuarial obligation, the supplemental contribution rate imposed would be reduced to 0%.

(3) From July 1, 2046, and thereafter, the rates in effect prior to July 1, 2014, are reinstated, if necessary, to address any remaining unfunded actuarial obligation.

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

At June 30, 2024, 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	$ 45,982,000
State's proportionate share of the net pension liability associated with the District	22,031,000
Total	$ 68,013,000

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30,2022. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating school districts and the State. At June 30, 2024, the District's proportion was 0.060 percent, which was an increase of 0.007 percent from its proportion as of June 30, 2023.

NOTE 8 - NET PENSION LIABILITY - STATE TEACHERS' RETIREMENT PLANS (Continued)

For the year ended June 30, 2024, the District recognized pension expense of $9,947,007 and revenue of $3,296,020 for support provided by the State. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 3,613,000	$ 2,460,000
Changes of assumptions	266,000	-
Net differences between projected and actual earnings on investments	197,000	-
Changes in proportion and differences between District contributions and proportionate share of contributions	5,085,000	3,326,000
Contributions made subsequent to measurement date	8,549,239	-
Total	$ 17,710,239	$ 5,786,000

$8,549,239 reported as deferred outflows of resources related to pensions resulting from contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2025	$ (1,514,200)
2026	(2,259,199)
2027	4,003,300
2028	430,633
2029	1,296,633
2030	1,417,833

Differences between expected and actual experience and changes in assumptions are amortized over a closed period equal to the average remaining service life of plan members, which is 7 years as of the June 30, 2023 measurement date. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed 5-year period.

(Continued)

NOTE 8 - NET PENSION LIABILITY - STATE TEACHERS' RETIREMENT PLANS (Continued)

Actuarial Methods and Assumptions: The total pension liability for the STRP was determined by applying update procedures to the actuarial valuation as of June 30, 2022, and rolling forward the total pension liability to June 30, 2023 . The actuarial valuation as of June 30, 2022, used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2022
Experience Study	July 1, 2015 through June 30, 2018
Actuarial Cost Method	Entry age normal
Investment Rate of Return	7.10%
Consumer Price Inflation	2.75%
Wage Growth	3.50%
Post-retirement Benefit Increases	2.00% simple for DB, maintain 85% purchasing power level for DB

Discount Rate: The discount rate used to measure the total pension liability was 7.10 percent, which was unchanged from the prior fiscal year. 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 increase 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 STRP'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.

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

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 investment staff and investment consultants as inputs to the process.

(Continued)

NOTE 8 - NET PENSION LIABILITY - STATE TEACHERS' RETIREMENT PLANS (Continued)

The actuarial investment rate of return assumption was adopted by the CalSTRS board in January 2020 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS consulting actuary reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of 20-year geometric real rates of return and the assumed asset allocation for each major asset class used as input to develop the actuarial investment rate of return are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term* Expected Real Rate of Return
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)

* 20-year geometric average

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:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
District's proportionate share of the net pension liability	$ 77,131,000	$ 45,982,000	$ 20,109,000

Pension Plan Fiduciary Net Position: Detailed information about the pension plan's fiduciary net position is available in the separately issued CalSTRS financial report.

NOTE 9 - NET PENSION LIABILITY - PUBLIC EMPLOYER'S RETIREMENT FUND B

General Information about the Public Employer's Retirement Fund B

Plan Description: The schools cost-sharing multiple-employer defined benefit pension plan Public Employer's Retirement Fund B (PERF B) is administered by the California Public Employees' Retirement System (CalPERS). Plan membership consists of non-teaching and non-certified employees of public schools (K-12), community college districts, offices of education, charter and private schools (elective) in the State of California.

NOTE 9 - NET PENSION LIABILITY - PUBLIC EMPLOYER'S RETIREMENT FUND B (Continued)

The Plan was established to provide retirement, death and disability benefits to non-teaching and non- certified employees in schools. The benefit provisions for Plan employees are established by statute. CalPERS issues a publicly available financial report that can be obtained at:

https://www.calpers.ca.gov/docs/forms-publications/acfr- 2023.pdf

Benefits Provided: The benefits for the defined benefit plans 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 (10 years for State Second Tier members) of credited service.

Contributions: The benefits for the defined benefit pension plans are funded by contributions from members and employers, and earnings from investments. Member and employer contributions are a percentage of applicable member compensation. Member contribution rates are defined by law and depend on the respective employer's benefit formulas. Employer contribution rates are determined by periodic actuarial valuations or by state statute. Actuarial valuations are based on the benefit formulas and employee groups of each employer. Employer contributions, including lump sum contributions made when district's first join the PERF B, are credited with a market value adjustment in determining contribution rates.

The required contribution rates of most active plan members are based on a percentage of salary in excess of a base compensation amount ranging from zero dollars to $863 monthly.

Required contribution rates for active plan members and employers as a percentage of payroll for the year ended June 30, 2024 were as follows:

Members - The member contribution rate was 7.0 percent of applicable member earnings for fiscal year 2022-23.

Employers - The employer contribution rate was 26.68 percent of applicable member earnings.

The District contributed $7,837,939 to the plan for the fiscal year ended June 30, 2024.

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

At June 30, 2024, the District reported a liability of $53,112,000 or its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating school districts. At June 30, 2024 the District's proportion was 0.147 percent, which was a decrease of 0.005 percent from its proportion as of June 30, 2023.

(Continued)

NOTE 9 - NET PENSION LIABILITY - PUBLIC EMPLOYER'S RETIREMENT FUND B (Continued)

For the year ended June 30, 2024, the District recognized pension expense of $7,661,419. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1,938,000	$ 816,000
Changes of assumptions	2,447,000	-
Net differences between projected and actual earnings on investments	5,673,000	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	2,103,000
Contributions made subsequent to measurement date	7,837,939	-
Total	$ 17,895,939	$ 2,919,000

$7,837,939 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2025	$ 1,486,333
2026	1,361,334
2027	4,114,833
2028	176,500

Differences between expected and actual experience, changes in assumptions and changes in proportion and differences between District contributions and proportionate share of contributions are amortized over a closed period equal to the expected average remaining service life of plan members, which was 3.8 years as of the June 30, 2023 measurement date. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed 5-year period.

(Continued)

NOTE 9 - NET PENSION LIABILITY - PUBLIC EMPLOYER'S RETIREMENT FUND B (Continued)

Actuarial Methods and Assumptions: The total pension liability for the Plan was determined by applying update procedures to the actuarial valuation as of June 30, 2022, and rolling forward the total pension liability to June 30, 2023. The actuarial valuation as of June 30, 2022, used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2022
Experience Study	June 30, 2000 through June 30, 2019
Actuarial Cost Method	Entry age normal
Investment Rate of Return	6.90%
Consumer Price Inflation	2.30%
Wage Growth	Varies by entry age and service
Post-retirement Benefit Increases	2.00% until Purchasing Power Protection Allowance Floor on Purchasing Power Applies, 2.30% thereafter

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries 80% of scale MP2020. For more details on this table, please refer to the 2021 experience study report.

All other actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from 2000 to 2019, including updates to salary increase, mortality and retirement rates. Further details of the Experience Study can be found at CalPERS' website.

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

Asset Class	Assumed Asset Allocation	Expected Real Rates of Return Years 1-10 (1, 2)
Global Equity – cap-weighted	30.00%	4.54%
Global Equity non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	.27%
Mortgage-backed Securities	5.00%	.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	(5.00%)	(0.59%)

(1) An expected inflation rate of 2.30% used for this period
(2) Figures are based on the 2021-22 CalPERS Asset Liability Management Study

NOTE 9 - NET PENSION LIABILITY - PUBLIC EMPLOYER'S RETIREMENT FUND B (Continued)

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 Plan. The results of the crossover testing for the Plan are presented in a detailed report that can be obtained at CalPERS' website.

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, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

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:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability	$ 76,786,000	$ 53,112,000	$ 33,546,000

Pension Plan Fiduciary Net Position: Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report.

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS

Plan Description: The District provides lifetime post-employment healthcare benefits (OPEB) under the Sierra Joint Community College District Futuris Substantive Plan for certain groups of employees who retire from the District. The benefits provide retired employees and eligible dependents with health insurance coverage. When the retiree is eligible for Medicare, the District provides insurance coverage supplemental to Medicare. Eligible requirements and benefits may vary according to hire date. The District provides the OPEB benefits through a single employer defined benefit OPEB plan that is administered by Benefit Trust Company. OPEB provisions are established and amended per contractual agreement with employee groups. The plan does not issue separate financial statements. The following is a description of the current retiree benefit plan:

Academic Employees

- Employees hired before November 27, 1984 receive 100% paid benefits upon retirement from the District.
- Employees hired after November 27, 1984, but before July 2, 1988, must have completed five years of service to receive 100% paid benefits.

(Continued)

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

- Employees hired after July 1, 1988, but before July 2, 1994, must have completed twelve years of service to receive 100% paid benefits.

- Employees hired after July 1, 1994 may purchase benefits at their own expense.

Classified Employees

- Employees hired before December 10, 1985 receive 100% paid benefits upon retirement from the District.

- Employees hired after December 10, 1985, but before July 2, 1986, must have completed five years of service to receive 100% paid benefits.

- Employees hired after July 1, 1986, but before July 2, 1994, must have completed 15 years of service to receive 100% paid benefits.

- Employees hired after July 1, 1994 may purchase benefits at their own expense.

During the year ended June 30, 2008 the District signed an irrevocable trust (the Trust) agreement. The District appointed a Board of Authority with authority to make decisions on behalf of the District with respect to the *Futuris Public Entity Investment Trust Program*. Benefit Trust Company was appointed as the custodian and trustee to administer the *Futuris Public Entity Investment Trust*

The Board of Authority is comprised of the following six positions: Vice President, Administrative Services, Director, Human Resources, Vice President of Student Services, 1 Federation of United School Employees Member, 1 Sierra College Faculty Association Member, 1 Sierra College Management Association Member and 1 retiree.

Employees covered by benefit term: The following is a table of plan participants at June 30, 2024:

	Number of Participants
Inactive employees/dependents receiving benefits	288
Inactive employees/dependents entitled to but not yet receiving benefits	-
Active employees	8
	296

Contributions: The contribution requirements of plan members and the District are established and may be amended by the Board of Authority and by contractual agreement with employee groups. The District's plan members contribute 1% of base pay to the plan with a matching 1% from the employer. For the year ended June 30, 2024, employer contributions consist of $2,890,455 paid from the General Fund. Additionally, the trustee may amend or modify the benefits if the contributions to the trust and reserves of the trust are insufficient to maintain the benefits of participants and dependents.

(Continued)

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

OPEB Plan Investments: The plan discount rate of 7.5 percent was determined using the following asset allocation and assumed rate of return:

Asset Class	Percentage of Portfolio	Rate of Return*
Equities	40%	4.0%
Fixed income	55%	3.1%
Alternatives	5%	0.4%

*Geometric average

Rolling periods of time for all asset classes in combination we used to appropriately reflect correlation between asset classes. This means that the average returns for any asset class do not necessarily reflect the averages over time individually, but reflect the return for the asset class for the portfolio average. Additionally, the historic 30-year real rates of return for each asset class along with the assumed long-term inflation assumption was used to set the discount rate. The investment return was offset by assumed investment expenses of 25 basis points. It was further assumed that contributions to the plan would be sufficient to fully fund the obligation over a period not to exceed 30 years.

Money-weighted rate of return on OPEB plan investments	10.58%

The money-weighted rate of return expresses investment performance, net of OPEB plan investment expenses, adjusted for the changing amounts actually invested.

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

Valuation date	July 1, 2023
Measurement date	June 30, 2024
Census data	The census was provided by the District as of July 1, 2023
Actuarial cost method	Entry age normal
Amortization methods	Flat dollar amount allocation with 18 year closed amortization
Inflation rate	3.25%
Investment rate of return	7.50%
Discount rate	7.50%; assuming contributions would be sufficient to fully fund the obligation over a period not to exceed 30 years.
Health care cost trend rate	7.00%
Payroll increase	3.25%

(Continued)

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Participation rates	It is assumed that new retirees select coverage, consistent with their active election and participate in Medicare.
Mortality	For certificated employees the 2024 CalSTRS mortality tables were used.
	For classified employees the 2021 CalPERS active mortality for miscellaneous employees were used.
Spouse prevalence	Spouses were assumed where current benefit elections indicated spousal coverage.
Spouse ages	To the extent spouse dates of birth are not provided and when needed to calculate benefit liabilities, males were assumed to be the same age as their female counterparts.
Turnover	For certificated employees the 2024 CalSTRS termination rates were used.
	For classified employees the 2021 CalPERS termination rates for school employees were used.
Service requirement	For certificated employees 100% at 12 years of service.
	For classified employees 100% at 15 years of service.
	For management 100% at 12 years of service. Retirement rates For certificated employees the 2024 CalSTRS retirement rates were used.
	For classified employees the 2021 CalPERS retirement rates for school employees were used.

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Changes in the Net OPEB Liability:

	Total OPEB Liability (a)	Total Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance, June 30, 2023	$ 32,566,314	$ 13,885,034	$ 18,681,280
Changes for the year			
Service cost	20,201	-	20,201
Interest	2,354,655	-	2,354,655
Plan member contributions	-	10,301	(10,301)
Employer contributions	-	2,890,455	(2,890,455)
Expected interest income	-	-	-
Investment gains	-	1,459,353	(1,459,353)
Administrative expense	-	(108,216)	108,216
Estimated benefit payments	(3,268,258)	(2,880,154)	(388,104)
Change in assumptions	(182,259)	-	(182,259)
Experience Gains/Losses	(50,205)	-	(50,205)
Net change	(1,125,866)	1,371,739	(2,497,605)
Balance, June 30, 2024	$ 31,440,448	$ 15,256,773	$ 16,183,675

Fiduciary Net Position as a % of the Total OPEB Liability, at June 30, 2024: 48.53%

Sensitivity of the Net Pension Liability to Assumptions: The following presents the net OPEB liability calculated using the discount rate of 7.5 percent. The schedule also shows what the net OPEB liability would be if it were calculated using a discount rate that is 1 percent lower (6.5 percent) and 1 percent higher (8.5 percent):

	Discount Rate 1% Lower (6.50%)	Valuation Discount Rate (7.50%)	Discount Rate 1% Higher (8.50%)
Net OPEB liability	$ 18,674,880	$ 16,183,675	$ 14,009,274

The following table presents the net OPEB liability calculated using the heath care cost trend rate of 7.0 percent. The schedule also shows what the net OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percent lower (6.0 percent) and 1 percent higher (8.0 percent):

	Health Care Trend Rate 1% Lower (6.0%)	Valuation Health Care Trend Rate (7.0%)	Health Care Trend Rate 1% Higher (8.0%)
Net OPEB liability	$ 14,102,733	$ 16,183,675	$ 18,538,823

(Continued)

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: For the year ended June 30, 2024, the District recognized OPEB expense of $1,232,475. At June 30, 2024, the District reported deferred outflows or resources and deferred inflow of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings of OPEB plan investments	$ 501,234	$ -

Amounts reported as deferred outflows of resources related to the net difference between projected and actual earnings of OPEB plan investments will be amortized over five years and recognized in OPEB expense as follows:

2025	$ 153,404
2026	569,882
2027	(141,368)
2028	(80,684)
	$ 501,234

Differences between expected and actual experience and changes in assumptions are amortized over the average remaining service life of plan members, which is one year as of the June 30, 2024 measurement date. At June 30, 2024, the District recognized a decrease to the net OPEB liability in the amount of $182,259 related to changes in assumptions and a decrease to the net OPEB liability in the amount of $50,205 related to differences between expected and actual experience.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

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

The District has received Federal and State funds for specific purposes that are subject to review or audit by the grantor agencies. Although such audits could result in expenditure disallowances under terms of the grants, it is management's opinion that any required reimbursements or future revenue offsets subsequently determined will not have a material effect on the District's financial statements.

(Continued)

NOTE 11 - COMMITMENTS AND CONTINGENCIES (Continued)

Operating Leases: Future minimum rental payments under all noncancelable operating leases not meeting the District's threshold for capitalizing as a 'right of use asset', with initial or remaining lease terms in excess of one year as of June 30, 2024, are as follows:

Year Ending June 30,	
2025	$ 448,380
2026	192,057
2027	196,436
2028	200,916
	$ 1,037,789

At June 30, 2024, the District's operating lease expenses totaled $704,798.

Construction Commitments: As of June 30, 2024, the District had approximately $96,400,000 in outstanding commitments on construction contracts.

NOTE 12 - JOINT POWERS AGREEMENTS

Sierra Joint Community College District participates in Joint Power Agreements ("JPAs"), with Alliance of Schools for Cooperative Insurance Programs ("ASCIP") for property, liability and workers' compensation insurance, Self-Insured Schools of California (SISC III) for health and welfare benefits and Schools Excess Liability Fund ("SELF") for excess liability insurance for the operation of common risk management and insurance programs. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years. There have been no significant reductions in insurance coverage from coverage in the prior year. The relationship between the District and the JPAs is such that the JPAs are not component units of the District for financial reporting purposes.

The JPAs are governed by boards consisting of representatives from member district. The boards control the operations of the JPAs, including the selection of management and approval of operating budgets, independent of any influence by the member district beyond their representation on the governing board. The District pays a premium commensurate with the level of coverage requested.

Member districts share surpluses and deficits proportionate to their participation in the JPAs. The JPAs are independently accountable for their fiscal matters and maintain their own accounting records. Budgets are not subject to any approval other than that of the governing board.

(Continued)

NOTE 12 - JOINT POWERS AGREEMENTS (Continued)

Condensed financial information of the JPAs for the most recent year available is as follows:

	ASCIP June 30, 2023	SISC III September 30, 2023	SELF June 30, 2023
Total assets	$ 519,383,817	$ 995,241,762	$ 279,749,592
Deferred outflows of resources	2,445,419	-	706,136
Total liabilities	347,789,357	295,532,977	241,775,359
Deferred inflows of resources	42,609	-	104,291
Net position	173,997,270	699,708,785	38,576,078
Total revenues	295,054,036	3,215,135,078	57,218,250
Total expenses	339,498,606	3,215,218,121	108,529,460
Change in net position	(44,444,570)	(83,043)	(51,311,210)

NOTE 13 - OPERATING EXPENSES

The following schedule details the functional classifications of the District's operating expenses reported in the statement of revenues, expenses and changes in net position for the year ended June 30, 2024.

Functional Classifications	Salaries	Employee Benefits	Supplies Materials and Other Operating Expenses and Services	Student Aid	Utilities	Depreciation	Total
Instruction	$ 42,850,705	$ 16,081,688	$ 4,537,358	$ -	$ -	$ -	$ 63,469,751
Academic support	6,310,803	2,489,336	1,024,525	-	-	-	9,824,664
Student services	16,038,769	6,562,549	2,319,833	22,595	-	-	24,943,746
Operations and maintenance of plant	3,210,924	1,495,375	1,863,560	-	3,843,564	-	10,413,423
Institution support	11,588,439	(13,319,594)	9,071,807	-	-	-	7,340,652
Community services & economic developmen	973,541	436,144	1,922,263	-	-	-	3,331,948
Ancillary services & auxiliary operations	2,659,557	1,047,014	3,368,473	-	-	-	7,075,044
Physical property and related acquisitions	1,213,893	570,882	4,007,239	-	-	9,978,436	15,770,450
Long-term debt and other financing	-	-	139,392	-	-	-	139,392
Student aid	-	-	-	39,244,111	-	-	39,244,111
	$ 84,846,631	$ 15,363,394	$ 28,254,450	$ 39,266,706	$ 3,843,564	$ 9,978,436	$ 181,553,181

(Continued)

NOTE 14 – RELATED PARTY TRANSACTIONS

Administrative Service Fee: The Foundation earned revenues of $145,000 during the year ended June 30, 2024, for services provided to the District in assisting in the administration of scholarships to individual students in accordance with the terms and conditions specified in the individual scholarship fund.

In-kind Donation from the District: The Foundation received in-kind donations from the District totaling $179,657 for the year ended June 30, 2024. This consisted of accounting and management support, comprehensive insurance, office space, and other miscellaneous internal services as provided by the District. The valuation of such services and facilities is determined based upon various factors including employee salaries and benefits, office rent, and certain other operating expenses.

These items are recorded as contributions in net assets without donor restrictions on the statement of activities at their estimated fair value for the year ended June 30, 2024. A breakdown of the amounts is as follows:

Salaries and benefits	$ 158,887
Audit and professional fees	5,000
Office space	15,770
	$ 179,657

NOTE 15 - ENDOWMENT NET ASSETS - FOUNDATION

Changes in endowment net assets for the fiscal year ended June 30, 2024, consisted of the following:

	Net Assets Without Donor Restriction	Net Assets With Donor Restriction	Total
Endowment net assets, beginning of year	$ 1,181,327	$ 7,941,665	$ 9,122,992
Change in fair value of investment and investment income	240,611	645,763	886,374
Contributions	-	345,629	345,629
Other transfers	153,759	181,975	335,734
Appropriation of endowment assets for expenditure	(88,276)	(290,765)	(379,041)
Endowment net assets, end of year	$ 1,487,421	$ 8,824,267	$ 10,311,688

(Continued)

NOTE 15 - ENDOWMENT NET ASSETS - FOUNDATION (Continued)

Endowment net asset composition by type of fund for the fiscal year ended June 30, 2024, consisted of the following:

	Net Assets Without Donor Restriction	Net Assets With Donor Restriction	Total
Donor-restricted endowment funds	$ -	$ 8,824,267	$ 8,824,267
Board-designated endowment funds	1,487,421	-	1,487,421
Total	$ 1,487,421	$ 8,824,267	$ 10,311,688

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. For the year ended June 30, 2024, there were seven donor-restricted funds with deficiencies totaling approximately $14,000. The original value of these funds was approximately $542,000.

REQUIRED SUPPLEMENTARY INFORMATION

SIERRA JOINT COMMUNITY COLLEGE DISTRICT

SCHEDULE OF CHANGES IN NET OPEB LIABILITY

For the Year Ended June 30, 2024

Last 10 Fiscal Years

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB liability								
Service Cost	$ 171,433	$ 176,146	$ 164,087	$ 91,218	$ 87,460	$ 79,825	$ 67,277	$ 20,201
Interest	2,734,468	2,730,149	2,489,550	2,345,725	2,247,880	2,039,148	1,932,675	2,354,655
Benefit payments	(2,893,674)	(3,055,708)	(3,096,245)	(3,339,120)	(3,145,426)	(3,372,915)	(3,344,456)	(3,268,258)
Change in assumptions	-	3,787,175	850,956	985,955	6,487,721	(1,221,881)	(9,672,115)	(182,259)
Experience Gains/Losses	-	(451,989)	(2,830,654)	(7,436)	(3,057,058)	108,243	(951,953)	(50,205)
Net change in total OPEB liability	12,227	3,185,773	(2,422,306)	76,342	2,620,577	(2,367,580)	(11,968,572)	(1,125,866)
Total OPEB liability, beginning of year	43,429,853	43,442,080	46,627,853	44,205,547	44,281,889	46,902,466	44,534,886	32,566,314
Total OPEB liability, end of year (a)	$ 43,442,080	$ 46,627,853	$ 44,205,547	$ 44,281,889	$ 46,902,466	$ 44,534,886	$ 32,566,314	$ 31,440,448
Plan fiduciary net position								
Plan member contributions	34,991	31,878	25,583	22,176	22,815	12,708	8,323	10,301
Employer contributions	2,985,545	3,087,586	3,124,975	2,987,950	2,795,262	2,793,624	2,947,634	2,890,455
Investment gains (losses)	1,055,157	647,858	648,655	732,407	2,781,597	(2,835,399)	892,538	1,459,353
Administrative expense	(88,860)	(94,651)	(95,706)	(99,783)	(110,321)	(114,985)	(102,362)	(108,216)
Benefits payment	(2,950,555)	(3,055,708)	(3,096,245)	(2,965,774)	(2,780,916)	(2,780,916)	(2,939,311)	(2,880,154)
Change in plan fiduciary net position	1,036,278	616,963	607,262	676,976	2,708,437	(2,924,968)	806,822	1,371,739
Fiduciary trust net position, beginning of year	10,357,265	11,393,543	12,010,506	12,617,768	13,294,744	16,003,181	13,078,213	13,885,034
Fiduciary trust net position, end of year (b)	$ 11,393,543	$ 12,010,506	$ 12,617,768	$ 13,294,744	$ 16,003,181	$ 13,078,213	$ 13,885,035	$ 15,256,773
Net OPEB liability, ending (a) - (b)	$ 32,048,537	$ 34,617,347	$ 31,587,779	$ 30,987,145	$ 30,899,285	$ 31,456,673	$ 18,681,279	$ 16,183,675
Covered-employee payroll	$ 3,865,671	$ 3,187,814	$ 2,638,169	$ 2,358,441	$ 1,574,904	$ 1,298,071	$ 886,763	$ 726,375
Plan fiduciary net position as a percentage of the of the total OPEB liability	26%	26%	29%	30%	34%	29%	43%	49%
Net OPEB liability as a percentage of covered-employee payroll	829%	1086%	1197%	1314%	1962%	2423%	2107%	2228%

This is a 10 year schedule, however the information in this schedule is not required to be presented retrospectively.

See Note to Required Supplementary Information.

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN OF OPEB PLAN INVESTMENTS
For the Year Ended June 30, 2024

Last 10 Fiscal Years

	2017	2018	2019	2020	2021	2022	2023	2024
Money-weighted rate of return on OPEB plan investments	6.50%	5.50%	5.50%	5.82%	20.98%	-17.77%	6.85%	10.58%

This is a 10 year schedule, however the information in this schedule is not required to be presented retrospectively.

See Note to Required Supplementary Information.

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
For the Year Ended June 30, 2024

State Teacher's Retirement Plan
Last 10 Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
District's proportion of the net pension's liability	0.066%	0.067%	0.065%	0.060%	0.059%	0.058%	0.059%	0.053%	0.053%	0.060%
District's proportionate share of the net pension liability	$ 39,292,000	$ 44,841,000	$ 52,561,000	$ 55,412,000	$ 54,511,000	$ 52,729,000	$ 56,774,000	$ 23,900,000	$ 36,633,000	$ 45,982,000
State's proportionate share of the net pension liability associated with the District	23,726,000	23,716,000	29,925,000	32,782,000	31,210,000	28,767,000	31,026,000	14,220,000	20,706,000	22,031,000
Total net pension liability	$ 63,018,000	$ 68,557,000	$ 82,486,000	$ 88,194,000	$ 85,721,000	$ 81,496,000	$ 87,800,000	$ 38,120,000	$ 57,339,000	$ 68,013,000
District's covered payroll	$ 29,948,000	$ 30,914,000	$ 32,387,000	$ 33,520,000	$ 33,906,000	$ 33,933,000	$ 35,136,000	$ 28,207,000	$ 33,615,000	$ 36,300,000
District's proportionate share of the net pension liability as a percentage of its covered payroll	131.20%	145.05%	162.29%	165.31%	160.77%	168.03%	161.58%	84.73%	108.98%	126.67%
Plan fiduciary net position as a percentage of the total pension liability	76.52%	74.02%	70.04%	69.46%	70.99%	72.56%	71.82%	87.21%	81.20%	80.62%

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

(Continued)

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Year Ended June 30, 2024

Public Employers Retirement Fund B
Last 10 Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
District's proportion of the net pension liability	0.171%	0.165%	0.165%	0.161%	0.159%	0.158%	0.161%	0.157%	0.152%	0.147%
District's proportionate share of the net pension liability	$ 19,391,000	$ 24,389,000	$ 32,575,000	$ 38,545,000	$ 42,272,000	$ 46,157,000	$ 49,491,000	$ 31,977,000	$ 52,137,000	$ 53,112,000
District's covered payroll	$ 17,930,000	$ 18,318,000	$ 19,788,000	$ 20,590,000	$ 20,997,000	$ 21,937,000	$ 23,310,000	$ 22,561,000	$ 23,226,000	$ 25,398,000
District's proportionate share of the net pension liability as a percentage of its covered payroll	108.15%	133.14%	164.62%	187.20%	201.32%	210.42%	212.32%	141.74%	224.48%	209.12%
Plan fiduciary net position as a percentage of the total pension liability	83.38%	79.43%	73.89%	71.87%	70.85%	70.05%	70.00%	80.97%	69.76%	69.96%

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

State Teachers' Retirement Plan
Last 10 Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
NET POSITION	$ 2,745,182	$ 3,475,108	$ 4,216,794	$ 4,892,621	$ 5,534,068	$ 6,370,228	$ 5,882,565	$ 6,420,508	$ 7,671,987	$ 8,549,239
Contributions in relation to the contractually required contribution	(2,745,182)	(3,475,108)	(4,216,794)	(4,892,621)	(5,534,068)	(6,370,228)	(5,882,565)	(6,420,508)	(7,671,987)	(8,549,239)
District's covered payroll	$ 30,914,000	$ 32,387,000	$ 33,520,000	$ 33,906,000	$ 33,993,000	$ 35,136,000	$ 28,207,000	$ 33,615,000	$ 36,300,000	$ 44,760,000
Contributions as a percentage of covered payroll	8.88%	10.73%	12.58%	14.43%	16.28%	17.10%*	20.85%**	16.92%***	19.10%***	19.10%

* This rate reflects the original employer contribution rate of 18.13 percent under AB 1469, reduced for the 1.03 percentage points to be paid on behalf of employers pursuant to SB90.

** This rate reflects the original employer contribution rate of 19.10 percent under AB 1469, reduced for the 2.95 percentage points to be paid on behalf of employers pursuant to SB90.

*** This rate reflects the original employer contribution rate of 19.10 percent under AB 1469, reduced for the 2.18 percentage points to be paid on behalf of employers pursuant to SB90.

(Continued)

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
For the Year Ended June 30, 2024

Public Employers Retirement Fund B
Last 10 Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution	$ 2,156,206	$ 2,344,237	$ 2,859,575	$ 3,260,974	$ 3,962,220	$ 4,596,942	$ 4,670,951	$ 5,321,110	$ 6,443,419	$ 7,837,939
Contributions in relation to the contractually required contribution	(2,156,206)	(2,344,237)	(2,859,575)	(3,260,974)	(3,962,220)	(4,596,942)	(4,670,951)	(5,321,110)	(6,443,419)	(7,837,939)
District's covered payroll	$ 18,318,000	$ 19,788,000	$ 20,590,000	$ 20,997,000	$ 21,937,000	$ 23,310,000	$ 22,561,000	$ 23,226,000	$ 25,398,000	$ 29,378,000
Contributions as a percentage of covered payroll	11.77%	11.85%	13.89%	15.53%	18.06%	19.72%	20.70%	22.91%	25.37%	26.68%

See Note to Required Supplementary Information.

NOTE 1 - PURPOSE OF SCHEDULE

Schedule of Changes in Net Other Postemployment Benefits (OPEB) liability: The Schedule of Changes in Net OPEB liability is presented to illustrate the elements of the District's Net OPEB liability. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Schedule of Money-Weighted Rate of Return of OPEB Plan Investments: The Schedule of Money-Weighted Rate of Return of OPEB Plan Investments presents the weighted average rate of return for the District's OPEB Plan investments.

Schedule of the District's Proportionate Share of the Net Pension Liability: The Schedule of the District's Proportionate Share of the Net Pension Liability is presented to illustrate the elements of the District's Net Pension Liability. There is a requirement to show information for 10 years.

Schedule of the District's Contributions: The Schedule of the District's Contributions is presented to illustrate the District's required contributions relating to the pensions. There is a requirement to show information for 10 years..

Changes of Benefit Terms: There are no changes in benefit terms reported in the Required Supplementary Information.

Changes of Assumptions: The discount rate used to calculate the District's OPEB liability was 6.50, 5.50, 5.50, 5.25, 4.50, and 7.50 percent in the June 30, 2017, 2018, 2019, 2020, 2021, 2022, and 2023 actuarial reports, respectively.

The following are the assumptions for the Public Employer's Retirement Fund B (PERF B) Plan:

	Measurement Period								
Assumption	As of June 30, 2023	As of June 30, 2022	As of June 30, 2021	As of June 30, 2020	As of June 30, 2019	As of June 30, 2018	As of June 30, 2017	As of June 30, 2016	As of June 30, 2015
Inflation rate	2.30%	2.30%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Discount rate	6.90%	6.90%	7.15%	7.15%	7.15%	7.15%	7.65%	7.65%	7.50%

The following are the assumptions for State Teachers' Retirement Plan:

	Measurement Period								
Assumption	As of June 30, 2023	As of June 30, 2022	As of June 30, 2021	As of June 30, 2020	As of June 30 2019	As of June 30 2018	As of June 30, 2017	As of June 30, 2016	As of June 30, 2015
Consumer price inflation	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	3.00%	3.00%
Investment rate of return	7.10%	7.10%	7.10%	7.10%	7.10%	7.10%	7.10%	7.60%	7.60%
Wage growth	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.75%	3.75%

SUPPLEMENTARY INFORMATION

SIERRA JOINT COMMUNITY COLLEGE DISTRICT

COMBINING STATEMENT OF NET POSITION BY FUND

(Unaudited)

June 30, 2024

	General	Bond Interest & Redemption Fund	SFID #1 Bond Interest & Redemption	SFID #2 Bond Interest & Redemption	SFID #4 Bond Interest & Redemption	SFID #4 Capital Projects Fund
ASSETS						
Current assets						
Cash and cash equivalents	$ 78,584,272	$ -	$ 9,049,082	$ 3,826,734	$ 17,516,135	$ 87,890,316
Receivables, net	2,886,302	-	26,736	11,465	43,181	261,586
Inventory	42,064	-	-	-	-	-
Prepaid expenses	356,592	-	-	-	-	-
Total current assets	81,869,230	-	9,075,818	3,838,199	17,559,316	88,151,902
Noncurrent assets:						
Restricted cash, cash equivalents and investments	-	-	-	-	-	-
Non-depreciable capital assets	-	-	-	-	-	-
Depreciable capital assets, net	-	-	-	-	-	-
Leased assets, net	-	-	-	-	-	-
Total noncurrent assets	-	-	-	-	-	-
Total assets	81,869,230	-	9,075,818	3,838,199	17,559,316	88,151,902
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources - loss on refunding	-	-	-	-	-	-
Deferred outflows of resources - OPEB	-	-	-	-	-	-
Deferred outflows of resources - pensions	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	$ 81,869,230	$ -	$ 9,075,818	$ 3,838,199	$ 17,559,316	$ 88,151,902
LIABILITIES						
Current liabilities						
Accounts payable	$ 16,526,263	$ -	$ -	$ -	$ -	$ 442,589
Unearned revenue	29,790,438	-	-	-	-	-
Accrued payroll	5,405,605	-	-	-	-	-
Compensated absences payable	-	-	-	-	-	-
Long-term debt - current portion	-	-	-	-	-	-
Accrued interest on debt	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-
Total current liabilities	51,722,306	-	-	-	-	442,589
Noncurrent liabilities:						
Accreted interest on bonds	-	-	-	-	-	-
Long-term debt - noncurrent portion	-	-	-	-	-	-
Total noncurrent liabilities	-	-	-	-	-	-
Total liabilities	51,722,306	-	-	-	-	442,589
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - pension	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
NET POSITION						
Net investment in capital assets	-	-	-	-	-	-
Restricted for:						
Scholarships and loans	-	-	-	-	-	-
Capital projects	-	-	-	-	-	87,709,313
Debt service	-	-	9,075,818	3,838,199	17,559,316	-
Students	-	-	-	-	-	-
Unrestricted	30,146,924	-	-	-	-	-
Total net position	30,146,924	-	9,075,818	3,838,199	17,559,316	87,709,313
Total liabilities, deferred inflows of resources and net position	$ 81,869,230	$ -	$ 9,075,818	$ 3,838,199	$ 17,559,316	$ 88,151,902

(Continued)

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
COMBINING STATEMENT OF NET POSITION BY FUND
(Unaudited)
June 30, 2024

	Capital Projects	Dormitory	Student Funds	Financial Aid	Totals	Reconciling Adjustments/ Eliminations	Statement of Net Position
ASSETS							
Current assets							
Cash and cash equivalents	$ -	$ 2,953,763	$ 2,367,349	$ 267,012	$ 202,454,663	$ (267,012)	$ 202,187,651
Receivables, net	2,385,099	21,318	19,334	9,364	5,664,385	(10,448)	5,653,937
Inventory	-	-	-	-	42,064	-	42,064
Prepaid expenses	-	-	-	-	356,592	-	356,592
Total current assets	2,385,099	2,975,081	2,386,683	276,376	208,517,704	(277,460)	208,240,244
Noncurrent assets							
Restricted cash, cash equivalents and investments	134,430,384	-	-	-	134,430,384	267,012	134,697,396
Non-depreciable capital assets	-	-	-	-	-	95,225,794	95,225,794
Depreciable capital assets, net	-	-	-	-	-	256,897,910	256,897,910
Leased assets, net	-	-	-	-	-	1,749,854	1,749,854
Total noncurrent assets	134,430,384	-	-	-	134,430,384	354,140,570	488,570,954
Total assets	136,815,483	2,975,081	2,386,683	276,376	342,948,088	353,863,110	696,811,198
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows of resources - loss on refunding	-	-	-	-	-	444,726	444,726
Deferred outflows of resources - OPEB	-	-	-	-	-	501,234	501,234
Deferred outflows of resources - pensions	-	-	-	-	-	35,606,178	35,606,178
Total deferred outflows of resources	-	-	-	-	-	36,552,138	36,552,138
Total assets and deferred outflows of resources	$ 136,815,483	$ 2,975,081	$ 2,386,683	$ 276,376	$ 342,948,088	$ 390,415,248	$ 733,363,336
LIABILITIES							
Current liabilities							
Accounts payable	$ 20,048,452	$ 49,925	$ 28,376	$ (43,901)	$ 37,051,704	$ (10,449)	$ 37,041,255
Unearned revenue	17,093	76,575	96,047	317,521	30,297,674	1	30,297,675
Accrued payroll	-	-	-	-	5,405,605	-	5,405,605
Compensated absences payable	-	-	-	-	-	2,417,488	2,417,488
Long-term debt - current portion	-	-	-	-	-	16,785,509	16,785,509
Accrued interest on debt	-	-	-	-	-	3,205,893	3,205,893
Lease liabilities	-	-	-	-	-	448,380	448,380
Total current liabilities	20,065,545	126,500	124,423	273,620	72,754,983	22,846,822	95,601,805
Noncurrent liabilities							
Accreted interest on bonds	-	-	-	-	-	18,628,915	18,628,915
Long-term debt - noncurrent portion	-	-	-	-	-	349,376,515	349,376,515
Total noncurrent liabilities	-	-	-	-	-	368,005,430	368,005,430
Total liabilities	20,065,545	126,500	124,423	273,620	72,754,983	390,852,252	463,607,235
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows of resources - pension	-	-	-	-	-	8,705,000	8,705,000
Total deferred inflows of resources	-	-	-	-	-	8,705,000	8,705,000
NET POSITION							
Net investment in capital assets	-	-	-	-	-	135,942,137	135,942,137
Restricted for							
Scholarships and loans	-	-	-	2,756	2,756	-	2,756
Capital projects	116,749,938	-	-	-	204,459,251	-	204,459,251
Debt service	-	-	-	-	30,473,333	1	30,473,334
Students	-	-	2,262,260	-	2,262,260	-	2,262,260
Unrestricted	-	2,848,581	-	-	32,995,505	(145,084,142)	(112,088,637)
Total net position	116,749,938	2,848,581	2,262,260	2,756	270,193,105	(9,142,004)	261,051,101
Total liabilities, deferred inflows of resources and net position	$ 136,815,483	$ 2,975,081	$ 2,386,683	$ 276,376	$ 342,948,088	$ 390,415,248	$ 733,363,336

See accompanying note to supplemental information.

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION BY FUND
(Unaudited)
Year Ended June 30, 2024

	General	Bond Interest & Redemption Fund	SFID #1 Bond Interest & Redemption	SFID #2 Bond Interest & Redemption	SFID #4 Bond Interest & Redemption	SFID #4 Capital Projects Fund
Operating revenues						
Tuition and fees	$ 19,075,980	$ -	$ -	$ -	$ -	$ -
Less: fee waivers and allowance	(7,361,502)	-	-	-	-	-
Net tuition and fees	11,714,478	-	-	-	-	-
Grants and contracts, non-capital						
Federal	1,531,308	-	-	-	-	-
State	32,197,622	-	-	-	-	-
Local	1,311,558	-	-	-	-	-
Auxiliary enterprise sales and charges	228,974	-	-	-	-	-
Total operating revenues	46,983,940	-	-	-	-	-
Operating expenses						
Salaries	83,825,804	-	-	-	-	252,559
Employee benefits	35,220,315	-	-	-	-	128,087
Supplies, materials and other operating expenses and services	28,280,592	-	-	-	-	9,894,102
Student financial aid and scholarships	9,287,636	-	-	-	-	-
Utilities	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Total operating expenses	156,614,347	-	-	-	-	10,274,748
Operating (loss) income	(109,630,407)	-	-	-	-	(10,274,748)
Non-operating revenues (expenses)						
State apportionment, non-capital	1,361,308	-	-	-	-	-
Local property taxes	110,449,423	-	509	-	461,337	-
Federal grants and contracts, non-capital	-	-	-	-	-	-
State taxes and other revenues	8,178,269	-	1,675	-	82,744	-
Pell grants	-	-	-	-	-	-
Investment income - non-capital	1,979,784	-	293,437	57,995	345,522	2,968,050
Other non-operating revenues	501,045	-	-	-	-	-
Debt reduction	-	(579,590)	(2,285,000)	(2,139,176)	(9,540,000)	-
Loss on disposal of capital asset	-	-	-	-	-	-
Interfund transfers out	(10,712,222)	-	-	-	-	(10,274,748)
Interfund transfers in	158,788	619,365	-	-	-	10,274,748
Total non-operating revenues (expenses)	111,916,395	39,775	(1,989,379)	(2,081,181)	(8,650,397)	2,968,050
Income (loss) before capital revenues	2,285,988	39,775	(1,989,379)	(2,081,181)	(8,650,397)	(7,306,698)
Capital revenues (expense)						
Local property taxes and other revenues	27,061	-	3,588,051	3,713,478	14,507,496	-
Interest expense	-	(39,775)	(316,986)	(1,319,726)	(6,232,038)	-
Investment income - capital	-	-	-	-	-	-
Total capital revenues (expense)	27,061	(39,775)	3,271,065	2,393,752	8,275,458	-
Change in net position	2,313,049	-	1,281,686	312,571	(374,939)	(7,306,698)
Net position, July 1, 2023	27,833,875	-	7,794,132	3,525,628	17,934,255	95,016,011
Net position, June 30, 2024	$ 30,146,924	$ -	$ 9,075,818	$ 3,838,199	$ 17,559,316	$ 87,709,313

(Continued)

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION BY FUND
(Unaudited)
Year Ended June 30, 2024

	Capital Projects	Dormitory	Student Funds	Financial Aid	Totals	Statement of Revenues, Expenses and Adjustments/ Eliminations	Change in Net Position
Operating revenues							
Tuition and fees	$ (6,636)	$ 916,152	$ 183,701	$ -	$ 20,169,197	$ -	$ 20,169,197
Less: fee waivers and allowance	-	-	(568)	-	(7,362,070)	-	(7,362,070)
Net tuition and fees	(6,636)	916,152	183,133	-	12,807,127	-	12,807,127
Grants and contracts, non-capital							
Federal	-	-	-	5,690,058	7,221,366	-	7,221,366
State	26,479,000	-	-	3,374,995	62,051,617	(47,824)	62,003,793
Local	1,101,924	3,630	245,148	293,389	2,955,649	-	2,955,649
Auxiliary enterprise sales and charges	-	1,758	-	-	230,732	-	230,732
Total operating revenues	27,574,288	921,540	428,281	9,358,442	85,266,491	(47,824)	85,218,667
Operating expenses:							
Salaries	213,877	292,010	89,704	-	84,673,954	172,677	84,846,631
Employee benefits	108,345	132,346	35,242	-	35,624,335	(20,260,941)	15,363,394
Supplies, materials and other operating expenses and services	60,410,224	423,589	522,586	-	99,531,093	(71,276,643)	28,254,450
Student financial aid and scholarships	-	-	2,090	29,976,980	39,266,706	-	39,266,706
Utilities	-	-	-	-	-	3,843,564	3,843,564
Depreciation	-	-	-	-	-	9,978,436	9,978,436
Total operating expenses	60,732,446	847,945	649,622	29,976,980	259,096,088	(77,542,907)	181,553,181
Operating (loss) income	(33,158,158)	73,595	(221,341)	(20,618,538)	(173,829,597)	77,495,083	(96,334,514)
Non-operating revenues (expenses)							
State apportionment, non-capital	-	-	-	-	1,361,308	47,824	1,409,132
Local property taxes	-	-	-	-	110,911,269	-	110,911,269
State taxes and other revenues	-	-	-	-	8,262,688	(216,000)	8,046,688
Pell grants	-	-	-	20,505,483	20,505,483	-	20,505,483
Investment income - non-capital	4,597,079	94,611	77,851	-	10,414,329	(4,691,690)	5,722,639
Other non-operating revenues	3,000	-	39,902	-	543,947	100,911	644,858
Debt reduction	-	-	-	-	(14,543,766)	14,543,766	-
Loss on disposal of capital asset	-	-	-	-	-	(7,893)	(7,893)
Interfund transfers out	(18,996,993)	-	(373,925)	(6,688)	(40,364,576)	40,364,576	-
Interfund transfers in	28,818,007	-	373,925	119,743	40,364,576	(40,364,576)	-
Total non-operating revenues (expenses)	14,421,093	94,611	117,753	20,618,538	137,455,258	9,776,918	147,232,176
Income (loss) before capital revenues	(18,737,065)	168,206	(103,588)	-	(36,374,339)	87,272,001	50,897,662
Capital revenues (expense)							
Local property taxes and other revenues	95,967	-	-	-	21,932,053	2,999	21,935,052
Interest expense	-	-	-	-	(7,908,525)	(328,032)	(8,236,557)
Investment income - capital	-	-	-	-	-	4,691,690	4,691,690
Total capital revenues (expense)	95,967	-	-	-	14,023,528	4,366,657	18,390,185
Change in net position	(18,641,098)	168,206	(103,588)	-	(22,350,811)	91,638,658	69,287,847
Net position, July 1, 2023	135,391,036	2,680,375	2,365,848	2,756	292,543,916	(100,780,662)	191,763,254
Net position, June 30, 2024	$ 116,749,938	$ 2,848,581	$ 2,262,260	$ 2,756	$ 270,193,105	$ (9,142,004)	$ 261,051,101

See accompanying note to supplemental information.

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal AL Number	Contract Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Direct Programs:			
Student Financial Assistance Cluster:			
Pell Grant Program	84.063	P063P221180	$ 20,505,483
Administrative Allowance	84.063	P063Q221180	15,541
Federal Direct Student Loans	84.268	P268K231180	2,537,581
College Work Study Program	84.033	P033A220600	385,125
Federal Supplemental Educational Opportunity Grants	84.007	P007A220600	359,231
Subtotal Student Financial Assistance Cluster			23,802,961
TRIO Cluster			
Student Support Services (SSS) Program	84.042A	P042A100546	262,419
Career Technical Education Program:			
Title I - Part C - Basic Grant VTEA	84.048	21-C01-270	652,353
Perkins Marketing	84.048	-	1,364
Subtotal Career Technical Education Program			653,717
AANAPISI Collaborative Grant	84.031	-	29,180
Total U.S. Department of Education			24,748,277

(Continued)

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
For the Year Ended June 30, 2024

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal AL Number	Contract Entity Identifying Number	Federal Expenditures
U.S. Department of Treasury			
Passed through California Community College Chancellor's Office:			
COVID 19 SFRF Emergency Financial Assistance	21.027	None	$ 2,786,557
Total U.S. Department of Treasury			2,786,557
U.S. Department of Agriculture			
Passed through El Dorado and Nevada Counties:			
Forest Reserve - Forest Service Schools and Roads Cluster	10.665	None	19,943
Additional Supplemental Appropriations for Disaster Relief Act 2019	10.923	None	737
Total U.S. Department of Agriculture			20,680
U.S. Department of Veterans Affairs			
Direct Program:			
Veterans Reserve Funds	64.115	None	6,224
Total U.S. Department of Veterans Affairs			6,224
U.S. Department of Health and Human Services			
Passed through California Department of Education:			
Foster Parent Training	93.658	1262100	137,080
Passed through California Community College Chancellor's Office:			
Temporary Assistance for Needy Families - TANF Cluster	93.558	None	28,031
Total U.S. Department of Health and Human Services			165,111
Total Federal Programs			$ 27,726,849

See accompanying note to supplemental information.

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF STATE FINANCIAL AWARDS
For the Year Ended June 30, 2024

	Program Revenues				Total
	Cash Received	Accounts Receivable	Unearned Income/ Accounts Payable	Total	Program Expenditures
AB540 Dreamer Funding	$ 6,453	$ -	$ 6,453	$ -	$ -
AWS Pilot Skills	143,650	-	89,487	54,163	54,163
Learning Aligned Employment Program (LAEP)	3,506,384	10,821	-	3,517,205	764
Life Project DDS Employment	97,160	84,479	-	181,639	181,639
Adult Education Block Grant	49,949	-	3,517	46,432	46,432
BFAP	681,420	-	11,425	669,995	669,995
CA College Promise AB19	2,360,493	-	548,991	1,811,502	1,811,502
CA Early Childhood Mentor	644	-	644	-	-
CA Textbook Affordability Act	317	-	-	317	317
Cal Grant A	142,500	-	-	142,500	142,500
Cal Grant B	3,011,610	-	67,144	2,944,466	2,946,714
Cal Grant C	2,957	-	-	2,957	2,957
CALFRESH Outreach SB85	15,592	-	-	15,592	15,592
CalWORKS	752,124	-	337,365	414,759	414,759
CARE	394,958	-	3,108	391,850	391,850
CCC Equitable Placement Support Completion	745,735	-	514,429	231,306	231,306
Chafee Grant	235,000	-	-	235,000	235,000
Classified Professional Development	43,112	-	38,966	4,146	4,146
COVID 19 Response Block Grant COAS	40,959	-	6,762	34,197	34,197
Critical Care Specialized Nursing	14,870	-	13,654	1,216	1,216
Culturally Responsive Pedagogy & Practices	299,836	-	249,181	50,655	50,655
Dream Resource Liason Support	217,704	-	101,951	115,753	115,753
Physical Plant Instructional Support	2,192,603	-	1,377,275	815,328	815,328
DSPS (includes DHH and ATP)	2,937,266	-	1,173,052	1,764,214	1,764,215
Early Action Emergency Fin Aid	253,424	-	205,600	47,824	47,824
EOPS	1,859,243	-	14,797	1,844,446	1,844,445
Equal Employment Opportunity	138,888	-	231,710	(92,822)	59,644
LGBTQ+ Support	205,288	-	190,059	15,229	15,228
Basic Needs Center	1,172,149	-	1,075,988	96,161	96,161
Financial Aid Technology	57,931	-	5,139	52,792	52,791
Guided Pathway	703,767	-	209,636	494,131	494,131
GSETGP Admin Allowance	900	-	900	-	-
Culturally Competent Faculty	6,419	-	-	6,419	6,419
Strong Workforce Local 21-22	-	-	-	-	677,035
CCAP Instrctional Materials For Dual Enrollment	43,741	-	41,337	2,404	2,405
SW Regional 23-24	1,231,791	-	1,155,519	76,272	76,272
Strong Workforce Local 22-23	-	-	-	-	2,613,206
SW Regional 21-22	-	-	-	-	48,072
SW Regional 22-23	-	-	-	-	1,292,040

(Continued)

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF STATE FINANCIAL AWARDS
For the Year Ended June 30, 2024

	Program Revenues				Total
	Cash Received	Accounts Receivable	Unearned Income/ Accounts Payable	Total	Program Expenditures
Hunger Free Campus	$ 1,504	$ -	$ 1,504	$ -	$ -
Innovation in Higher Education	1,148,359	-	1,148,359	-	-
Invention and Innovation	12,277	-	62,765	(50,488)	-
Invention and Innovation Round 2	19,402	-	-	19,402	19,402
LIFE Program	-	985	-	985	985
Maintenance Allowance	5,392	-	-	5,392	5,392
Math PRT Innovation Effectiveness	-	200,000	192,225	7,775	7,775
Mental Health Support	719,603	-	374,328	345,275	345,275
Modernize CCC Technology	900,499	-	396,066	504,433	504,432
Native American Student Support and Success Program	1,500,000	-	1,426,513	73,487	73,487
NextUp (CAFYES)	713,260	-	26,734	686,526	686,525
Nursing Enrollment Growth	71,789	-	34,690	37,099	37,099
Puente Project	116,134	-	75,778	40,356	40,356
RCCG Project	-	5,000	-	5,000	5,000
Retention Enrollment Outreach	1,473,786	-	1,016,443	457,343	457,344
Regional Equity and Recovery Partnerships	57,303	-	21,948	35,355	35,355
Seamless Transfer of Ethinc Studies	48,695	-	41,805	6,890	6,890
SJCCD Y2 CCC Maker Implementation	-	-	1,475	(1,475)	1,313
Student Food and Housing Support	571,831	-	392,080	179,751	179,751
Library Services Platform	15,031	-	3,031	12,000	12,000
Student Success Completion Grant	5,797,516	-	585,772	5,211,744	5,211,744
Student Transfer Achievement Reform	565,217	-	565,217	-	-
EEO Best Practices	141,885	-	72,200	69,685	69,685
EEO Innovative Best Practices	150,000	-	117,195	32,805	32,805
Strong Workforce Local 23-24	2,313,533	-	2,273,683	39,850	39,850
Student Equity & Achievment (SEA)	9,524,978	-	3,443,036	6,081,942	6,081,942
SW Regional PIC Career Outreach	37,820	-	11,820	26,000	26,000
SWI Regional Marketing	80,000	-	40,000	40,000	55,000
TANF	35,792	-	-	35,792	28,270
Zero Textbook Cost Program	409,071	-	327,614	81,457	81,457
Veteran Resource Center	379,800	-	208,672	171,128	171,128
Total	$ 49,094,463	$ 301,285	$ 19,337,286	$ 30,058,462	$ 26,757,486

See accompanying note to supplemental information.

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF WORKLOAD MEASURES FOR
STATE GENERAL APPORTIONMENT
Annual Attendance as of June 30, 2024

Categories	Reported Data	Audit Adjustments	Revised Data
A. Summer Intersession (Summer 2023 only)			
1. Noncredit	17	-	17
2. Credit	1,401	-	1,401
B. Summer Intersession (Summer 2024 - Prior to July 1, 2024)			
1. Noncredit	1	-	1
2. Credit	10	-	10
C. Primary Terms (Exclusive of Summer Intersession)			
1. Census Procedure Courses			
a. Weekly Census Contact Hours	3,267	-	3,267
b. Daily Census Contact Hours	629	-	629
2. Actual Hours of Attendance Procedure Courses			
a. Noncredit	215	-	215
b. Credit	529	-	529
3. Alternative Attendance Accounting Procedure Courses			
a. Weekly Census Contact Hours	5,337	-	5,337
b. Daily Census Contact Hours	1,939	-	1,939
c. Noncredit Independent Study/Distance Education Courses	84	-	84
D. Total FTES	13,429	-	13,429
Supplementary Information:			
E. In-Service Training Courses (FTES)	-	-	-
F. Basic Skills Courses and Immigrant Education			
a. Noncredit	234	-	234
b. Credit	31	-	31
CCFS 320 Addendum			
CDCP	163	-	163
Centers FTES			
a. Noncredit	24	-	24
b. Credit	428	-	428

See accompanying note to supplemental information.

There were no adjustments proposed to any funds of the District.

RECONCILIATION OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

June 30, 2024

General fund	$ 30,146,924	
Bond interest and redemption funds	30,473,333	
Capital projects funds	204,459,251	
Financial aid fund	2,756	
Dormitory fund	2,848,581	
Student funds	2,262,260	
Total fund balances - business-type activity funds		$ 270,193,105
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used for governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. However, capital assets, net of accumulated depreciation are added to total net assets.		352,123,704
Leased assets used for governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. However, leased assets, net of accumulated amortization are added to total net assets.		1,749,854
Losses on refundings of debt are categorized as deferred outflows and are amortized over the shortened life of the refunded or refunding of the debt.		444,726
In government funds, deferred outflows and inflows of resources relating to OPEB and 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 relating to OPEB	501,234	
Deferred outflows of resources relating to pensions	35,606,178	
Deferred inflows of resources relating to pensions	(8,705,000)	
		27,402,412
Unmatured interest on long-term liabilities 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.		(3,205,893)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at June 30, 2024 consisted of		
General Obligation Bonds	(239,233,620)	
Accreted interest	(19,129,877)	
Bond premiums	(10,154,357)	
Certificates of participation	(406,000)	
Lease liabilities	(1,037,790)	
Compensated absences	(2,417,488)	
Net pension liability	(99,094,000)	
OPEB liability	(16,183,675)	
		(387,656,807)
Total net position - business-type activities		$ 261,051,101

See accompanying note to supplemental information.

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF ECS 84362 (50 PERCENT LAW) CALCULATION
For the Year Ended June 30, 2024

		Activity (ECSA) ECS 84362 A Instructional Salary Cost AC 0100-5900 & AC 6110			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
	Object/TOP Codes	Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
Academic Salaries							
Instructional salaries							
Contract or regular	1100	$ 20,078,587	$ -	$ 20,078,587	$ 20,135,459	$ -	$ 20,135,459
Other	1300	16,437,178	-	16,437,178	17,369,505	-	17,369,505
Total instructional salaries		36,515,765	-	36,515,765	37,504,964	-	37,504,964
Non-instructional salaries							
Contract or regular	1200	-	-	-	8,335,652	-	8,335,652
Other	1400	-	-	-	1,838,045	-	1,838,045
Total non-instructional salaries		-	-	-	10,173,697	-	10,173,697
Total academic salaries		36,515,765	-	36,515,765	47,678,661	-	47,678,661
Classified Salaries							
Non-instructional salaries							
Regular status	2100	-	-	-	17,568,557	-	17,568,557
Other	2300	-	-	-	2,342,135	-	2,342,135
Total non-instructional salaries		-	-	-	19,910,692	-	19,910,692
Instructional aides							
Regular status	2200	2,309,348	-	2,309,348	2,309,348	-	2,309,348
Other	2400	169,108	-	169,108	169,108	-	169,108
Total instructional aides		2,478,456	-	2,478,456	2,478,456	-	2,478,456
Total classified salaries		2,478,456	-	2,478,456	22,389,148	-	22,389,148
Employee benefits	3000	15,430,149	-	15,430,149	29,938,685	-	29,938,685
Supplies and materials	4000	-	-	-	1,114,545	-	1,114,545
Other operating expenses	5000	604,350	-	604,350	12,490,929	-	12,490,929
Equipment replacement	6420	-	-	-	-	-	-
Total expenditures prior to exclusions		$ 55,028,720	$ -	$ 55,028,720	$ 113,611,968	$ -	$ 113,611,968

(Continued)

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF ECS 84362 (50 PERCENT LAW) CALCULATION
For the Year Ended June 30, 2024

		Activity (ECSA) ECS 84362 A Instructional Salary Cost AC 0100-5900 & AC 6110			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
	Object/TOP Codes	Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
Exclusions							
Activities to exclude							
Instructional staff-retirees' benefits and retirement incentives	5900	$ 1,376,360	$ -	$ 1,376,360	$ 1,376,360	$ -	$ 1,376,360
Net position	6441	-	-	-	-	-	-
Student transportation	6491	-	-	-	-	-	-
Noninstructional staff-retirees' benefits and retirement incentives	6740	-	-	-	1,503,793	-	1,503,793
Objects to exclude							
Rents and leases	5060	-	-	-	717,812	-	717,812
Lottery expenditures		-	-	-	-	-	-
Academic salaries	1000	-	-	-	-	-	-
Classified salaries	2000	-	-	-	-	-	-
Employee benefits	3000	-	-	-	-	-	-
Supplies and materials	4000						
Software	4100	-	-	-	-	-	-
Books, magazines and periodicals	4200	-	-	-	5,175	-	5,175
Instructional supplies and materials	4300	-	-	-	-	-	-
Noninstructional supplies and materials	4400	-	-	-	261,771	-	261,771
Total supplies and materials		-	-	-	266,946	-	266,946
Other operating expenses and services	5000	-	-	-	2,650,122	-	2,650,122
Capital outlay	6000	-	-	-	-	-	-
Library books	6300	-	-	-	-	-	-
Equipment							
Equipment - additional	6410	-	-	-	-	-	-
Equipment - replacement	6420	-	-	-	-	-	-
Total equipment		-	-	-	-	-	-
Total capital outlay		-	-	-	-	-	-
Other outgo	7000	-	-	-	-	-	-
Total exclusions		1,376,360	-	1,376,360	6,515,033	-	6,515,033
Total for ECS 84362, 50% Law		$ 53,652,360	$ -	$ 53,652,360	$ 107,096,935	$ -	$ 107,096,935
Percent of CEE (Instructional salary cost / Total CEE)		50.10%	0.00%	50.10%	100.00%	0.00%	100.00%
50% of current expense of education		$ -	$ -	$ -	$ 53,548,468	$ -	$ 53,548,468

See accompanying note to supplemental information.

PROP 55 EPA EXPENDITURE REPORT
For the Year Ended June 30, 2024

EPA Proceeds: $ 1,361,308

Activity Classification	Activity Code (0100-5900)	Salaries and Benefits (1000-3000)	Operating Expenses (4000-5000)	Capital Outlay (6000)	Total
Instructional Activities	$ -	$ 1,361,308	$ -	$ -	$ 1,361,308

NOTE 1 - PURPOSE OF SCHEDULES

Combining Statement of Net Position by Fund and Statement of Revenues, Expenses and Change in Net Position by Fund: These statements report the financial position and operational results of the individual funds of the District and the reconciling adjusting entries under GASB Cod. Sec. Co5.101.

Schedule of Expenditure of Federal Awards: The Schedule of Expenditure of Federal Awards includes the federal award activity of Sierra Joint Community College District and is presented on the 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)*. Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Schedule of State Financial Awards: The accompanying Schedule of State Financial Awards includes State grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented to comply with reporting requirements of the California Community College Chancellor's Office.

Schedule of Workload Measures for State General Apportionment: Full-time equivalent students is a measurement of the number of students 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 community college districts. This schedule provides information regarding the attendance of students based on various methods of accumulating attendance data.

Reconciliation of Annual Financial and Budget Report (CCFS-311) with Audited Financial Statements: This schedule provides the information necessary to reconcile the fund balance of all funds reported on the CCFS-311 to the audited financial statements.

Reconciliation of Governmental funds to the Statement of Net Position: This schedule provides the information necessary to reconcile the fund balances to the audited financial statements.

Reconciliation of ECS 84362 (50 Percent Law) Calculation: This schedule provides the information necessary to reconcile the 50 Percent Law Calculation reported on the CCFS-311 to the audited data.

Prop 55 EPA Expenditure Report: This schedule provides information about the District's EPA proceeds and summarizes how the EPA proceeds were spent.

OTHER INFORMATION

Sierra Joint Community College District (the "District") is comprised of areas in Placer, Nevada, El Dorado and Sacramento Counties. The District operates a central campus located on a 299-acre site in the city of Rocklin, in southwestern Placer County, California, and two small satellite campuses located in Grass Valley and Truckee in Nevada County. Classes are also taught at the Roseville site and other sites throughout the 3,200-square-mile territory of the District. The District currently serves approximately 18,000 students who are enrolled in both day and evening classes, has a full time faculty of over 230, and a part time faculty of almost 900. Many areas of study are offered as well as vocational and technical education and many courses of instruction are transferable to accredited four-year colleges and universities.

The District is governed by a seven-member Board of Trustees, each member of which is elected to a four-year term. Elections for positions to the Board are held every two years, alternating between three and four available positions. The management and policies of the District are administered by a Superintendent appointed by the Board who is responsible for day-to-day District operations as well as the supervision of the District's other key personnel.

The Board of Trustees and District Administration for the fiscal year ended June 30, 2024, were composed of the following members:

BOARD OF TRUSTEES

Members	Office	Term Expires
Paul Bancroft	President	December 2026
Bob Sinclair	Vice President/Clerk	December 2024
Cari Dawson Bartley	Trustee	December 2026
Carol Garcia	Trustee	December 2024
Scott Leslie	Trustee	December 2024
Rachel Rosenthal	Trustee	December 2024
Bob Romness	Trustee	December 2026

BOARD AUDIT COMMITTEE MEMBERS

Scott Leslie   Bob Romness   Bob Sinclair

DISTRICT ADMINISTRATION

William H. Duncan, IV
Superintendent/President

Erik Skinner
Vice President of Administrative Services

AUXILIARY ORGANIZATIONS IN GOOD STANDING

Sierra College Enterprise Services
Established April 11, 2024
Erik Skinner, Treasurer

INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

Board of Trustees
Sierra Joint Community College District
Rocklin, California

Report on Compliance with State Laws and Regulations

Opinion on Compliance with State Laws and Regulations

We have audited Sierra Joint Community College District's compliance with the types of compliance requirements described in Section 400 of the *California State Chancellor's Office's California Community College Contracted District Audit Manual (CDAM)* applicable to community colleges in the State of California for the year ended June 30, 2024:

Description

SCFF Data Management Control Environment
SCFF Supplemental Allocation Metrics
SCFF Success Allocation Metrics
Salaries of Classroom Instructors (50 Percent Law)
Apportionment for Activities Funded From Other Sources
Student Centered Funding Formula Base Allocations: FTES
Residency Determination for Credit Courses
Students Actively Enrolled
Dual Enrollment (CCAP)
Scheduled Maintenance Program
Gann Limit Calculation
Apprenticeship Related and Supplemental Instruction (RSI) Funds
Disabled Student Programs and Services (DSPS)
Proposition 1D and 51 State Bond Funded Projects
Education Protection Account Funds
Student Representation Fee
COVID-19 Response Block Grant Expenditures

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the state laws and regulations referred to above for the year ended June 30, 2024.

Basis for Opinion on Compliance with State Laws and Regulations

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of the *Contracted District Audit Manual*. Our responsibilities under those standards and the *Contracted District Audit Manual* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

(Continued)

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *Contracted District Audit Manual*, we:

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

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

Purpose of this Report

The purpose of this report on compliance is solely to describe the scope of our testing of compliance and the results of that testing based on the requirements of the *Contracted District Audit Manual*. Accordingly, this report is not suitable for any other purpose.

Crowe LLP

Crowe LLP

Sacramento, California
December 11, 2024

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

Board of Trustees
Sierra Joint Community College District
Rocklin, 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 business-type activities, the fiduciary activities and the discretely presented component unit of Sierra Joint Community College District (the "District") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated XXXX XX, 202X. The financial statements of Sierra Foundation were not audited in accordance with *Government Auditing Standards,* and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with Sierra Foundation.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District'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 have not been identified.

(Continued)

Report on Compliance and Other Matters

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

Purpose of this Report

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

Crowe LLP

Crowe LLP

Sacramento, California
December 11, 2024

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Board of Trustees
Sierra Joint Community College District
Rocklin, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

(Continued)

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

(Continued)

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.

Crowe LLP

Crowe LLP

Sacramento, California
December 11, 2024

FINDINGS AND RECOMMENDATIONS

SECTION I - SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued:	Unmodified			
Internal control over financial reporting:				
Material weakness(es) identified?		Yes	X	No
Significant deficiency(ies) identified not considered to be material weakness(es)?		Yes	X	None reported
Noncompliance material to financial statements noted?		Yes	X	No

FEDERAL AWARDS

Internal control over major programs:				
Material weakness(es) identified?		Yes	X	No
Significant deficiency(ies) identified not considered to be material weakness(es)?		Yes	X	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?		Yes	X	No

Identification of major programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
84.063, 84.268, 84.033, 84.007	Student Financial Assistance Cluster
21.027	COVID 19 SFRF Emergency Financial Assistance

Dollar threshold used to distinguish between Type A and Type B programs:	$ 831,805			
Auditee qualified as low-risk auditee?	X	Yes		No

STATE AWARDS

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

(Continued)

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

(Continued)

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

(Continued)

SECTION IV - STATE AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

No matters were reported.